

129072

JPRS-EEI-84-035

21 March 1984

# East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

DISTRIBUTION STATEMENT A

Approved for public release;  
Distribution Unlimited

19980306 055

DTIC QUALITY INSPECTED 4

**FBIS**

FOREIGN BROADCAST INFORMATION SERVICE

7  
97  
A05

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

21 March 1984

## EAST EUROPE REPORT

### ECONOMIC AND INDUSTRIAL AFFAIRS

#### CONTENTS

##### GERMAN DEMOCRATIC REPUBLIC

Fodder Supply to Individual Producers Continued Under Reform  
(BAUERN-ECHO, 7 Feb 84) ..... 1

Piezoelectric Equipment for Underwater Communications  
(Arno Kiebusch; SEEWIRTSCHAFT, No 12, Dec 83) ..... 5

##### HUNGARY

Efforts of Grain Trust Ensure Year-Round Supply for Livestock  
(Ferenc Cserkuti; NEPSZABADSAG, 10 Feb 84) ..... 12

##### POLAND

Legacy of Failed Economic Policies Detailed  
(Peter von der Lippe; AUS POLITIK UND ZEITGESCHICHTE,  
11 Feb 84) ..... 16

##### ROMANIA

Performance of Economy in 1983 Reviewed  
(Dan Popescu; REVISTA ECONOMICA, No 5, 3 Feb 84) ..... 17

##### YUGOSLAVIA

Law on Social Accounting Service  
(SLUZBENI LIST SFRJ, No 71, 31 Dec 83) ..... 24

GERMAN DEMOCRATIC REPUBLIC

FODDER SUPPLY TO INDIVIDUAL PRODUCERS CONTINUED UNDER REFORM

East Berlin BAUERN-ECHO in German 7 Feb 84 Supplement pp 809-810

[Answer to Reader Question by Ministry for Agriculture, Forestry and Foodstuffs:  
"How Is Individual Production Being Further Promoted?"]

[Text] The following question was submitted from Suhl Bezirk by one of our readers who has the initial "K.":

Question: I am a small-livestock breeder and would like to increase my stock. What are the pertinent promotional measures applicable in this respect since the coming into force of the agrarian price reform?

The following is the answer supplied by the Ministry for Agriculture, Forestry and Foodstuffs:

The individual activities for raising small-scale livestock carried out by the members of the VKSK [Union of Small Gardeners, Settlers, and Small Livestock Breeders] and of the other small livestock producers are of great economic importance in connection with the safeguarding of a stable supply of foodstuffs for our population and of raw materials for our industry. Thus, for instance, approximately 13,000 tons of rabbit meat, 2 billion chicken eggs, and more than 7 million rabbit and other pelts were bought up from these producers in 1983.

Plans for 1984 also call for a stable development and further increase of individual production of particularly rabbits and geese, slaughter poultry, slaughter cattle, and slaughter hogs, chicken eggs, bee honey, wool, and pelts, and thus for creating a meaningful complement for our social production.

The higher prices to be paid for animal products produced by individual producers, which became effective on 1 February 1984, provide effective support for these concerns. They particularly promote initiatives of the kind which serve the intensive utilization of each and every square meter of soil and the opening up of fodder and animal housing capacity reserves.

And so, just what are the most important measures and rules affecting the small-livestock breeders?

Excerpts of the list of higher prices to be paid for animal products produced by individual producers, which became effective as of 1 January 1984, have previously been published in the 156/83 issue of BAUERN-ECHO.

The material inducements of the new agricultural prices are oriented toward products the production of which corresponds to the requirements and personal interests of the individual small-livestock breeders and which promote the further opening up of their own reserves and intensive utilization of their backyards and small gardens, unused and splinter spaces, ditches, and kitchen refuse.

One important prerequisite for chicken-egg and slaughter poultry production is further improvement in the sphere of young-animal availability. In 1984, therefore, the production of goslings, young turkeys, and ducklings will be increased in socialist agricultural enterprises, and stable deliveries of chicks and young hens will be increased to the extent that they will satisfy requirements.

The practice of allocating fodder in return for deliveries of chicken eggs, slaughter rabbits and geese, which has been carried out in recent years, will be continued also in 1984. Thus, breeders will get 1 kilogram of grain for five eggs in the period from 1 January to 3 March, for eight eggs in the period from 1 April to 30 September, and for five eggs in the period from 1 October to 30 December.

For each live-weight kilogram of slaughter rabbits, animal breeders will get a voucher entitling them to claim 2 kilograms of bran, and for each live-weight kilogram of slaughter geese they will get a voucher entitling them to claim 7 kilograms of grain.

The fodder dispensing points must make available at least 50 percent of the grain entitlement for delivered chicken eggs in the form of wheat and 50 percent in the form of maize and/or barley. Depending on local availability, up to 30 percent of grain may be issued in place of bran.

A new feature is the provision of fodder for bought-up turkeys, ducks, and white wart-ducks.

As of 1 January 1984, it is possible to claim 5 kilograms of grain for each live-weight kilogram of turkey, 1 kilogram of grain for each live-weight kilogram of ducks, and 1 kilogram of grain for each live-weight kilogram of wart-ducks.

In the case of all slaughter poultry categories, it is possible to conclude with the local purchasing points fattening contracts which entitle one to get delivery of the allocated fodder categories already at the time right after the contract has been concluded.

For each piglet or each young pig weighing 15 kilograms or more made available via the VEB [state-owned] meat combine for conclusion of a fattening contract

(and one's own individual domestic establishment as well), 20 kilograms of grain continue to be dispensed.

For purposes of further stimulating individual wool production, the regulation for providing 5 kilograms of grain for 1 kilogram of bought-up pure sheep's wool will be continued in 1984. Ten kilograms of bran will continue to be dispensed for each kilogram of quality categories No. 1 and No. 2 of Angora wool. For purposes of improving the availability of young livestock, the local organs will to an increased extent organize lamb marketing activities in 1984.

Breeders delivering rabbit pelts will continue to have the privilege of buying back processed rabbit pelts at the rate of 5 percent of the value of such items.

For nutria, mink, and fox pelts, the following fodder types will be made available also in 1984 (in kilograms):

	Nutria		Mink		High-quality Fox	
	I	II	I	II	I	II/III
Grain	20	15	15	10	15	10
Bran	20	15	15	10	15	10
Potatoes	75	25	--	--	--	--

Ten kilograms of bran will be given out for each goat skin, and 6 kilograms for each kid skin.

In 1984, the tax rules will be changed for the breeders of high-quality fur animals. In the future it will be possible to produce 100 mink pelts or 250 nutria pelts tax-free.

For purposes of facilitating the work of the small livestock breeders in connection with the delivery of animal products and the collection of fodder materials, the network of the points established for buying up chicken eggs, slaughter poultry, bee honey, wool, and pelts as well as the network of fodder dispensing points will be reinforced further.

The local councils bear particular responsibility in this connection. Jointly with the management boards of the agricultural producer cooperatives, they provide assistance also in connection with making contracts and the activities connected with buying up slaughter hogs and cattle. Further regulations for improving the material-technical supply situation are also intended to provide support for the initiatives of individual producers in accordance with the intentions of the 10th SED party congress, the 12th farmers' Congress, and the 5th VKSK congress.

As was the case in the past few years, claim slips for pick-ups of certain individually allotted quantities of fodder materials are issued at the time

of concluding fattening contracts or at the time of buying up animal products. The fodder claim slip must be presented by the individual small livestock breeders at the appropriate distribution point within four weeks. The fodder must be picked up within 3 months. Failure to do so will invalidate the claim. With the exception of the sale of chicken eggs, no right exists to claim any particular type of grain.

8272

CSO: 2300/297

PIEZOELECTRIC EQUIPMENT FOR UNDERWATER COMMUNICATIONS

East Berlin SEEWIRTSCHAFT in German Vol 15 No 12, Dec 83 pp 607-609

[Article by Arno Kiekbusch, physicist, Wolgast Peene Shipyard VEB: "Piezoelectric Ultrasonic Transducer for Telemetric Underwater Communications"]

[Text] Underwater engineering, operations, and research are becoming more and more important. Besides increased use of equipment and materials, they also require deployment of human persons underwater. For monitoring and instructing divers during their deployment, an individual wireless voice connection both between the divers and also to the deployment base on shore or in a boat proves to be extremely advantageous and indeed absolutely necessary for most applications. In performing underwater inspections, concealment operations, and especially with dangerous diving operations, steady communications between divers and the base can provide early information concerning dangers and effective countermeasures for the safety of the diver can be initiated as a remedy at an early stage. A wireless individual underwater communication system, especially for shallow divers and an arbitrary number of participants in the conversation, is thus very significant for the commercial, scientific, official, and amateur use.

Ultrasonic Transducer

Like nearly all transmissions of measurements, data, and information, underwater communication between divers is also effected telemetrically, preferably hydro-acoustically in the range of ultrasound, by means of a frequency-modulation method. From the task-specific requirement of a non-directional sound field, high efficiency, a minimum required range, small geometric dimensions, and the increase of sound absorption with frequency, a compromise must be reached in choosing the frequency of the signal carrier and the technical feasibility of the required electroacoustic transducer. This can be achieved with sufficient optimization in the low-frequency ultrasonic range and with piezoelectric acoustic transducers. However, with piezoelectric transducers, there are basic difficulties. These are that, for frequencies below 100 kHz, the required thickness of the transducer in the polarization direction becomes too great. Thus, transducers can no longer be fabricated or the excitation voltages become inconveniently high. The usual reduction of the resonance frequency by loading with end-masses in the form of sandwich vibrators cannot be combined in task-specific fashion with the requirements for a non-directional acoustic field and small geometrical dimensions for the transducer.



## Piezoelectric Radial Vibrator

One solution to this problem is to utilize the radial frequencies of piezoelectric thickness vibrators [1]. Task-specifically, the choice was made for a piezoceramic round plate with a hole [2], such as is usual for thickness vibrators for high-power sandwich vibrators. The technical data for this piezoceramic plate are given in Table 1.

This piezoelectric thickness vibrator is electrically excited through electrodes which are situated on axially opposite surfaces. However, it is excited, not as usual to thickness vibrations in its axial resonance frequencies, but to radial vibrations in its radial electromechanical resonance frequency [1] (Figure 1). An electrical and/or acoustic excitation of the electromechanical thickness vibrations in the polarization direction is excluded for the above application, since the difference between the resonance frequencies is extremely large and, furthermore, according to [1], the thickness vibration resonances are shielded acoustically against the environment by means of an acoustically soft termination. The conceptual structural implementation of this piezoelectric ultrasonic transducer is shown in Figure 2. The piezoceramic plate is embedded acoustically softly in Ekacell or polystyrol, that is, it is acoustically shielded. In this way, an acoustic contact with the environment exists only through the radial front surface. It is electrically excited through connecting wires, which lead from the central hole in the base body to the electrodes of the piezoceramic plate. The base body is fastened water-tight through round rings to the associated underwater equipment, by means of screw connections.

A special casting mass takes care of the required good acoustic matching and electrical insulation of the piezoceramic plate, as well as of its mechanical cohesion and the water-tightness of the ultrasonic transducer. For this purpose, a plastic in the form of tungsten-enriched epoxy resin or polychloroprene and polyurethane is used. This plastic is especially well adapted to the acoustic properties of sea water. It also is used for acoustic reasons, because of its resistance against sea water, sunlight, and mechanical stress, and because of ease of cleaning.

Figure 3 shows an uncast transducer in comparison to a piezoelectric plate. Figure 4 shows the cast ultrasonic transducer, as it is intended as a feasibility model for a wireless underwater communication device. For this model, epoxy resin was preferably used as the casting mass, for processing reasons. The technical data in Table 2 refer to this model.

## Communication Equipment

This piezoelectric ultrasonic transducer as a "transmitting and receiving antenna", forms a significant main subassembly of the telemetric, hydroacoustic underwater communication system for wireless individual diver voice connection. It can also be used in many industrial underwater applications of frequency-modulated remote measuring methods. The method of frequency modulated transmission of measurements, data, and information is presupposed as generally known. The circuit design and implementation of the electronic modules and function groups will likewise not be discussed in more detail, as these are already sufficiently known from the technical literature (e.g. [3]) and only need to be adapted to the piezoelectric transducer in a fashion specific to the task.

Table 1. Technical data for a piezoceramic plate

Plate designation	Round plate with hole 1576-6622.94 [2]
Material	Piezolan L
Outside diameter $d_1$	50 mm
Inside hole $d_2$	15 mm
Thickness $s$	6 mm
Thickness resonance frequency	about 350 kHz
Electromechanical quality of the thickness resonance frequency	greater than 250
Radial resonance frequency	about 34 kHz
Electromechanical quality of the radial resonance frequency	greater than 80
Electrodes	Silver coating on axially opposite surfaces

Table 2. Technical data for the piezoelectric electrosonic transducer (laboratory model)

Resonance frequency	34.0 kHz
Impedance in the resonance (with water as load)	about 0.9 kOhm
3 dB bandwidth (with water as load)	3.0 kHz
6 dB bandwidth (with water as load)	10.0 kHz
Active transducer surface	950 mm <sup>2</sup>
Transducer capacity	1800 pF
Efficiency	about 0.85
Receiving sensitivity	about 10 mV/0.1 Pa
Transmission measure	about 35 dB (re 0.1 Pa; 1 m; 1 V)
Directional characteristic	undetermined
Other resonances	$f_1$ about 105 kHz $f_2$ about 235 kHz

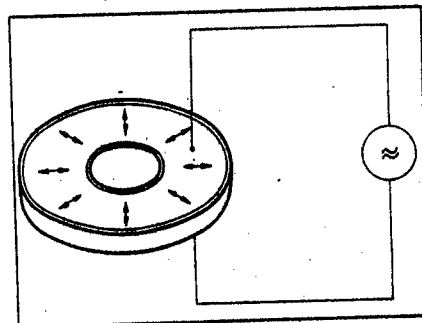


Figure 1. Piezoceramic round plate with hole (thickness vibrator) excited to radial vibrations

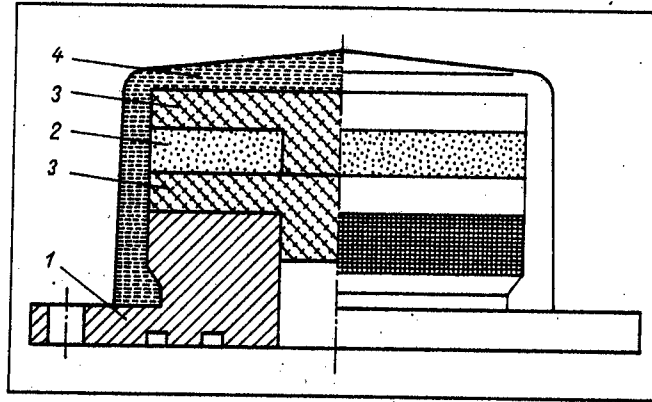


Figure 2. Conceptual design for the piezoelectric ultrasonic transducer according to [1].

- 1 base body
- 2 piezoceramic plate
- 3 soft shielding for sound
- 4 casting mass (feed lines and contacts not shown)

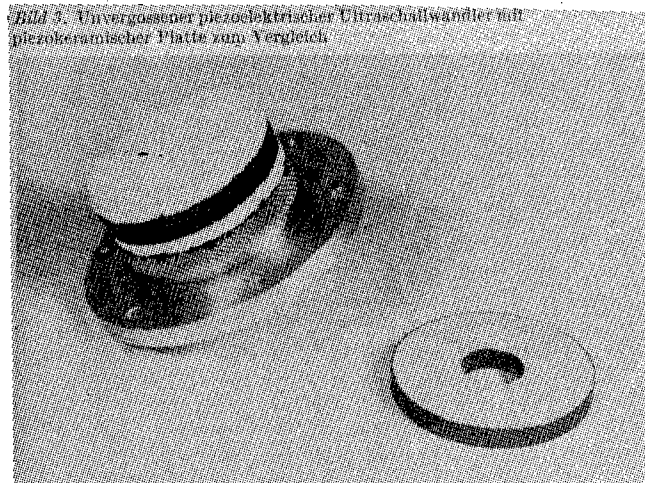


Figure 3. Uncast piezoelectric ultrasonic transducer with piezoceramic plate for comparison



Figure 4. Laboratory model of the piezoelectric ultrasonic transducer

An implementation proposal for such an individual wireless diver voice connection as communication possibilities for arbitrarily many participants, with automatic loudness regulation independent of range, is shown in Figure 5 in terms of a block circuit diagram. This design is fundamentally based on subassemblies of a near-field telemetry unit [4], whose carrier frequency must be matched to the resonance frequency of the piezoelectric ultrasonic transducer. The transmission amplifier operates preferably in C-operation, as is well known from miniature echo-sounding units [5,6]. In this way, the output power required for adequate hydroacoustic radiation can be achieved with good efficiency. The piezoelectric transducer is matched to the transmitting amplifier in conventional fashion by means of a transformer. According to [7], an arrangement of electromagnetic listening and speaking capsules is used as a listening/speaking device for shallow divers. This is carried as a compact and water-tight integral form piece (Figure 6) underneath the head gear of the diver's suit. It is connected to the remaining underwater equipment of the communication system by means of a cable with a water-tight plug connection [8 or 9].

This listening/speaking device is matched by means of appropriate amplifiers to the other functional groups of the transmission equipment.

Upon implementing this design, a low-noise transmission of training and operating directives can be achieved with adequate intelligibility. Level fluctuations caused by distance or by ambient conditions can be controlled at the receiver input by means of regulation and limiting circuits in such a fashion that no intolerable garbling or distortion occurs. Through this high precision, use of the equipment is justified not only as a diver voice connection, but also for the transmission of measurements. For small, compact, and autonomous voice connection units, whose requirements are not too stringent, and which are used for wireless

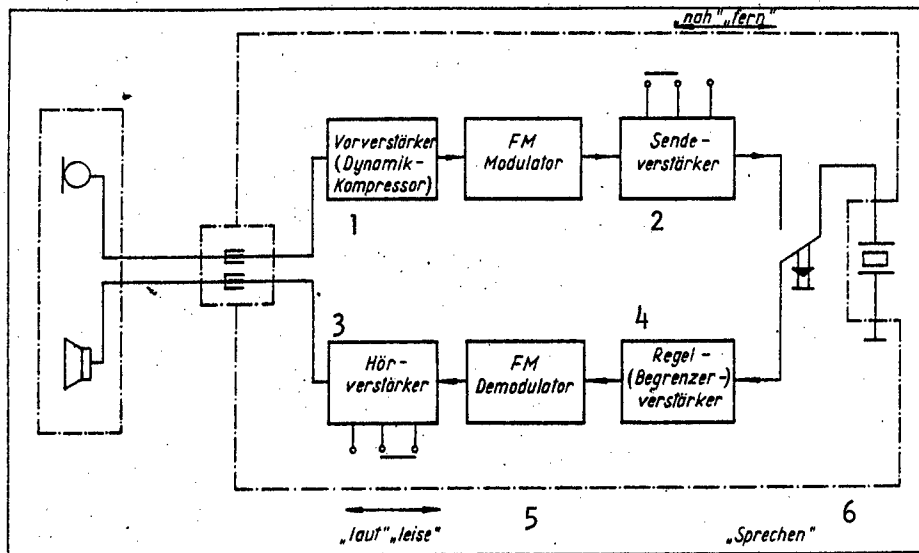


Figure 5. Proposal for implementing an individual wireless underwater communication device

- 1 preamplifier (dynamic compressor)
- 2 transmission amplifier
- 3 audio amplifier
- 4 control (limiter) amplifier
- 5 "loud" "quiet"
- 6 "voice"

Bild 6. Muster einer kompakten Hör-/Sprech-Garnitur für leichte Taucher [7] mit wasserdichter Steckverbindung [9]

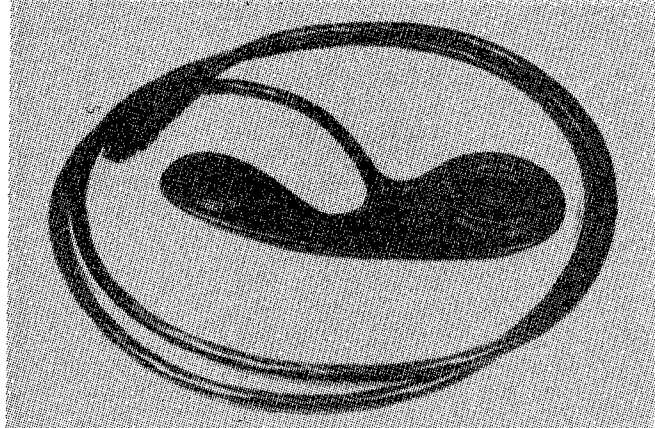


Figure 6. Sample of a compact hearing/speaking device for shallow divers [7] with water-tight plug-in connection [9]

individual underwater communication between both sports divers and professional divers, one naturally can also fall back on other, less sophisticated and less expensive implementation solutions of the frequency-modulated transmission method, e.g. [10] among others, which - at much lower expense - likewise make possible sufficient communication and transmission quality for a voice connection.

Another application of the piezo-electric ultrasonic transducer in combination with frequency-modulated telemetric-acoustic transmission systems is provided in underwater measuring technology for the wireless transmission of measurements such as could especially be necessary in the case of autonomous underwater measuring stations and probes as well as measurement bouys, e.g. "waveriders" [11].

#### References

- [1] Kiekbusch, A.: Patent Application WP H 04 R/231597-7.
- [2] Prospectus: Piezolan, Comine VEB Ceramic Works Hermsdorf, Edition 1976.
- [3] Rienhacker, J.; Steffen, W.; Canitz, H.: Miniature telemetry system for the wireless transmission of measurements over short distances for industrial applications", radio fernsehen elektronik (Radio Television Electronics) Berlin 23 (1974) 8, p. 243-245, 9, p. 295-298.
- [4] Description and operating directives. Near field telemetry unit NTG 130 and NTG 110. Academy of Sciences of the GDR, Center for Scientific Device Construction, 1977.
- [5] Ruser, D.; Pustlank, G.: Mini-echo-sounding, radio fernsehen elektronik (Radio Television Electronics) Berlin 30 (1979) 5, p. 295-300.
- [6] Kiekbusch, A.: Mini-echo-sounding unit, radio fernsehen elektronik (Radio Television Electronics) Berlin 30 (1981) 2 p. 81-83
- [7] Kiekbusch, A., Borgeit, D.: Patent Application WP B 63 C/228973-1.
- [8] Kiekbusch, A.: Underwater plug connector. Seewirtschaft (Maritime Affairs) Berlin 14 (1982) 5, p. 255.
- [9] Innovative proposal: underwater plug connector of rubber. BfN of the Institute for Deep Sea Fishing and Fish Processing, Rostock, 1979.
- [10] Donner, F.: Two-channel magnetic tape memory, radio fernsehen elektronik (Radio Television Electronics) Berlin 29 (1980) 4, p. 214-216, 227.
- [11] Kiekbusch, A.: Equipment for measuring wave heights in natural seas, radio fernsehen elektronik, (Radio Television Electronic) Berlin 30 (1981) 8 p. 525-528.

8348

CSO:2300/309

## EFFORTS OF GRAIN TRUST ENSURE YEAR-ROUND SUPPLY FOR LIVESTOCK

Budapest NEPSZABADSAG in Hungarian 10 Feb 84 p 3

[Article by Ferenc Cserkuti: "The Wheat That is Much Worth"]

[Text] Do we remember? Last year, during the hot summer months, our population was more concerned about feeding our livestock than about its own bread supply. Fortunately, at the present stage of development of our grain production, it is a matter of course that if at least 5 million tons of wheat are gathered into our silos, one-third of it meets our needs of bread and sowing seeds. A larger portion of the produce is being used for meat production in the form of cereal forages and the surplus is being exported. Moreover the drought caused less damage to the wheat crop than expected and thus we could gather in almost 6 million tons of it.

Our anxiety was of course thereby not diminished since at midsummer no one knew what will happen to our other cereal crop, i.e. to corn. In certain areas of the country the drought caused the most severe damages to the corn crop. In several large farms of Csongrad, Bacs, Szolnok and a few other counties the cornfields were burned out by August, and there were villages in which the purchase and hoarding of cereal forages started already in midsummer.

#### Quick Intervention

In such a situation it is understandable that a quick intervention became necessary. For one of the prime conditions of meat production is, in addition to financial incentives, the safe supply of forages.

"We had to take prompt measures" recalls about the summer season Lajos Lenart, general manager of the Grain Trust. For, the task of the milling-industrial and cereal-marketing enterprises consists not only of providing the bakers, the factories and shops of fariceneous products with good quality flour, but also to ensure the smooth supply of fodder and mixed forages--a task at least as important as the first. During the hottest days of the summer the cereal marketing enterprises, in cooperation with the county councils and party organizations of the large agricultural enterprises, took prompt inventories in all counties. The surveys revealed that when the large farms did not produce enough fodder, the household farms did not do better. Therefore, in order to stimulate household animal husbandry, we had to urgently replenish the fodder

stores, both those which are managed by the grain marketing enterprises and which are owned by the large farming enterprises and the general marketing and consumer cooperatives. Our purpose was to let the small producers feel and know, also in the villages hit by the drought, that there will be no standstill in the supply of forages.

In the areas where forage was in short supply, the large farms and forage stores were first provided with fodder from the stocks of county and local cereal marketing enterprises. At the same time the shipment of cereal forages from the those counties which suffered less from the drought to those which were most hit has been started.

#### Shipments Day and Night

"Thus far it has been necessary every year to ship forages from one county to the other" notes Lajos Lenart. The problem at present was that instead of the usual 300,000 tons of grain, we had to mobilize 1 million tons as a result of the drought. Moreover we had few railway carriages and for a substantial portion of this amount of forages we had to rely on road transportation. Because of their poor corn crop primarily Csongrad, Szolnok, and Pest counties were in need of help.

It was a test for the good relations between enterprises and large farms that we managed to solve this big problem. The trucks of the producer cooperatives and stage farms took an active role in the shipment of fodder. Those county enterprises where the corn crop appeared to be better, were shipping day and night, including Saturdays and Sundays, cereal forages to the areas hit by the drought. Above all the Transdanubian counties were very helpful: Tolna, Baranya, and Somogy did their utmost. Even Zala and Vas counties participated in the transportation of fodder. The grain marketing enterprises have coordinated their actions with the large farms by determining where help was needed and how much forages were to be shipped to the needy.

Even so some minor inconveniences might have happened, standstills in the supply of 1 or 2 days might have occurred, but finally all large farms and forage stores have got the necessary mixed forages and cereal fodder. Thanks in part to this we were able to keep our large livestock, despite the year of drought, and meat production did not drop in any area. On the contrary, our livestock for slaughter production increased by six percent over last year's level and reached 2.3 million tons. The market now sends its signals: piglets are being sold at high prices, which means that the resolve of the farmers to breed and fatten animals continues to be strong in our country. Another favorable development is that last January 640,000 hogs were purchased by the livestock-marketing and meat-processing enterprises, i.e. 180,000 more than in January 1983. During the first quarter of this year the enterprises are expected to deliver to slaughterhouses 500,000 more hogs than last year. In other words they will be able to buy 2.1 million porkers from the large farms and the small producers during the first 3 months of the current year. The purchase of pork grew last year by 900,000 pieces in comparison with 1982, and ultimately exceeded 7.8 millions. According to this year's plans the state meat processing industry is expected to purchase 8.2 million porkers.



## Safe Production Pattern

This is how interdependence works between a balanced fodder supply and the development of our meat production. But the fact that we have managed to smoothly supply the necessary forage to the livestock in all areas of our country is, after all, due to our production of 13.7 million tons of cereals. Although this crop is 1.2 million tons less than that of 1982, it has provided enough fodder for our animals and even enabled us to abide by our export commitments to the socialist countries. On the other hand our faultless forage supply is mainly the result of the fact that 45 percent of the grains produced have been delivered to the central silos, a proportion that corresponds to the distribution pattern of many years. The necessary redistribution of the stocks and the effective management of the available reserves have been possible by this arrangement. The majority of the large farms' managements understood that all this is only possible if they sell their surplus production to enterprises with which they had made a sales contract well ahead of time.

Several large farms, predominantly in the Transdanubian area, had a large corn crop even last year. In Tolna and Baranya counties and other Transdanubian regions the cornfields have got rain early enough to allow various big farms to achieve yields of 8 tons of corn per hectare. These farms have sold their surplus at prices fixed by the state to the cereal-marketing enterprises. Their actions were, of course, influenced by the cereal-marketing-enterprises' cooperative policy tending to satisfy all demands. Both the large farms and the small producers have obtained the forages at official prices, and thus it was not worthwhile for them to buy more expensive cereal-forages in other areas of the country. Of course the fact that they had to buy the forages they needed made, in addition to the increase in other cost factors, meat production more expensive.

Altogether the cereal industry sold last year 306,000 tons more forages than in 1982, i.e. a total of 5.5 million tons. A larger portion of this was bought by the big agricultural enterprises and a minor part by the small producers.

"We are looking forward this year to a growth in the demand for both mixed forages and cereal fodders," says Lajos Lenart. We may consider it a good development that our agriculture will be able to comply with the current plans concerning the production of livestock for slaughter through the thrifty utilization of fodder. But in order to raise the supply also of mixed forages to the desirable level, the cereal industry will rely, in addition to its own forage-mixing machines, on the utilization of the mixed forage producing capacity of the large agricultural enterprises.

## New Products

In order to supply the household and auxiliary farms with forage, an extensive marketing network was built years ago. The livestock breeders can purchase forage in 5,800 stores in the more than 3,000 settlements of the country. The cereal industry, on the other hand, watches over the balanced supply of the forage-stores and takes care of the customers' needs of cereal-fodder, mixed forages and concentrates.

It is noteworthy that the household and auxiliary farms are also able to order in advance various kinds of nourishments and forages for a whole year, in accordance with the composition of their livestock. The cereal-marketing enterprises are also willing to deliver the forages at home. Moreover the cereal industry helps the producers with expert advice in their efforts of economic meat production. It provides the farmers with information by feeding guides, leaflets and bag-labels about the thrifty utilization of the various fodder specimens. Modern and traditional foraging, coupled with improvements in the feeding technology and a smooth supply of forages have already produced good results. This is demonstrated by the fact that last year the utilization of specific fodder and protein forages has improved by 2-2.5 percent.

Thus our cereal production has made, aside from the persistent development of our meat production, also possible that our customers may have a greater choice of edible products. Proofs of this are the milling product specialty shops established in our country, which provide the customers with goods for a healthy diet. Such are, for example, the wheat germs, the wheat brans, the extruded soya, the corn grits and corn and split peas flour. A pamphlet containing recipes has been prepared by the cereal industry for the utilization of the new products. The large turnover of these shops shows how big the demand is for these new items.

The cereal industry tries to adapt itself to the new conditions. However the most important thing is now that our agriculture should set the conditions for the planned 15 million tons of cereal produce this year. To attain this goal the farms should apply continuously and on a higher standard the production technologies best suitable to their natural endowments, that they should see to it that the necessary nutritive materials be available and that the proper energy-saving production and storage technologies be put in place and disseminated. To save substance and quality, the construction of silos is going on this year, not only in the cereal industry but also in the large agricultural enterprises. The development of our grain production will determine this year's results of the planned output of our crop fields. All this is understandable. After all this is what makes it possible, in addition to our provisions of bread, the development of our meat production and the export of grains, which is so important for us.

12312

CSO: 2500/215

## LEGACY OF FAILED ECONOMIC POLICIES DETAILED

Bonn AUS POLITIK UND ZEITGESCHICHTE, in German B6/84, 11 Feb 84 pp 16-34

[Abstract of an article by Peter von der Lippe, professor of statistics and econometrics, University of Essen: "Wirtschaftspolitik und wirtschaftliche Entwicklungen in der Volksrepublik Polen" (Economic Policy and Economic Development in the Peoples Republic of Poland), in AUS POLITIK UND ZEITGESCHICHTE, a supplement to the Bonn weekly, DAS PARLAMENT, 11 Feb 84]

[Text] The Jaruzelski regime inherited a difficult economic legacy. Gierek's policy of stimulating foreign trade, consumption, and modernization of industry through technological imports from the West, financed on credit, had failed. The result was: indebtedness, inflation, dependence on Western imports, bad investments, postponed and overdue reforms of the price system, and a population deeply dissatisfied with the party and the state. The turbulent times of 1980-81 further destabilized the system.

The military had to accomplish an enormous reform task. They were able to halt the drop in production and productivity. The performance figures for industry have improved somewhat. But they are still very unsatisfactory. Control and authority of the leadership were reestablished, but the population lacks confidence. In the long term, no economic policy can be successful.

The country has missed its chance for development and has fallen further behind, economically. For the future, also, hardly any improvement can be expected, not only for political reasons (mood of the people), but also because of certain constant factors inherent in the economic order. Despite ongoing reform experiments, the system is inefficient. Within the established framework, even the latest reform, which is described in the article, can hardly ever become functional. Quite apart from this, out of the need of the present imbalance, constant interventions counteract the reform ideas. One seems to come close to a system of permanent reform. This makes it practically impossible to allocate successes and failures to their causes. Effective reform can, therefore, hardly be expected.

9917  
CSO: 2300/314

ROMANIA

PERFORMANCE OF ECONOMY IN 1983 REVIEWED

Bucharest REVISTA ECONOMICA in Romanian No 5, 3 Feb 84 pp 4, 5, 11

[Article by Dr Dan Popescu]

[Text] The end of last week saw the publishing of the Communique on the implementation of the uniform national plan for the socioeconomic development of the country in 1983. This important document amply highlights the significant accomplishments of the Romanian economy last year, the further sustained efforts of all the people to obtain superior quality in Romania's socioeconomic activity, to achieve the objectives of the 12th Congress and of the National Party Conference -- objectives mainly focused on the progress of society, the continuous flourishing of Socialist Romania, the constant improvement of the material and spiritual standards of working people in all the counties of this country.

In the third year of a five-year plan designed to elevate Romania to new summits of progress and civilization, the enthusiastic work of the nation, the efforts made in enterprises, centrals, by all organs of economic management to resolve problems and eliminate deficiencies mainly caused by the difficult world economic conditions, materialized in major achievements in all fields of activity. As pointed out at the meeting of the Political Executive Committee of the CC of the RCP, conducted under the chairmanship of Nicolae Ceausescu, and which discussed and approved the above Communique, last year saw the development of productive forces, the increase in the material output, the national income and the socialist assets of the country, and the improvement in the well-being of all the people. These are significant successes that again bear out the Romanian strategy of development, which attests the great abilities and resources of working people to ensure, even in difficult situational circumstances, the sustained progress of the economy. Of course, the Communique contains many figures and levels of development attained, the processes and correlations in the Romanian economy in 1983, the amount of material, human, and financial resources entailed by the economic growth and the effects involved, many guides regarding the procedure used -- and the degree of efficiency -- for the completion of the plan assignments. Based on these data, we plan to survey a few basic features and elements of Romania's socioeconomic progress last year, comment on them and pinpoint their significance.

## More Intensive Reproduction

The essential feature in this area involves new steps taken along the path of intensive development of the economy, the path of upgrading of the qualitative facets of economic growth -- processes that are vital to our socioeconomic growth in the context of the world crisis of raw materials and energy, of the world economic crisis itself, and which permitted to overcome difficulties that manifested themselves in the first 2 years of the five-year plan. Even a brief survey of the synoptic picture of development last year (see table) highlights this element. As mirrored in the table, evident, in comparison to 1982, are high increases for (net and marketable) output -- 5.1 and 4.8% respectively -- and the national income -- 3.4% -- created largely in industry, and, equally, progress in terms of the action of the intensive factors of development; for instance, the rise in labor productivity in industry by 2.7% -- with the obtaining in this way of about 70% of the production increase, and also the reduction, below the level for 1982, of expenditures for each 1000 lei marketable output in the national industry. Of course, the deeper investigation of the factors of these overall correlations permits the pinpointing of other important elements, features and trends that are characteristic of the more intensive character of reproduction.

Against the backdrop of firm application of the decisions adopted by the National Party Conference -- specifically those on ensuring a modern structure of the economy and industry with the focus on complex activities, with reduced use of raw materials and energy -- against the backdrop of moving to implementing special programs for the various products, branches and activities, Romania's industrial production capacity rose especially as a result of the completion of a large number of facilities -- provided with high-standard machines and installations -- in key branches; in those fields that better utilize raw materials, energy and the work force of this country, that turn out quality products in the context of reduced use of materials and energy.

Hence, there were significant rises in the electronics, machine-tool, fine mechanics and optical industries, production of complex installations, complex sectors in the chemical industry, and so on. They are processes illustrated, for instance, by the increase, versus the level for 1982, in the production of electronics components by 13.8%; the production of automation and computer facilities valued at 8.3 billion lei; the 7.2% increase in the value of fine mechanics and optical products, hydraulic and pneumatic installations and elements; the 42% rise in the volume of facilities for mining units; the production of 82,700 tractors, 76,900 automobiles, 168 electric, diesel electric and diesel hydraulic locomotives for main lines; production of important values in terms of basic macromolecular items, chemical fertilizers, man-made fiber and yarn, paints and varnishes, pharmaceuticals, and so forth; the obtaining of important values in terms of production of complex and very necessary consumer goods such as electric household appliances (2.5 billion lei), radio sets (540,000); television sets (390,000), and also wood furniture (17 billion lei), fabrics, knits,

footwear, food products, and the like. Based on such situations, which point out the continuation, the intensification of the large-scale structural changes triggered under this five-year plan, the machine building and chemical industries recorded rates of increase that were higher than the average for the overall industry, respectively 6 and 5.8%.

#### Major Efforts To Achieve Development Priorities

To ensure -- in the context of efficiency and foreign currency balance -- the necessary material base of development, of the attainment of the predominantly qualitative options of economic progress, great efforts were focused on the tremendous expansion of the domestic base of resources and energy -- a decisive priority of the five-year plan. Concerns in this area chiefly focused on the implementation of the special programs in the fields of energy and development of the domestic base of raw materials -- respectively the involvement in the economic flow of new useful mineral substances. In this context, there were turned out 44.5 million tons net coal, 11.6 million tons of crude oil, 32.6 billion cu. m. of methane gas, 70.2 billion kWh, ensuring the increased input of domestic production into the total resources.

Good results were obtained in regard to integration in production of reusable materials, utilization in production of secondary energy, in regard to recovery and reconditioning of parts and subassemblies, facts which permitted to cover an important part of the necessary amount of materials for development from recovered and reusable materials. For meeting the needs and better utilization of the material base of development significant were the projects focusing on the obtaining of products with a high technical and qualitative standard and that are competitive internationally, on reduced relative consumption rates for raw materials, supplies and energy -- factors which assured savings of 7 billion lei versus the prior year -- projects thoroughly formulated and substantiated under comprehensive programs. Also noteworthy is the rate of increase of small-scale industry -- 9.2% -- an industry dotting all the territory and contributing to the better utilization of local resources, respectively to assure better supplies of consumer goods and household items to the population.

These results, markedly involving quality and efficiency, however, could have been upgraded if the plan provisions would have been implemented in all the industrial sectors and if there would have been no arrears -- for instance, for the production of electric energy, that did not reach the level planned, oil extraction, products of the machine building and chemical industries, and so forth. There were unused resources in the area of structuring production and work, utilization of production capacity -- factors that impacted on labor productivity, which did not equal the provision of equipment and the training and experience gained by workers, technicians and engineers.

In agriculture, a basic economic branch, more attention was paid to implementation of special programs for the development of plant and livestock production,

Main Indicators of Romania's Socioeconomic Development in 1983

	Achievements 1983	In % Versus 1982 Achievements
Industrial production -- billion lei		
a. Value of net production	336.8	105.1
b. Value of marketable output	1101.7	104.8
Agricultural production -- billion lei		
a. Value of net production	93.1	96.6
b. Value of overall production	214	98
Volume of freight transportation with general use transport facilities -- million tons	801.3	100.2
Total volume of investments in national economy -- billion lei	231.8	102.9
Total volume of foreign trade -- billion lei	303.7	101.4
a. Total export -- billion lei	173.3	106
b. Total import -- billion lei	130.4	95.7
Retail trade through socialist trade -- billion lei	259.2	100.5
Average level of work force -- thousand	7600	100.6
Production expenditures for each 1000 lei marketable output in national industry -- lei	854.6	99.4
Labor productivity per one person in national industry (calculated on the basis of marketable output) -- thousand lei	326.4	102.7
National income -- billion lei	654.5	103.4
Money incomes of the population from the socialist sector -- billion lei	342.6	105.1

Note: The value data are provided in current prices of 1983 and the dynamics are calculated in comparable methodological and price conditions.

to application of provisions of the National Program for ensuring a safe and stable farm output. Satisfactory results were obtained for the overall agriculture against the backdrop of expansion of the technical-material base in this area -- by provision of additional 14,800 agricultural tractors, 4,500 self-propelled grain harvesting combines and other upgraded farm machinery and facilities -- of further unfolding of major land improvement and development projects, irrigations (by the end of 1983 the total irrigated area involved 2,500,300 ha). For instance, there was a production of almost 20 million tons of grain, 4.819 million tons of sugar beet, 721,000 tons of sunflower and rape, 5.63 million tons of winter potatoes, 4.381 million tons of field vegetables, 1.997 million tons of fruit, the cattle herds have increased, and so forth. However, the good results obtained by a great number of agricultural units

which, even under the tough climatic conditions of 1983, obtained high average productions, demonstrate the great resources that still exist, the capability of agriculture, respectively of cooperativized farmers, of cadres of specialists, of the work force, of machine operators, to ensure -- precisely based on the provision with technical equipment, the superior organization of Romanian agriculture and under difficult climatic conditions, bumper crops, in compliance with the needs of the economy, of the population.

The increase in the country's material production was backed by an important investment program -- totalling 231.8 billion lei. In implementing this program priority was given to investments focusing on expansion of the domestic base of raw materials and energy, development of sophisticated fields, fulfillment of other needs and requirements of qualitative growth of the economy. Hence, fully or partly completed were 470 major production facilities, including 425 industrial units and 45 units for expansion and modernization of agriculture, with concomitant focus on upgrading the distribution of the productive forces throughout Romania's territory. But the impact of the investment program would have been greater and many deficiencies in production activity would have been eliminated had the investment plan and the plan for start-up of production units been totally implemented, with firm removal of the shortcomings manifested in preparation and completion of investment projects.

#### Science, Research -- Widely Involved in Material Production

Research and engineering last year played an important role in the process of development and had a major input into resolving decisive problems of Romania's socioeconomic progress, of obtaining a new quality of work and raising the efficiency of all economic activity. These problems, for instance, involved expanding the domestic base of raw materials, energy, and fuel, formulating new technical approaches, perfecting production technologies and arranging for the production of new items and materials characterized by best possible performances, broadly integrating technological advances in all the economic branches and activities, actually ensuring the rise in social productivity, and so forth.

Significant in this regard is the fact that last year saw the turning out and integration in production of almost 3600 new and modernized kinds of machines, installations and apparatus, about 1160 new materials and consumer goods; in this context the volume of new and modernized products being manufactured from the beginning of the five-year plan accounted for 32% of the total volume of the production obtained in 1983 in the national processing industry. Also significant is the fact that domestic research assured 98% -- hence almost all -- new products being turned out. New, upgraded technologies were integrated and expanded in production in machine building, electronics, electrical engineering, metallurgical, chemical, mining and construction materials industries -- thus ensuring more than 95% of the technologies needed for completion of the new investment projects. As a detail, it should be stressed that special attention



was paid to completion of the projects incorporated in the special programs for increasing the degree of utilization of raw materials, supplies and semifabricated products, that there was a marked increase in the activity of research and engineering for the development of production in key branches -- specifically in nuclear energy, aeronautical industry, chemistry of polymers and fine synthesis, microelectronics, electronics and electrical engineering, automation, high-alloy steels, and the like. All this tellingly reflects the growing involvement of domestic science and research in the efficient development of material production.

Precisely on this basis, in the context of the premises thus created, of greater competitiveness of domestic production, there was a greater participation of this country in the international division of labor, in the broadening and diversification of the exchanges of material assets, in expansion of cooperation in production and the technicoscientific area with all countries, regardless of their social system. There was a further expansion and diversification of relations of trade and cooperation in production with socialist countries -- that accounted for 53% of all our foreign trade activity, relations with CEMA countries expanded on the basis of special long-term cooperation programs, economic and technicoscientific relations expanded with developing countries, with the other countries in the world. Romania now has economic, trade and cooperative relations with 150 states.

Moreover, it is significant that in terms of Romanian export -- in whose total 58% involves products characterized by a superior degree of processing, respectively machines, installation and transportation facilities, chemicals and industrial consumer goods -- there was the highest rate of increase -- 6% -- among the synthesis indicators of development. This rate, which could have been even higher had the corresponding plan provisions been fully implemented, had the deficiencies which had occurred in preparation and management of the exportable merchandise fund for some products, in timely conclusion of contracts, in efficient survey and exploration of the foreign market been eliminated.

The volume of imports -- 130.4 billion lei -- mirrors the intensive efforts to expand the domestic base of resources and energy, to save resources and energy, to arrange for the domestic production of new kinds of machines and installations. Highlighted against the backdrop of the markedly qualitative growth of industry and the economy was the broader economic, technical and scientific cooperation with the other states of the world. This overall context evidenced a surplus of the trade balance -- of \$2418 million, a fact that permitted the payment of a part of the foreign debt.

The results obtained last year in increasing material output, the national income ensured the resources needed for the application of new measures to improve the material and spiritual well-being of working people, in the context in which the average number of the work force was by 47,000 greater than the number for the prior year. Moreover, it should be noted that 1 September 1983

marked the switch to increasing, on a phased-out basis, for the various branches and activities, the base pay of all categories of the work force; the end of the above-mentioned year saw the increase in pay for a number of 1.7 million working people. In this overall context, the cash incomes of the population in the socialist sector were 5.1% higher than in 1982 and the average pay of the work force amounted in 1983 to 2601 lei monthly -- a level which is by 76 lei higher than that for 1982. Moreover, the incomes of the peasantry, the average social security pension, and the like went up.

The overall rise in the incomes of working people against the backdrop of a greater output of consumer goods permitted the increase in the retail trade through the units of socialist trade. Services amounted to 54.8 billion lei, large state budget appropriations were earmarked for education, culture and social welfare. The year 1983 saw the further improvement of housing conditions for the population; 146,700 dwellings, including 135,300 apartments and bachelor units out of state funds, went into use.

All this reflects the basic correlation in the Romanian economy, the development-wellbeing correlation. Moreover, this provides forceful motivations in the activity of each working person to increase his or her efforts for the exemplary fulfillment of plan provisions for this year -- which is decisive for the completion of the five-year plan, thus ensuring added and important premises for the progress of this country and the Romanian people.

11710

CSO: 2700/135

LAW ON SOCIAL ACCOUNTING SERVICE

Belgrade SLUZBENI LIST SFRJ in Serbo-Croatian No 71, 31 Dec 83 pp 1997-2025

[Law passed by the SFRY Assembly in a session of the Federal Chamber on 26 December 1983: "Law on the Social Accounting Service"]

[Text] I. Introductory Provisions

Article 1

The status and the functional basis of the Social Accounting Service shall be regulated by this law.

Matters related to domestic payments shall also be regulated by this law.

Article 2

For the purpose of this law "users of social assets" means basic and other organizations of associated labor and their communities, contract organizations of associated labor, banks and other financial organizations, property and personal insurance communities, risk communities and reinsurance communities, farming and other cooperatives and constituent basic cooperative organizations within them, basic and work organizations of cooperators and other forms of association of private farmers or of other private agricultural producers, economic chambers and other general associations, self-managing communities of interest and their federations, local communities, work communities, other self-managing organizations and communities and their associations, sociopolitical organizations and other public organizations, sociopolitical communities and their bodies and agencies, organizations, and funds, other government bodies and agencies and the organs of the public community and other public juridical persons, and other organizations and communities, associations of private individuals and other juridical persons which have social assets at their disposition.

For the purpose of this law "users of social assets" also means enterprises abroad, banks and other financial organizations and insurance and reinsurance organizations abroad, as well as subsidiary operations and other work communities abroad which users of social assets in the country have established or in which they participate as founders, and for which separate accounting books are kept.

### Article 3

For the purpose of this law "business of interest to the entire country" means the business of keeping records and information and analysis concerning the disposition of social assets, the business of monitoring the correctness of data concerning the disposition of social assets, the business of monitoring the lawfulness with which social assets are handled and the business of monitoring the discharge of obligations of organizations of associated labor and other users of social assets, the business of economic and financial auditing, and other social accounting business as set forth by federal law or enactment based on federal law, as well as matters related to domestic payments traffic.

## II. Status of the Social Accounting Service

### Article 4

The Social Accounting Service (hereinafter the "Service") is an independent and self-sufficient organization which as a joint service of organizations of associated labor and other users of social assets and as an information service in the social system of information performs the tasks of social accounting and handles domestic payment transactions.

### Article 5

The Service is made up of the Social Accounting Service of Yugoslavia, the social accounting services in the republics, and the social accounting services in the autonomous provinces.

### Article 6

The Service performs the business of keeping records and the business of information and analysis concerning the disposition of social assets, the business of monitoring the correctness of data concerning disposition of social assets, the business of monitoring legality with which social assets are handled, the business of monitoring the performance of obligations of organizations of associated labor and other users of social assets, the business of economic and financial auditing and other social accounting business as set forth in law, as well as matters related to domestic payments traffic.

### Article 7

In conformity with the bases of the social information system, the Service provides organizations of associated labor and other users of social assets recordkeeping, the gathering, processing, transmission and presentation of data which it collects or possesses, and which is important to following, planning, guiding and coordinating relations in social reproduction and economic and social development as a whole.

In conformity with the bases of the social information system, the Service furnishes organizations of associated labor and other users of social assets

data on the basis of which workers and other working people, bodies of management and bodies of self-management workers' control, or bodies of self-management control, have an insight into the material condition and the financial and material conduct of business by their own and other organizations of associated labor or other users of social assets.

#### Article 8

The business referred to in Article 6 of this law shall be regarded as business or activity of particular public interest.

In performing the business referred to in Paragraph 1 of this article the Service shall have public authority vested in it by this law and other legislation.

#### Article 9

In order to safeguard the unity of the Yugoslav market and to establish and conduct the joint economic policy the Service shall perform business within its jurisdiction for all users of social assets over the entire territory of the Socialist Federal Republic of Yugoslavia.

#### Article 10

The Service shall be independent in its work.

The Service shall operate on the basis of laws and other enactments and shall be responsible for their application within the limits of its rights and duties.

#### Article 11

The work of the Service shall be open to public scrutiny.

#### Article 12

Aside from the business which it performs on the basis of laws and other enactments, the Service shall also perform certain business within its jurisdiction on the basis of social compacts and self-management accords which it concludes with organizations of associated labor and other users of social assets for which it performs that business or into which it has entered.

"Certain business" as used in Paragraph 1 of this article specifically means furnishing data for monitoring performance of social compacts and self-management accords and reporting this to participants in social compacts and self-management accords.

Aside from the business which it performs on the basis of laws and other enactments, the Service shall also perform certain business of keeping records, information and analysis and economic and financial auditing within its jurisdiction on the basis of contracts which it has concluded with organizations

of associated labor and other users of social assets for which it performs those tasks.

In conduct of the business referred to in Paragraph 1 or Paragraph 3 of this article the Service shall have the rights and duties set forth in the social compacts and self-management accords or contracts.

#### Article 13

The Service shall conduct business of interest to the entire country as a single entity.

The Service shall be accountable to the SFRY Assembly for its work in conducting the business referred to in Paragraph 1 of this article.

Aside from business of interest to the entire country, the social accounting service in a republic or the social accounting service in an autonomous province shall also handle the business of social accounting as set forth in republic or provincial laws.

The social accounting service in the republic or the social accounting service in the autonomous province shall be accountable for its work in conducting the business referred to in Paragraph 3 of this article to the assembly of the republic or assembly of the autonomous province.

#### Article 14

In conduct of business of interest to the entire country the Service shall apply a uniform procedure and a uniform operating methodology and shall guarantee uniform enforcement of regulations.

In conduct of business of interest to the entire country the social accounting service in a republic or social accounting service in an autonomous province and the Social Accounting Service of Yugoslavia must act according to the instructions and guidelines issued by the competent body of the Service.

If the social accounting service in a republic or social accounting service in an autonomous province does not act according to the instructions or guidelines issued by the competent body of the Service, that body shall so inform the SFRY Assembly and the assembly of the republic or the assembly of the autonomous province, and in the cases prescribed by this law shall take the steps it is authorized to take by this law.

If the Social Accounting Service of Yugoslavia does not act according to the instructions or guidelines of the competent body of the Service, that body of the Service shall so inform the SFRY Assembly.

#### Article 15

The Service shall inform organizations of associated labor and other users of social assets, and sociopolitical communities and sociopolitical organizations

as well, about what it has observed and things in development of socio-economic relations it has noted in conduct of business within its jurisdiction, shall be concerned for the constitutionality and legality and the discharge of public responsibility in the handling of social assets, and shall take the steps it is authorized to take by law in order to prevent and correct unconstitutionality, unlawfulness and other socially negative manifestations in the disposition of social assets.

#### Article 16

In conduct of business within its jurisdiction the Service shall collaborate with organizations of associated labor and other self-managing organizations and communities, with economic chambers and other general associations, with sociopolitical organizations and other public organizations, with the bodies, agencies and organizations of sociopolitical communities, with judicial authorities and other government agencies, the bodies of the public community and with other organizations and communities.

In performing the business of keeping records and information and analysis the Service shall collaborate with organizations specializing in planning, with organizations specializing in statistics, and with other information services in the public information system.

In performing the business of monitoring and the business of economic and financial auditing the Service shall collaborate with inspection authorities, authorities responsible for detection and apprehension of those who have committed crimes, economic offenses and misdemeanors, as well as with other bodies responsible for monitoring or oversight.

#### Article 17

In order to strengthen discipline in the conduct of financial and physical transactions and to prevent and preclude illegality and irregularity in the disposition of social assets, and also for the purpose of resolving other matters of common interest, in conduct of business within its jurisdiction the Service shall collaborate with the bodies of management and other bodies and officers of organizations of associated labor and other users of social assets, but in particular with the bodies of self-management workers' control or the bodies of self-management control.

The Service shall carry on the collaboration referred to in Paragraph 1 of this article by delivering data, reports and analyses which are relevant to the performance of the functions of those bodies by making an examination and by performing the function of monitoring at their request, by informing them about the situation ascertained and about the measures taken, through the participation of its representatives in their meetings when they are taking up the Service's reports and analyses, and by providing the necessary professional assistance, through professional consultation, and in other suitable ways.

## Article 18

The Service shall institute proceedings before the competent constitutional court for evaluation of constitutionality and legality of enactments and general self-management acts which it applies in conduct of business within its jurisdiction if it judges that they are not consistent with the constitution or are not consistent with the law or are contrary to it.

Before instituting the procedures referred to in Paragraph 1 of this article, the Service must advise the enactor of the enactment or general self-management act that the enactment or general self-management act is inconsistent with the constitution or that the enactment or general self-management act is inconsistent with or contrary to law.

## Article 19

The SFRY Assembly shall oversee the work of the Social Accounting Service of Yugoslavia.

The SFRY Assembly shall also oversee the work of the social accounting service in the republics and the work of the social accounting service in the autonomous provinces in their conduct of business of interest to the entire country.

The assembly of the republic or assembly of the autonomous province shall oversee the work of the social accounting service in the republic or social accounting service in the autonomous province.

## Article 20

The Social Accounting Service of Yugoslavia shall submit to the SFRY Assembly an annual report on the work of the Service, along with the annual financial statement of the Social Accounting Service of Yugoslavia and a report on expenditure of funds for the work of the Service, and, if the SFRY Assembly so requires--reports as well concerning the performance of particular tasks which have been assigned to the Service.

The Federal Executive Council shall furnish its opinion of the reports referred to in Paragraph 1 of this article to the SFRY Assembly.

### III. Business of the Social Accounting Service

#### 1. The Business of Recordkeeping and Information and Analysis

## Article 21

Through performance of the business of recordkeeping and information and analysis the Service, in conformity with the provisions of this law, shall furnish entities in the public information system financial data, indicators, reports and analyses concerning the disposition of social assets, specifically concerning the following:



- 1) assets and sources of assets (payables and receivables, inventories of raw materials and supplies, work in process, inventories of finished products and merchandise, liquidity, indebtedness, investments and the pooling of capital);
- 2) ascertainment and distribution of the financial result of business operation (gross income, material costs, depreciation expenditures, income and net income, loss and its coverage, and accumulative and reproductive capacity);
- 3) realization, distribution and use of funds for social services and government;
- 4) the amount of capital for investment, and the securing, use and disposition of that capital;
- 5) the distribution and movement of funds for personal incomes and for social service expenditure of workers and other personal benefits of workers;
- 6) assets and sources of assets, income and expenditures of banks and other financial organizations, personal and property insurance communities, risk communities and reinsurance communities;
- 7) the status and discharge of prescribed obligations;
- 8) current financial development;
- 9) the enforcement of regulations and performance of current economic policy measures;
- 10) the planned development and the fulfillment of development plans of organizations of associated labor and other self-managing organizations and communities, as well as the development plans of sociopolitical communities;
- 11) the implementation of social compacts and self-management accords which the Service monitors within the limits of its jurisdiction;
- 12) the findings of checks on the correctness of data and legality in the disposition of social assets and findings and opinions resulting from economic and financial auditing concerning the authenticity and objectivity of the status of resources and their sources and the results of business operation as indicated in year-end statements;
- 13) occurrences and problems in the conduct of business of users of social assets.

The Service shall also furnish certain financial data, indicators, reports and analyses for the needs of nationwide defense and social self-protection within its jurisdiction.

The data, indicators, reports and analyses referred to in Paragraphs 1 and 2 of this article which the Service delivers to entities in the public information system must correspond to the actual status of the records and documentation which the Service possesses.

## Article 22

In conduct of the business referred to in Article 21 of this law the Service shall use the following:

- 1) the records which it establishes and keeps on the basis of payment orders and other documents on payments traffic concerning changes in status of balances in giro accounts and other accounts of users of social assets, concerning payment and distribution of revenues of sociopolitical communities and their funds, self-managing communities of interest and other self-managing organizations and communities, but also on the basis of the findings of checks concerning the correctness of data and legality of disposition of social assets, and also concerning the performance of obligations of users of social assets and the findings and opinions resulting from economic and financial audits concerning the authenticity and objectivity of the status of resources and their sources and of the results of business operation indicated in the year-end statements;
- 2) reports of internal banks and special financial services are submitted to the Service pursuant to federal law regulating the bases of the credit and banking system;
- 3) individual data and summarized data concerning the status and movement of social assets gathered from year-end statements and quarterly statements of users of social assets, reports which banks present on the basis of their own records, other reports originating in the accounting and other records of users of social assets;
- 4) planning data and indicators which the Federal Executive Council prescribes pursuant to the federal law regulating the bases of the system of social planning and the social plan of Yugoslavia in which the users of social assets file with the Service;
- 5) certain data concerning relations with foreign countries which the National Bank of Yugoslavia and the national banks of the republics and national banks of the autonomous provinces file with the Service (hereinafter the "national bank").

Organizations of associated labor and other users of the social assets are required to furnish the data referred to in Paragraph 1 of this article to the Service so that it can perform its business of information and analysis.

## Article 23

In performing the business of recordkeeping the Service shall keep the following records:

- 1) the uniform plan of accounts in social accounting;
- 2) the plan of accounts concerning payment and distribution of the revenues of sociopolitical communities and their funds, self-managing communities of interest and other self-managing organizations and communities;

3) the register of users of social assets;

4) records and registers of interest to the entire country which are established by federal law or enactment based on federal law.

Aside from the records referred to in Paragraph 1 of this article, the Service shall also keep data catalogues within its area of competence.

The content and manner of keeping the plan of accounts referred to in Subparagraph 1 and the register referred to in Subparagraph 3 of Paragraph 1, and the content of the data catalogues referred to in Paragraph 2 of this article shall be prescribed by instructions of the general director of the Social Accounting Service (hereinafter the "general director of the Service").

In issuing the instructions referred to in Paragraph 3 of this article the Service shall collaborate with other information services in the public information system.

#### Article 24

Data and indicators shall be recorded, gathered, processed, transmitted and presented and reports and analyses shall be prepared in the Service in accordance with the Service's work programs.

The work programs referred to in Paragraph 1 of this article shall be adopted at the end of each year for the coming year on the basis of the needs of entities in the public information system which the Service furnishes data, indicators, reports and analyses and shall be brought into conformity with the work programs of other information services in the public information system.

Data of interest to the entire country as set forth in the work programs of the Service referred to in Paragraph 1 of this article shall constitute an integral part of the Program of Statistical Surveys of Interest to the Entire Country.

The Service shall collect and process data within its area of competence as defined by law and other enactments based on law.

#### Article 25

In establishing the content of records and registers, in organizing the keeping of multipurpose data bases, and in establishing data catalogues the Service shall take as its point of departure the joint bases set forth in law and enactments based on law and shall accordingly bring them into conformity with the other information services of the public information system.

#### Article 26

Data and information of interest to the entire country shall be recorded, gathered, processed, transmitted and presented according to a uniform methodology.

The general director of the Service shall prescribe instructions on the uniform methodology referred to in Paragraph 1 of this article.

The uniform methodology referred to in Paragraph 1 of this article shall guarantee the inviolability of the material content of data during processing and presentation, the application of present-day advances of science, engineering and technology, prevention of multiple recording and gathering of data, and the comparability and summability of the data.

The standards of the public information system shall be applied in establishing the uniform methodology referred to in Paragraph 1 of this article.

The Service shall collaborate with the other information services of the public information system in issuing the instructions referred to in Paragraph 2 of this article.

#### Article 27

The Service shall process and publish financial data, indicators, reports and analyses of interest to the entire country in periodical publications which it issues monthly, quarterly, semiannually or annually depending on the type and nature of the data, indicators, reports and analyses.

The general director of the Service shall prescribe in a regulation the intervals for preparing and publishing the publications referred to in Paragraph 1 of this article.

In issuing the regulation referred to in Paragraph 2 of this article the Service shall collaborate with the other information services of the public information system.

The Service shall present the data and indicators and prepare the reports and analyses referred to in Paragraph 1 of this article in a manner which ensures that the entities in the public information system receive prompt, truthful, complete, accessible and comprehensible information.

#### Article 28

In order to create the conditions for obtaining an insight into the material condition and financial and material conduct of business of organizations of associated labor and self-managing communities of interest in physical production, into decisionmaking on the results of work and business operation, into the preparation, conclusion and performance of self-management accords and social compacts, into the establishment of business ties, the achievement and advancement of self-management relations and the delegate system, into the preparation, mutual reconciliation, adoption and monitoring of fulfillment of development plans, into the advancement of production and business operation and achievement of the goals of nationwide defense and social self-protection, and also in order to correct the causes of adverse results in business operation, for purposes of establishing and distributing income and the disposition of social assets, the Service, within the limits of its

competence, shall provide the following to meet the needs of workers, other working people, bodies of management and bodies of self-management workers' control in organizations of associated labor and other self-managing organizations and communities:

- 1) advisories on changes and the balance in giro accounts and other accounts kept with the Service;
- 2) indicators concerning the results of the work of workers and business operation of basic and other organizations of associated labor and concerning other relations in the management of income and economic employment of social assets;
- 3) the minimum of the compulsory uniform indicators and data and the reports necessary to prepare, to reconcile, to adopt and to fulfill development plans;
- 4) data on the soundness and solvency of trading partners in connection with collection of claims, with entering into business relations, etc.;
- 5) data and reports on the findings of checks into the correctness of data and lawfulness of disposition of social assets and discharge of obligations and concerning the findings and opinions of an economic and financial audit concerning the authenticity and objectivity of the status of assets, their sources and operating results as indicated in year-end statements;
- 6) data and reports concerning relations in social reproduction for purposes of monitoring the pooling of labor and capital and for coordinating and guiding social development;
- 7) reports and analyses as necessary on the basis of indicators concerning the results of the work of workers and of business operation of basic organizations of associated labor;
- 8) reports on occurrences and problems in the business operation of organizations of associated labor and self-managing communities of interest in physical production which the Service takes note of in performing the tasks within its jurisdiction, without delay;
- 9) reports and analyses as necessary concerning the material condition and economic and financial status of organizations of associated labor and self-managing communities of interest in physical production.

If an organization of associated labor incurs a loss or has difficulties in operation of its business, or if numerous or serious irregularities and illegalities are found in the operation of its business, the Service is required, in the cases set forth in the work program of the Service, to prepare a report or analysis which it submits to the body of management and the body for self-management workers' control.

The body of management or body of self-management workers' control must examine the report or analysis of the Service referred to in Paragraph 2 of this

article in the presence of a representative of the Service and must notify the workers and trade union organization of this.

The Service shall also submit the report or analysis referred to in Paragraph 2 of this article to the assembly of the sociopolitical community.

#### Article 29

The Service is required on the basis of data contained in periodical accountings and year-end statements, in conformity with the Law on Associated Labor, to obtain and to publish indicators with which the workers can present and compare the results of their work and the business operation of the basic organization of associated labor with corresponding previous periods and with the plan, as well as with the results achieved in other basic organizations of associated labor in the same or related activities and also in organizations with which they pool their labor and capital or establish joint bases of the plan.

The Service shall compute the indicators referred to in Paragraph 1 of this article for the annual and semiannual periods and shall submit them to the relevant organizations of associated labor no later than 60 days from the date of expiration of the period prescribed for filing with the Service the data for computation of these indicators.

In collaboration with the federal organizations for social planning, after first obtaining the opinion of the Federation of Yugoslav Trade Unions and the Economic Chamber of Yugoslavia, the Service shall define the manner in which the indicators referred to in this article are to be ascertained.

#### Article 30

At the request of organizations of associated labor and self-managing communities of interest in physical production the Service may contract to perform the following to meet their needs:

- 1) to keep special records important to operation and decisionmaking in those organizations of associated labor and communities;
- 2) to compute in addition to the indicators referred to in Article 29 of this law other indicators with which the workers can ascertain the results of their own work and of the business operation of the basic organization of associated labor;
- 3) to prepare reports and analyses concerning the economic and financial status, the results and conditions of economic activity and other relations in a mutual comparison of the particular basic and other organizations of associated labor on the basis of the indicators which it provides in conformity with law.

The content, manner of preparation, time intervals and other conditions and obligations related to performance of the tasks referred to in Paragraph 1 of this article shall be set forth in the contract, in conformity with law.

### Article 31

At the request of organizations of associated labor and other users of social assets the Service must within 8 days from the date of receipt of a request deliver data concerning another user of social assets pertaining to the following:

- 1) the status of assets and source of assets;
- 2) operating results and loss which has not been covered;
- 3) the balance of resources in the giro account and other accounts kept with the Service, capital for investment projects which has not been secured, and payments for investment projects which have not been provided for;
- 4) legal obligations which have not been met;
- 5) obligations which have not been met under enforceable court decisions, enforceable decisions of other competent authorities, and other executive writs;
- 6) payments of reduced and guaranteed personal incomes over the past 6 months;
- 7) temporary measures which have been undertaken, financial rescue programs, receivership and bankruptcy or termination proceedings.

The Service shall furnish the information referred to in Paragraph 1 of this article on the basis of data contained in the year-end statement, quarterly accountings, records and other documentation which it possesses.

The user of social assets is required to keep the information referred to in Paragraph 1 of this article as a trade secret.

The Service shall also notify the user of social assets to whom the information pertains that information as referred to in Paragraph 1 of this article has been given.

### Article 32

For purposes of decisionmaking concerning the conditions and manner of achieving the free exchange of labor, for preparation and conclusion of self-management accords, for preparation and enactment of work plans and programs and development plans and programs of social services and other activities to meet the needs of users of the services of those activities in self-managing communities of interest, the Service shall furnish data, indicators, reports and analyses to meet the needs of assemblies of self-managing communities of interest and their organs, specifically concerning the following:

- 1) realization, distribution and use of funds for social services;
- 2) implementation of social compacts and self-management accords which the Service monitors within the limits of its own sphere of competence;

3) assets and sources of assets, realization and distribution of gross income and income, occurrences and problems in the business operation of organizations of associated labor which are being financed within or through the self-managing communities of interest;

4) the status and performance of obligations toward self-managing communities of interest;

5) the enforcement of regulations and performance of measures establishing the way in which social service expenditure is to be financed;

6) the findings of checks into the correctness of data and legality of disposition of social assets.

#### Article 33

At the request of workers in organizations of associated labor and of working people in other self-managing organizations and communities, submitted through the worker caucus, the body of management, the body for self-management workers' control, or the body for self-management control and trade union organizations, the Service is required within the sphere of its competence to conduct a check into the accuracy and correctness of data concerning financial results filed with them by their professional management bodies or officers and by their financial and other staff services.

The Service shall submit the report on the check which has been made to the applicant referred to in Paragraph 1 of this article and, at his request, is required to send its representative to participate in debate concerning the report which has been submitted.

#### Article 34

Within its sphere of competence the Service shall provide financial data, indicators, reports and analyses concerning the following to meet the needs of assemblies and their executive bodies and other bodies and organizations of sociopolitical communities, economic chambers and other general associations and sociopolitical organizations:

1) actual financial results, distribution of income and net income, accumulative and reproductive capacity, and the disposition of social assets in organizations of associated labor and other self-managing organizations and communities;

2) occurrences and problems in business operation of organizations of associated labor and other users of social assets which the Service notes in performance of the functions within its jurisdiction, without delay;

3) actual financial results of enterprises, banks and other financial organizations, insurance and reinsurance organizations, and plants and other work units abroad;



- 4) the variation of resources for personal incomes and social services of workers and other personal benefits of personnel;
- 5) the realization, distribution and use of resources for social services and government;
- 6) the amount of capital for investment projects and the way in which it is obtained and used;
- 7) assets and sources of assets, revenues and expenditures of banks and other financial organizations, property and personal insurance communities, risk communities and reinsurance communities;
- 8) the minimum of the mandatory uniform indicators, data and reports necessary for preparation, reconciliation, adoption and fulfillment of development plans;
- 9) current financial development;
- 10) enforcement of regulations and performance of measures of current economic policy;
- 11) implementation of social compacts and self-management accords which the Service monitors within its sphere of competence;
- 12) relations in social reproduction, coordination and guidance of social development as well as concerning the monitoring of the pooling of labor and capital.

The Service shall also obtain the prescribed data and indicators concerning fulfillment of development plans of organizations of associated labor and other self-managing organizations and communities and development plans of sociopolitical communities.

The Service may propose to the assembly of a sociopolitical community or its executive body that it examine certain data, reports and analyses as referred to in Paragraph 1 of this article, in the presence of a representative of the Service.

#### Article 35

In addition to the reports and analyses referred to in Article 34 of this law, the Service may also prepare other reports and analyses within its sphere of competence to meet the needs of sociopolitical communities and at the request of economic chambers and other general associations and sociopolitical organizations.

The content, manner of preparation, delivery dates and other conditions related to a request for preparation of reports and analyses referred to in Paragraph 1 of this article shall be set forth in a contract, in conformity with law.

#### Article 36

Organizations of associated labor and other users of social assets have the right to request from the Service data which are not a trade secret, but are important to the decisionmaking of workers and other working people in them, if the Service is required to possess such data within the limits of performance of tasks within its sphere of competence.

Assemblies and their executive bodies and other bodies and organizations of sociopolitical communities have the right to request from the Service data important to performance of their functions if the Service is required to possess such data as part of performance of tasks within its sphere of competence.

#### Article 37

The Service may present data, indicators, reports and analyses pertaining to organizations of associated labor manufacturing or performing services to meet the needs of the Yugoslav People's Army for examination and use to other users of social assets, in agreement with the Federal Secretariat for National Defense.

#### Article 38

The data, indicators, reports and analyses which the Service obtains in performance of the tasks within its sphere of competence shall be open to public scrutiny and accessible under equal conditions to all users of social assets, unless law or enactment based on law or general self-management act based on law specifies that they constitute a trade secret.

If a law or enactment based on law prescribes that certain data, indicators, reports and analyses of the Service shall be a trade secret, the users of that information shall follow the procedure indicated in those enactments.

The users referred to in Paragraph 2 of this article are required to preserve documents and data which are a state, military or official secret in the manner defined by law or other enactment based on law.

#### Article 39

The Council of the Social Accounting Service shall prescribe which data, indicators, reports and analyses shall be regarded as trade secrets.

The following may not be pronounced trade secrets under Article 38 of this law:

- 1) data and indicators in reports, analyses and publications prepared and published by the Service within its sphere of competence;
- 2) data on the basis of which the Service establishes indicators prescribed by the Law on Associated Labor and used to show the result of the work of workers and the business operation of organizations of associated labor;

3) documents and data concerning the results and concerning the lawfulness of business operation of individual users of social assets.

#### Article 40

Data, indicators, reports and analyses of the Service shall be accessible under equal conditions to all the public media in the country.

The public shall be informed of the data, indicators, reports and analyses referred to in Paragraph 1 of this article in a manner that is in conformity with law.

### 2. Oversight Functions

#### Article 41

In performing the function of monitoring the financial and material business operation of users of social assets within its sphere of competence the Service shall verify the following: the correctness of the data which users of social assets file with the Service or which they enter in their books and other records; the lawfulness of disposition of social assets; the lawfulness, correctness and promptness of performance of obligations of users of social assets toward sociopolitical communities and their funds on the basis of taxes and other charges as set forth in law and other enactments.

The Service shall also perform the monitoring functions referred to in Paragraph 1 of this article at the request of a body of self-management workers' control or body of self-management control, as well as at the request of an assembly of a sociopolitical community, in conformity with the Service's work program.

#### Article 42

The Service shall perform the function of monitoring the correctness of data concerning the disposition of social assets (concerning the status and sources of assets and concerning the financial result) whereby the accuracy of data in books and other records is established.

The accuracy of data as referred to in Paragraph 1 of this article embraces evaluation of those data and their foundation in the appropriate documents, in conformity with law and other enactments and self-management and other general acts of users of social assets.

The Service shall perform the functions of monitoring the correctness of data concerning the status and sources of assets, and specifically concerning the following:

- 1) the status of fixed capital and its sources;
- 2) the status of payables and receivables;

- 3) the status of raw materials and supplies, work in process, inventories of finished products and inventories of merchandise;
- 4) the pooling or investment of capital in investment projects, for joint conduct of business with foreign trading partners, and in order to realize joint revenues or joint income, etc.;
- 5) realization and use of the resources of self-managing communities of interest and other self-managing organizations and communities and their associations, sociopolitical communities and their bodies and agencies, sociopolitical and other public organizations;
- 6) correctness of computation and assignment of taxes and other charges;
- 7) use of credit and other social assets for specified purposes.

The Service shall perform the function of monitoring the correctness of data concerning the financial result, specifically concerning the following:

- 1) ascertainment of gross income;
- 2) ascertainment of material and other costs;
- 3) computation of depreciation;
- 4) ascertainment of the value of inventories;
- 5) ascertainment and distribution of joint revenues and joint income;
- 6) ascertainment and distribution of income;
- 7) ascertainment and distribution of net income;
- 8) ascertainment and coverage of a loss;
- 9) ascertainment and distribution of revenues and expenditures.

#### Article 43

Performance of the function of monitoring the lawfulness of disposition of social assets shall embrace oversight of the lawfulness of the realization, distribution and use of social assets.

In performance of the function of monitoring the lawfulness of realization of social assets, the following shall be covered specifically: ascertainment and distribution of gross income, ascertainment of material and other costs, computation of depreciation, ascertainment of the value of assets and their sources, ascertainment of the value of inventories, ascertainment and distribution of joint revenues and joint income, ascertainment and distribution of income and net income, ascertainment and coverage of a loss, ascertainment and distribution of revenues and expenditures.

Performance of the function of monitoring the lawfulness of the distribution of income shall specifically embrace the following: appropriations for government and social services, expenditures which are required to be charged to income and other expenditures incurred to perform obligations defined by law which have been assumed in a self-management accord or contract or other obligations prescribed by law.

Performance of the function of monitoring the lawfulness of distribution of net income shall cover appropriations from net income prescribed by law.

Performance of the function of monitoring the lawfulness of use of social assets shall specifically cover the following: securing and using capital for investment, securing and using working capital, disposition of resources in giro accounts and other accounts of users of social assets, placement of business funds and other resources in time deposits, use of funds for specific purposes, the use of budget funds, use of bank funds for their business operation, and use of resources of self-managing communities of interest, other self-managing organizations and communities and their associations, sociopolitical communities and their bodies and agencies and funds, sociopolitical and other public organizations, and the discharge of obligations arising out of debtor-creditor relations in conformity with federal law.

#### Article 44

Performance of the function of monitoring the discharge of obligations of users of social assets shall include monitoring the lawfulness and correctness of computation, promptness of payment and correctness of assignment of taxes and other charges to which sociopolitical communities and their funds are entitled.

#### Article 45

The Service shall monitor the accuracy, promptness and also lawfulness of the keeping of books and other records and documentation ensuring the correctness of data or lawfulness of disposition of social assets.

#### Article 46

The Service shall make an evaluation of the year-end statement and periodical accountings of users of social assets which ascertain and distribute gross income, income and net income, in accordance with the Service's work program.

Evaluation of the year-end statement and periodical accountings referred to in Paragraph 1 of this article means checking the correctness of data and checking the lawfulness of the realization, distribution and use of social assets, but specifically the following:

- 1) checking the status and sources of assets (Article 42, Paragraph 3);
- 2) ascertainment of the financial result (Article 42, Paragraph 4, and Article 43, Paragraph 2);

3) checking the computation and promptness of payments and the correctness of assignment of taxes and other charges to which sociopolitical communities and their funds are entitled (Article 44).

#### Article 47

Performance of the monitoring functions referred to in Articles 41 through 46 of this law shall also cover the correctness of indication of the dinar equivalent of foreign exchange.

#### Article 48

The Service shall perform the monitoring functions in the organizational unit and on the premises of users of social assets.

In the organizational unit the Service shall perform the monitoring function on the basis of data in its own records and advisories, the orders whereby users of social assets have disposed of resources from their giro accounts and other accounts, and on the basis of advance estimates and accountings of business results during the year and of year-end statements upon their receipt.

The Service shall perform the monitoring function on the premises of users of social assets on the basis of bookkeeping and other records and documentation, year-end statements and other accountings.

Personnel in the Service shall perform monitoring functions on the premises of users of social assets on the basis of a written authorization.

#### Article 49

That service shall be competent to perform the monitoring functions with respect to place in which the giro account of the user of social assets is kept.

As an exception to the provision of Paragraph 1 of this article, if the workers in a basic organization of associated labor or work community possess resources which they manage through the giro account of a work organization, that service is competent with respect to place for performing the monitoring function of disposition of money resources from the giro account of the work organization in whose jurisdiction the headquarters of the work organization is located, and that service is competent with respect to place to perform other functions of monitoring those organizations and communities in whose jurisdiction the headquarters of the basic organization of associated labor or work community is located.

The services which are competent with respect to place, as referred to in Paragraphs 1 and 2 of this article, shall collaborate in performing the monitoring functions and are required to furnish one another the necessary legal assistance, pursuant to the law which regulates general administrative procedure.

The social accounting service in the republic or social accounting service in the autonomous province shall be competent with respect to place for performing the monitoring function on the territory of the republic or on the territory of the autonomous province, respectively, and the Social Accounting Service of Yugoslavia over the entire territory of the Socialist Federal Republic of Yugoslavia.

#### Article 50

The user of social assets is required to furnish the supervisor or employee in the Service authorized to perform the monitoring functions (hereinafter the "authorized employee") the conditions necessary for conducting the inspection.

Responsible personnel of the user of social assets are also required to furnish written explanations related to the subject matter of the examination at the request and within the period of time specified by the authorized employee.

#### Article 51

If in conducting the examination the authorized employee judges that the status of assets has not been accurately ascertained in conformity with law or that the bookkeeping is irregular or not up-to-date, or that prescribed obligations have not been computed or have not been computed accurately, he shall issue a conclusion ordering the user of social assets in a reasonable time to make an inventory and evaluation of assets or to put the bookkeeping in order and bring it up to date and to compile statements of prescribed obligations, to which effect he shall inform the bodies of management and the body of self-management workers' control or body of self-management control of that user of social assets.

The user of social assets is required to act in accordance with the conclusion referred to in Paragraph 1 of this article and to carry out the orders contained in that conclusion within the period specified.

If the user of social assets does not carry out the orders contained in the conclusion referred to in Paragraph 1 of this article within the period specified, the Service shall so inform the body of self-management workers' control or body of self-management control of that user of social assets, as well as the competent body of the sociopolitical community and the competent public defender of self-management law.

If the user of social assets does not act in accordance with the conclusion referred to in Paragraph 1 of this article and does not carry out the orders contained in that conclusion within the period specified, it shall be deemed to have injured the public interest and the temporary measures of social protection may be instituted against it in the cases and under the conditions envisaged by law.

In the case referred to in Paragraph 4 of this article the Service may furnish the initiative for undertaking the temporary measures of social protection against the user of social assets.

#### Article 52

The authorized employee shall compile an official record of the inspection conducted on the premises of the user of social assets.

An official record shall be compiled of an examination performed in the Service only if breaches of law and irregularities are established whose correction requires adoption of a decision and when actions as referred to in Article 57 of this law are established.

#### Article 53

The official record of an examination which has been conducted shall be presented to the user of social assets without delay, no later than within 8 days from the date when the examination was conducted. The user of social assets may make objections to the official record.

The record of the inspection which has been conducted shall specify the period for filing objections, which may not be shorter than 8 days nor longer than 30 days from the date of delivery of the record.

If in the objections to the record facts are presented or evidence suggested which could influence adoption of a decision and the undertaking of other measures in conformity with law, a check shall be made of the facts presented and evidence proposed, and a supplement to the record shall be accordingly drawn up.

In substantiating its decision the Service is required to take a position concerning all the objections which the user of social assets has made to the record of the examination which was conducted, and if a decision has not been rendered, it shall answer the objections made in a written statement to the user of social assets.

#### Article 54

In addition to the record of the examination which has been conducted, the user of social assets shall also be presented a written report on the status ascertained in the course of the examination if during that procedure numerous or serious breaches of law and errors were ascertained in the presentation of data, in the records, in computation or in disposition of social assets.

The record of the examination which was conducted and the written report referred to in Paragraph 1 of this article shall be presented to the user of social assets, as follows: to the professional management body, to the body of self-management, and to the body of self-management workers' control or body of self-management control.



The bodies referred to in Paragraph 2 of this article are required to examine the record of the examination conducted and the written report referred to in Paragraph 1 of this article, and to inform the Service of the holding of a meeting at which that record and written report will be taken up, the Service being required to send its representative to the meeting.

#### Article 55

If breaches of law or errors are ascertained during an examination, the authorized employee shall issue a decision ordering the user of social assets to take specified actions to correct the breaches of law or errors and shall present it to that user.

The decision referred to in Paragraph 1 of this article shall be adopted within a period of 30 days from the date of receipt of objections made to the record of the inspection or from the expiration date of the period for making objections to that record.

The decision referred to in Paragraph 1 of this article shall state the periods of time within which the user of social assets must correct the breaches of law or errors which have been ascertained, which may not be shorter than 15 days nor longer than 30 days from the date when the decision became final.

#### Article 56

If in the conduct of an examination in the organizational unit the Service establishes that a user of social assets has filed a year-end statement, periodical accounting or other accounting which is not in conformity with regulations, it shall demand that it be corrected. The user of social assets is required to make the correction which has been ordered within 3 days from the date of delivery of the request.

If the user of social assets does not make the correction ordered within the period of time referred to in Paragraph 1 of this article, year-end statement, periodical accounting or other accounting shall be assumed not to have been filed.

The Service shall return to the user of social assets on the same day payment orders and orders for transfer of assets which are not in conformity with law and other regulations.

In a case as referred to in Paragraphs 2 and 3 of this article the Service shall issue a decision rejecting the statement, account of order on the written request of the user of social assets and within a period of 5 days from the date of receipt of the request.

#### Article 57

If in the conduct of an examination actions are established which have the features of a crime or economic offense, the Service is required to file a charge with the competent public prosecutor against the employee responsible or against the user of social assets.

If actions which have the features of a misdemeanor are established in the course of an examination, the Service is required to submit to the competent agency a request for institution of misdemeanor proceedings.

If there is a warranted suspicion that a crime or economic offense has been committed, the authorized employee may confiscate temporarily documents, articles, samples, etc., used or intended for the commission of the crime or economic offense, of which he is required to notify the competent public prosecutor.

The authorized employee shall issue a written receipt for the documents, articles, samples, etc., which have been confiscated as referred to in Paragraph 3 of this article.

If there is a warranted suspicion that a crime has been committed, the Service is required to file a charge with the competent public prosecutor without delay.

#### Article 58

Within a period of 15 days from the date of delivery of a decision, the user of social assets may file an appeal against a decision of the Service as referred to in Articles 55 and 56 of this law with the head of the social accounting service in the republic or the head of the social accounting service in the autonomous province.

#### Article 59

The head of the social accounting service in the republic or the head of the social accounting service in the autonomous province shall issue a ruling on the appeal against a decision as referred to in Articles 55 and 56 of this law, and that ruling shall be final.

If the decision in the first instance was made by the head of the social accounting service in the republic or the head of the social accounting service in the autonomous province or by the general director of the Service, that decision shall be final.

#### Article 60

The execution of a final decision shall be the concern of the organizational unit of the Service in which are kept the money assets of the user of social assets against which execution proceedings are being conducted, and it shall carry out the decision.

#### Article 61

Postponement of execution of a final decision shall be decided by the entity which made the decision in the first instance under the conditions set forth in the federal law regulating administrative disputes.

#### Article 62

Proceedings terminating in a final decision of the Service may be reopened under the conditions set forth in the federal law which regulates general administrative procedure.

#### Article 63

If a final decision of the Service has violated a statute and thereby inflicted considerable harm on the social community or the user of social assets, a new decision may be adopted in the proceedings of an automatic review within 2 years from the date when the final decision was delivered to the user of social assets, thereby amending, revoking or annulling the final decision.

Within the period stated in Paragraph 1 of this article a sociopolitical community or other user of social assets may file a request for amendment, revocation or annulment of a final decision of the Service which violated a statute to their detriment.

If a final decision of the Service has violated an opstina, municipal, regional, provincial or republic statute, the decision in automatic review proceedings or proceedings in response to the request referred to in Paragraph 2 of this article shall be made by the head of the social accounting service in the republic or the head of the social accounting service in the autonomous province, and if a federal statute has been violated, the decision shall be rendered by the general director of the Service.

The head of the service referred to in Paragraph 3 of this article must make the decision in review proceedings within 60 days of the filing date of the request referred to in Paragraph 2 of this article.

Review proceedings may not be conducted against a final decision or against a final portion of a decision against which an administrative accounting dispute is being conducted or concerning which a final court decision has been pronounced.

The decision rendered in review proceedings shall be final.

#### Article 64

The provisions of the federal law governing general administrative procedure shall be applied in connection with adoption of decisions and the taking of other actions in the procedure of conducting an examination, unless this law provides otherwise.

#### Article 65

An administrative accounting dispute may be conducted against a decision of the Service rendered in the second instance, against a decision which may not be appealed, and against a decision in review proceedings.

The complaint instituting an administrative accounting dispute as referred to in Paragraph 1 of this article may be filed by a user of social assets if it feels that a decision of the Service has violated its right or an interest based on law.

The complaint referred to in Paragraph 2 of this article may also be filed by a sociopolitical community or other user of social assets if it feels that a decision of the Service pertaining to another user of social assets has unlawfully diminished its revenues.

#### Article 66

Administrative accounting disputes against decisions of the head of the social accounting service in the republic or the head of the social accounting service in the autonomous province shall be ruled on by the competent court in the republic or the competent court in the autonomous province, respectively, in a panel consisting of two judges, one of whom shall be the presiding judge, and one lay judge, and administrative accounting disputes against decisions of the general director of the Service shall be ruled on by the Federal Court in a panel consisting of two judges, one of whom shall be the presiding judge, and one lay judge.

A petition for extraordinary reassessment of a decision may be filed with the Federal Court by the parties against a valid decision adopted in an administrative accounting dispute by the highest court in the republic or the highest court in the autonomous province whereby a federal law was violated. The parties may file a petition with the Federal Court for an extraordinary reassessment of a decision of the Federal Court rendered in accordance with Paragraph 1 of this article.

The Federal Court shall rule on the petition referred to in Paragraph 3 of this article in a general session.

A decision may be contested with a petition as referred to in Paragraphs 2 and 3 of this article because of an essential breach of the provisions concerning procedure and because of infringement of a material right.

The petition shall be filed directly with the Federal Court within 30 days from the date of delivery of the contested decision.

#### Article 67

The federal public prosecutor may file a request for protection of legality with a general session of the Federal Court against a decision of the Federal Court as referred to in Article 66, Paragraphs 1 and 2, of this law if that decision has committed a quite serious violation of federal law.

A petition for protection of legality may be filed within a period of 60 days from the date of delivery of a decision to the parties.

#### Article 68

The provisions of the federal law regulating administrative disputes or of the federal law regulating trial proceedings shall be appropriately applied in administrative accounting disputes unless this law provides otherwise.

### 3. The Functions of Economic and Financial Auditing

#### Article 69

The Service shall perform the functions of economic and financial auditing of year-end statements and the functions of economic and financial auditing of the business operation of organizations of associated labor and of other users of social assets.

In performing the functions of economic and financial auditing the Service may also offer certain services to organizations of associated labor and other users of social assets in organizing their accounting and conduct of their financial business.

#### Article 70

The functions of economic and financial auditing of year-end statements shall cover the study and evaluation of the accounting procedures used and of the correctness of the figures, and on that basis the rendering of opinions concerning the authenticity and objectivity of the state of assets and their sources and the results of business operation as indicated in year-end statements of organizations of associated labor and other users of social assets.

The authenticity and objectivity of the status of assets and their sources and the results of business operation as referred to in Paragraph 1 of this article shall cover the foundation of the figures in the year-end statements in the appropriate documents pursuant to regulations, as well as the application of solutions which make it possible to improve work and the conduct of business on the basis of scientific methods and up-to-date practical know-how.

#### Article 71

The Service is required to perform the functions of economic and financial auditing of year-end statements of organizations of associated labor in which the capital of foreign persons and of organizations of associated labor, banks and other users of social assets using foreign credits has been invested.

Organizations of associated labor, banks and other users of social assets as referred to in Paragraph 1 of this article must notify the Service of contracts concluded concerning investment of the capital of foreign persons in domestic organizations of associated labor and of contracts concerning foreign credit.

On the basis of performance of the functions of economic and financial auditing as referred to in Paragraph 1 of this article the Service shall compile a report in which the year-end statement is presented in conformity with international accounting standards or the requirements envisaged by the contracts referred to in Paragraph 2 of this article.

The Service shall perform the functions of economic and financial auditing of year-end statements as referred to in Paragraph 1 of this article in accordance with its work program.

#### Article 72

The Service shall also perform the functions of economic and financial auditing of the year-end statement at the request of an assembly of a sociopolitical community.

#### Article 73

The report on conduct of an economic and financial audit of a year-end statement as referred to in Article 71 of this law shall be delivered to the organization of associated labor or other user of social assets, as follows: to the professional management body, to the body of self-management and to the body for self-management workers' control or the body of self-management control. The report on conduct of the economic and financial audit of the year-end statement referred to in Article 72 of this law shall also be delivered to the assembly of the sociopolitical community.

If a report has been written on the economic and financial audit of the consolidated balance sheet of a complex organization of associated labor or work organization which has constituent basic organizations of associated labor, the Service shall deliver that report to the professional management body, the body of self-management and the body of self-management workers' control of the complex organization of associated labor or work organization and also of the basic organizations of associated labor making it up.

If a report has been written on conduct of an economic and financial audit of the consolidated balance sheet of an associated bank, the Service shall deliver that report to the professional management bodies, executive bodies, bodies of self-management workers' control and governing bodies of the associated bank and of the basic banks which are members of the associated bank.

#### Article 74

If in performance of the functions of economic and financial auditing of a year-end statement as referred to in Articles 71 and 72 of this law breaches of law or irregularities are ascertained concerning the status of assets and their sources or the results of business operation is indicated in the year-end statement of the organization of associated labor or other user of social assets, the provisions of this law which pertain to examination procedure shall be applied.

#### Article 75

The Service may also perform the functions of economic and financial auditing of year-end statements of organizations of associated labor and other users of social assets at their request.

The applicant shall pay compensation for performance of the functions referred to in Paragraph 1 of this article.

#### Article 76

Organizations of associated labor and other users of social assets which have established enterprises, banks and other financial organizations, and insurance and reinsurance organizations abroad are required to file with the Service reports on conduct of an economic and financial audit issued by competent auditors and reports on business operation issued by the professional management bodies of those organizations and to afford the Service an insight into the figures which the users of social assets are entering in their book-keeping for those organizations.

On the basis of an analysis of the reports and scrutiny of the figures referred to in Paragraph 1 of this article the Service shall prepare reports on the financial condition and results of business operation of organizations abroad, which it shall submit to the bodies of management of users of social assets which are their founders.

#### Article 77

The functions of economic and financial auditing of the business operation of organizations of associated labor and other users of social assets shall embrace the study and evaluation of operating and business optimality and efficiency and the proposal of measures to improve the operation and business of organizations of associated labor and other users of social assets.

The business of economic and financial auditing referred to in Paragraph 1 of this article shall cover the entire business operation of organizations of associated labor or other users of social assets or a portion of that business operation.

The Service shall perform the functions of economic and financial auditing of business operation at the request of organizations of associated labor or other users of social assets.

#### Article 78

The content and scope of the tasks, the manner in which the results of the tasks performed shall be reported on, and the compensation for performance of the tasks of economic and financial auditing of business operation or performance of certain services for organizations of associated labor or other users of social assets which have applied for such services shall be set forth in a contract concluded between the Service and the organization of associated labor or other user of social assets which is the applicant.

#### Article 79

The general director of the Service shall prescribe a regulation on procedure for performance of the functions of economic and financial auditing.

The general director of the Service shall issue instructions on the methodology for performance of the functions of economic and financial auditing.

The methodology referred to in Paragraph 2 of this article shall embrace international accounting standards and accounting principles applied in the Socialist Federal Republic of Yugoslavia.

#### 4. Tasks of the Service Which Pertain to Military Units and Military Institutions

#### Article 80

The Service shall perform tasks within its jurisdiction which pertain to military units and military institutions through its own specific organizational component.

The Service shall perform monitoring tasks on the basis of the records which it keeps and the orders whereby military units and military institutions dispose of resources from their accounts.

Monitoring tasks on the premises of users of social assets as referred to in Paragraph 1 of this article shall be performed by specifically authorized personnel in the Yugoslav People's Army in the manner prescribed by the federal secretary for national defense, after first having obtained the opinion of the general director of the Service.

#### Article 81

The Service shall perform tasks within its jurisdiction which pertain to organizations of associated labor manufacturing armament and military equipment as designated by the Federal Executive Council on the basis of an authorization contained in federal law, and which pertain also to the Military Service, a component of the National Bank of Yugoslavia, through its own specific organizational component, in conformity with the procedure which applies to other users of social assets.

In performance of the monitoring function referred to in Paragraph 1 of this article, the examination of figures, documentation and premises specifically designated by the federal secretary for national defense may be performed only by authorized employees in the Service for whom the federal secretary for national defense has granted his consent.

Examination of figures, documentation and premises as referred to in Paragraph 2 of this article may also be conducted by the specifically authorized personnel referred to in Article 80, Paragraph 3, of this law, but they shall be required to file the official record of the examination made with the Service.



## Article 82

The specific organizational component of the Service shall keep records on fulfillment of the financial plan of the Yugoslav People's Army in the scope and in the manner set forth by the general director of the Service in agreement with the secretary for national defense.

## IV. Domestic Payments Transactions

### 1. Overall Provisions

## Article 83

For the purpose of this law "domestic payments transactions performed for users of social assets" means receipt of payment orders in domestic payments traffic, checking the correctness of those orders and executing those orders, as well as informing the participants about the payment that has been made in that traffic.

In the context of Paragraph 1 of this article payment means transfer, collection, accounting, deposit and withdrawal occurring between participants in domestic payments traffic.

In the context of Paragraph 1 of this article the participants are understood to be users of social assets and individuals and civil juridical persons involved in payments with users of social assets in domestic payments traffic.

## Article 84

The Service shall conduct the transactions as domestic payments traffic.

Certain functions in domestic payments traffic shall be conducted by the national banks, by basic and associated banks, and by internal banks (hereinafter "banks"), and by specific financial services through organizations of associated labor of which they are a part in conformity with federal law regulating the bases of the credit and banking system, by organizations of associated labor providing postal, telegraph and telephone service and their units (hereinafter "post offices") and the Postal Savings Bank, in conformity with this and other federal laws.

## Article 85

The Service and the other organizations referred to in Article 84 of this law (hereinafter "organizations responsible for domestic payments traffic") must perform the tasks of domestic payments traffic by applying a uniform method of payment and a uniform operating methodology over the entire territory of the Socialist Federal Republic of Yugoslavia and must in performance of those tasks safeguard the interests and meet the needs of users of social assets under equal conditions.

The organizations responsible for domestic payments traffic must organize and perform those functions effectively and economically and by using up-to-date technical equipment must find forms and methods of payment affording the fastest movement of money resources and documents between the participants in domestic payments traffic.

#### Article 86

The organizations responsible for domestic payments traffic must collaborate with one another in performance of those functions, especially with a view to faster movement of money resources.

#### Article 87

So that it can conduct the business of a cashier and a treasurer, the national banks shall furnish the Service cash (subsidy) and shall take from it cash exceeding the cash office maximum (surpluses).

The Service shall also perform on behalf of the National Bank of Yugoslavia functions related to replacement of damaged bills and withdrawal of worn-out bills from circulation, and also the functions of supplying cash to post offices (subsidiaries) and receiving cash from post offices (surpluses) over and above the specified cash office maximum.

The national banks shall incur the costs of supplying and taking cash in the context of Paragraphs 1 and 2 of this article.

The level of the cash office maximum of the post office shall be set by the head of the competent unit of the Service.

The Service may also perform other tasks under specific contracts (sale, replacement and purchase of stamps used in payment of administrative fees and taxes, redemption of coupons on bond loans which have come due, computation of interest on deposits in giro accounts and other accounts, etc.).

#### Article 88

The Service shall verify the use of the specified forms and methods of payment in conduct of domestic payments traffic so as to afford the fastest movement of money resources and the settlement of obligations or collection of claims of users of social assets under the conditions, in the manner and according to the procedure prescribed by the Federal Executive Council.

Before introducing particular forms and methods of payment as referred to in Paragraph 1 of this article, the Service shall try out the use of those forms and methods of payment with users of social assets who agree to participate in that trial.

The Service shall try out the use of certain forms and methods of payment as referred to in Paragraph 1 of this article under the conditions set forth by agreement between the Service and the participants in that trial.

Payments made in the form and manner envisaged by a trial of their use shall bring about all the legal effects of payments made as prescribed by federal law.

#### Article 89

Basic banks are required to receive payments from individuals and civil juridical persons credited to giro accounts and other accounts of users of social assets which are kept in the Service, as well as payments by users of social assets which are made from accounts in the Service credited to the accounts of individuals and civil juridical persons kept in the bank.

Through their own accounts and accounts of their business units kept in the Service, basic banks shall also conduct their mutual accounts on the basis of payments through savings, checks on current accounts of individuals, and other payment instruments, in conformity with the federal law regulating the bases of the credit and banking system.

Internal banks and specific financial services may conduct domestic payments traffic in conformity with the federal law regulating the bases of the credit and banking system.

#### Article 90

Post offices shall receive payments from individuals and civil juridical persons credited to the accounts of users of social assets and payments representing the daily expenditures of organizations of associated labor.

The post offices shall also make certain payments in cash to individuals and civil juridical persons on the account of users of social assets.

#### Article 91

The Federal Executive Council shall prescribe the uniform manner and procedure for conduct of domestic payments traffic.

The form, content and use of standard forms to be used in the conduct of domestic payments traffic through the Service shall be prescribed by the general director of the Service in instructions and shall be issued by the Social Accounting Service of Yugoslavia.

In conduct of domestic payments traffic the instructions referred to in Paragraph 2 of this article shall be binding on organizations responsible for domestic payments traffic and on all users of social assets.

#### Article 92

The uniform methodology governing the work of organizations responsible for domestic payments traffic shall be prescribed by the Federal Executive Council after it has obtained the opinion of the Social Accounting Service of Yugoslavia, the Economic Chamber of Yugoslavia, the association of Yugoslav

banks, the Community of Yugoslav Postal, Telegraph and Telephone Enterprises, and the National Bank of Yugoslavia.

## 2. Domestic Payments Traffic Handled by the Service

### Article 93

In handling domestic payments traffic the Service shall obtain figures on current financial movements and shall monitor in advance the lawfulness of the realization and use of social assets.

### Article 94

All money resources of users of social assets shall be kept in giro accounts and other accounts with the Service, except foreign exchange which shall be kept in the manner and under the conditions prescribed by the federal law regulating foreign exchange transactions and foreign credit relations.

As an exception to the provision of Paragraph 1 of this article, users of social assets may hold in their cash office cash up to the amount of the cash office maximum to make payments in cash, under the conditions and in the manner prescribed by the official who heads the federal administrative agency competent for financial matters.

The level of the cash office maximum referred to in Paragraph 2 of this article shall be prescribed for military units and military institutions by the federal secretary for national defense.

### Article 95

The accounts which users of social assets may have in the Service are as follows:

- 1) giro accounts;
- 2) accounts of funds set aside;
- 3) accounts of funds to perform particular functions of certain users of social assets (national banks, banks and property and personal insurance communities, reinsurance communities, risk communities and their units, and self-managing communities of interest and other users of social assets as designated by law);
- 4) accounts for payment of the revenues of sociopolitical communities and their funds, self-managing communities of interest, and other self-managing organizations and communities;
- 5) "flow-through" (prolazni) accounts for joint revenues and "flow-through" accounts for other funds which are collected and distributed among designated users of social assets;

6) other accounts in conformity with law.

Accounts for payment of revenues of sociopolitical communities and their funds, self-managing communities of interest and other self-managing organizations and communities, the manner of payment and distribution of those revenues, and the manner in which the users of those funds shall be notified shall be prescribed by the official heading the federal administrative agency competent for financial affairs.

#### Article 96

The Service shall keep a register of users of social assets who have a giro account and other accounts enumerated in Article 95 of this law.

The information entered in the register referred to in Paragraph 1 of this article shall be open to public scrutiny.

The user of social assets is required to notify the Service of status changes that have occurred and other changes no later than 8 days from the date when the change occurred so that they may be entered in the register referred to in Paragraph 1 of this article.

#### Article 97

A user of social assets may have only one giro account with the Service.

Two or more users of social assets may have a single giro account, in conformity with federal law.

An organization of associated labor manufacturing armament and military equipment, as designated by the Federal Executive Council on the basis of authorization contained in federal law, must have its own giro account with the Service.

The federal secretary for national defense shall determine which military units and military institutions may have a giro account with the Service.

The manner and conditions under which users of social assets may open and close accounts with the Service as enumerated in Article 95 of this law shall be prescribed by the Federal Executive Council on the recommendation of the general director of the Service.

#### Article 98

Users of social assets may not make payments with resources in accounts for payment of revenues of sociopolitical communities and their funds and self-managing communities of interest and other self-managing organizations and communities, nor with resources in flow-through accounts for joint revenues and flow-through accounts for other resources collected and distributed among designated users of social assets.

Orders for transfer of funds from accounts for payment of revenues of socio-political communities and their funds and self-managing communities of interest and other self-managing organizations and communities shall be issued by the Service.

#### Article 99

Users of social assets shall with their own orders make all mutual and other payments with the resources kept in giro accounts and other accounts with the service, except for accountings of mutual obligations which are made pursuant to the federal law regulating the bases of the credit and banking system.

As an exception to the provision of Paragraph 1 of this article a payment from an account of a user of social assets who is a debtor may also be made on the following basis:

- 1) a collection order of its creditor if the debtor has opened a letter of credit on behalf of the creditor or has conveyed to him a bill of exchange issued in conformity with the federal law regulating bills of exchange or the federal law regulating guaranties of payments between users of social assets;
- 2) orders of a national bank issued on the basis of authorizations of banks authorized to conduct transactions with foreign countries [fully authorized banks] and banks authorized to conduct transactions involving foreign exchange within the country [authorized banks] in accordance with the federal law regulating foreign exchange transactions and credit relations with foreign countries in order to meet the obligations of users of social assets on the basis of obligations abroad;
- 3) orders of the Service, a post office, a bank or an organization of associated labor issued on the basis of contracts concluded concerning performance of the transactions of saving and purchase of foreign means of payment on behalf of a bank in the amount of savings deposits of individuals which have been paid out or in the amount of the dinar equivalent for foreign means of payment which has been purchased, and orders of bearers of checks on current accounts and on consumer credits of individuals charged to the account of the bank;
- 4) orders of fully authorized banks to make payments to users of social assets within the country in accordance with the orders of foreign banks which are clearing correspondents of the National Bank of Yugoslavia, on the basis of an authorization of the National Bank of Yugoslavia;
- 5) orders of the Service issued on the basis of authorization contained in a self-management accord concluded between the Service and users of social assets for transfer of funds from their accounts to the account of an internal bank, as well as for transfer of funds from a flow-through account for joint revenues or flow-through account for other funds collected and distributed among designated users of social assets;
- 6) other orders envisaged by federal law.

## Article 100

A basic organization of associated labor or work community which possesses funds which it manages through the giro account of the work organization of which it is a part shall make all payments from the giro account of the work organization in conformity with a self-management accord.

The basic organizations of associated labor and work communities referred to in Paragraph 1 of this article shall conduct accounts of mutual obligations and other mutual relations through the internal accounts of basic organizations making up the work organization or work communities within the work organization in conformity with a self-management accord.

A work organization is required to file notice with the basic organization or work organization, along with documentation, concerning daily changes and the balance of money resources in its internal account no later than the day after such changes have occurred and to provide it access to examine the status of resources and internal account.

The official who heads the federal administrative agency competent for financial affairs shall prescribe on recommendation of the general secretary of the Service the manner in which mutual payments shall be made through internal accounts referred to in Paragraph 2 of this article.

In order to ensure public recordkeeping and the performance of the functions of information and analysis, the work organization referred to in Paragraph 1 of this article must also furnish the Service data on a monthly basis according to instructions which will be prescribed by the general director of the Service.

## Article 101

Payment orders shall be signed by the persons authorized to sign, whose signatures are on file with the Service.

Users of social assets are required to place on file with the Service the signatures of persons authorized to sign payment orders of users of social assets for purposes of the disposition of their money resources.

## Article 102

Payments shall also be made from giro accounts and other accounts of users of social assets on the basis of court orders allowing execution, enforceable decisions on penalties for economic offenses, enforceable decisions on penalties for misdemeanors, enforceable decisions or enforceable orders of agencies and organizations authorized by law to issue such decisions and orders, and the final decisions of the Service, as well as orders of the Service which the Service is authorized by law to issue (bases for collection).

#### Article 103

If within the prescribed period the user of social assets does not issue an order for payment of obligations prescribed by law on behalf of sociopolitical communities and their funds, the Service shall issue an order for collection of those obligations.

#### Article 104

The Service shall execute an order for transfer of the dinar equivalent of an unmet obligation from the money resources kept in giro accounts and other accounts of a fully authorized bank to the credit of the National Bank of Yugoslavia, if the National Bank of Yugoslavia issues such an order.

#### Article 105

Users of social assets shall make payments through their giro accounts and other accounts with the Service by means of the transfer order, with the instruments of payment in cash and other payment instruments envisaged by the federal law regulating guaranties of payment between users of social assets, the federal law regulating securities, the federal law regulating bills of exchange, and the federal law regulating the check.

Users of social assets making payments by transferring bills of exchange and bonds which have been issued, certificates on pooled capital and other securities must at the end of every month file an order with the Service for a statement concerning payments made in that manner.

Users of social assets may make payment of mutual obligations by clearing (compensation) if mutual obligations are met in this way within 15 days from the date of occurrence of the debtor-creditor relationship and under the conditions and in the manner prescribed by the federal law regulating contractual relations.

Users of social assets which have paid their obligations by clearing (compensation) in the context of Paragraph 3 of this article must run the payments made or obligations met through the giro account in the Service or through internal accounts of basic organizations no later than the 15th and last day of each month.

It is required that the basis of payment (purpose of the remittance) be entered in the order referred to in Paragraphs 1 and 2 of this article.

#### Article 106

Users of social assets are required to issue payment orders in the prescribed manner and to file documentation with the Service accompanying them if statutes envisage that documentation must be filed.

The Service is required to execute payment orders between users of social assets whose accounts are kept in the same place, if the prescribed conditions so allow, on the same day when it receives them.



Banks are required to deliver to the Service payment orders received from individuals and civil juridical persons for users of social assets whose accounts are kept in the Service on the next day, but no later than 2 days from the date of receipt of those orders.

Post offices are required to deliver to the Service payment orders received from individuals, civil juridical persons and organizations of associated labor for users of social assets whose accounts are kept in the Service no later than the next day.

The Service is required to execute payment orders which it has received from a bank or from a post office for users of social assets whose accounts are kept in it on the same day when it receives them.

If a payment is being made between users of social assets whose accounts are not kept in the same place, but the prescribed conditions so allow, the Service is required to charge the orders received to the account of the issuer of the payment order on the same day and without delay to send them to that social accounting service in which the account is kept of the user of social assets to which the payment is being made.

#### Article 107

The Service shall execute payment orders of users of social assets issued in conformity with regulations and if there is coverage for their execution in the giro accounts and other accounts of the issuer of the order.

In Paragraph 1 of this article the term "coverage" means the balance of resources in accounts with the Service on the previous day, funds which have arrived during the day up to the moment when the payment order was received from the user of social assets, and the unused amount of a line of credit granted by the depositary bank which is used on the principle of a current account.

The Service shall execute payment orders of users of social assets from an approved line of credit up to the amount of assets available in the giro account of the bank extending the credit if the resources of the legal reserve of the depositary bank with the National Bank of Yugoslavia have been returned after use, pursuant to Article 111 of this law.

The Service shall reject on the same day the orders of a user of social assets for whose execution there is not coverage in the giro account and other accounts of the issuer of the order, except for orders executed in the sequence set forth in this law.

The Federal Executive Council shall prescribe the manner of execution of orders of users of social assets from a line of credit in the context of Paragraph 3 of this article.

#### Article 108

The Service is required to deliver to a user of social assets a report containing data on daily changes and the balance of money resources in its giro account and other accounts with the Service no later than the day after the occurrence of those changes and to afford it an opportunity to examine the status of resources in those accounts.

#### Article 109

The resources of users of social assets which are kept in giro accounts and other accounts with the Service shall be regarded as sight deposits of the bank with which the user of social assets has concluded a contract on the deposition of funds.

The funds from one account of a user of social assets may be deposited only in one bank, unless federal law provides otherwise.

Users of social assets are required to file with the service in which their giro account and other accounts are kept the contract on deposition of those resources with a particular bank, and should there be a change in the depository bank--evidence as well of cancellation of the contract with the former bank.

#### Article 110

The Service is required to regularly notify the bank of changes and the balance of resources in giro accounts and other accounts of its depositors.

The Service is required to ascertain daily the balance and inform the bank of the balance of resources in the account of a bank for the conduct of its business.

#### Article 111

The Service shall daily monitor the current liquidity of banks over the entire territory of the Socialist Federal Republic of Yugoslavia.

If after daily processing of orders in domestic payments traffic the funds in a giro account of a bank are not sufficient to cover all the bank's obligations, the Service will issue an order to cover the difference that has come about from the resources of the bank in the following order:

- 1) from the resources of the bank's reserve fund;
- 2) from the resources of the bank's legal reserve with the National Bank of Yugoslavia, in conformity with federal law.

If the resources referred to in Paragraph 2 of this article are not sufficient to cover all the bank's obligations, the Service shall ascertain and indicate the amount of funds which are lacking and on the next day stop

execution of the bank's orders charged to the bank's accounts and also orders of users of social assets charged to the bank's line of credit until the amount of resources lacking is obtained and until recovery is made of the resources used in the context of Paragraph 2 of this article.

The Service is required to inform without delay the professional management body of the bank and the national bank of the republic or national bank of the autonomous province in case of use of resources referred to in Paragraph 2 of this article, as well as the amount of the funds lacking in the context of Paragraph 3 of this article.

The Service is also required to notify the National Bank of Yugoslavia on use of the funds referred to in Paragraph 2, Subparagraph 2, of this article and on the amount of funds referred to in Paragraph 3 of this article.

#### Article 112

The funds used to meet current obligations of a bank in the context of Article 111 of this law must be returned from the bank's giro account from the very next inflow.

If the bank does not issue an order for repayment of the funds referred to in Paragraph 1 of this article without delay, the Service is required to issue an order according to the amount of funds used that the very next inflow be used, first, for return of the funds of the legal reserve with the National Bank of Yugoslavia, and then for return of the funds of the bank's reserve fund.

#### Article 113

When a user of social assets does not have sufficient money resources in its giro account and other accounts with the Service to make all payments, payment shall be made according to the date and hour of receipt in the Service of the basis for collection and the payment order.

As an exception to the provision of Paragraph 1 of this article, the Service shall execute obligations come due on the basis of taxes which the user of social assets has collected as legally required along with the price of its products or services on behalf of sociopolitical communities and their agencies and funds, and orders for payment of the net personal incomes of workers, before the basis of collection and payment order referred to in that paragraph.

#### Article 114

The unmet bases for collection of a user of social assets which has ceased to exist because of status changes shall be turned over to the social accounting service in which is kept the giro account of the user of social assets which has taken over the rights and obligations of the user of social assets which has ceased to exist.

If from the available documentation the Service is unable to ascertain on its own which user of social assets has assumed the rights and obligations of the user of social assets which has ceased to exist because of status changes, the Service shall return the unmet bases for collection to the party which originated it, and orders kept in the records of the Service to the issuer of the payment orders, and it shall so notify the user of social assets to whose credit collection was supposed to be made.

The social accounting service in which the giro account is kept of the user of social assets referred to in Paragraph 1 of this article shall make an entry in the records on the order of collection from the user of social assets of the basis for collection of the user of social assets which cease to exist, which it shall do in the order in which those bases were originally posted in the Service.

#### Article 115

The Service shall make collection from the money resources of a debtor user of social assets which are kept in its giro account and other accounts with the Service, as well as from the dinar equivalent of foreign exchange of the user of social assets which are kept in accounts in a bank, unless they have been exempted from execution by law.

#### Article 116

The Service shall make collection first of all from the giro account of the user of social assets, and if the balance in that account is insufficient, it shall transfer money resources from other accounts of the user of social assets to his giro account in the following sequence:

- 1) resources from the giro account of the internal bank, pursuant to the federal law regulating the bases of the credit and banking system;
- 2) resources from foreign exchange accounts converted to dinars;
- 3) other money resources unless exempted from execution by law if payment instruments charged to those resources have not been issued.

The user of social assets may specify a different sequence for the use of its resources, but it must so inform the Service in writing before the collection referred to in Paragraph 1 of this article is made.

#### Article 117

The Service shall make collection of obligations of a basic organization of associated labor or work community which makes payments through the giro account of a work organization, unless the self-management accord provides otherwise, from the giro account of the work organization up to the amount of resources which under the self-management accord it can dispose of through the internal account and the amount of other resources as referred to in Article 116 of this law of that basic organization of associated labor or work community.

When the self-management accord so provides, and in conformity with that self-management accord, the Service shall make collection of obligations of basic organizations of associated labor up to the amount of resources from the giro account of the work organization and the amount of other resources as referred to in Article 116 of this law of the basic organization of associated labor or work community.

If the balance in the giro account of the work organization is insufficient for collection of the obligation of the basic organization of associated labor or work community, the Service shall make a transfer of resources from the other accounts of the work organization, the basic organization of associated labor or work community in conformity with the self-management accord.

In order to make collection of obligations in the case referred to in Paragraph 3 of this article, the work organization is required at the request of the Service to submit a notice to the Service of the status of resources in the internal account of the basic organization of associated labor or work community which has unmet obligations on a daily basis until the obligations are met.

#### Article 118

The bank in which the foreign exchange accounts of a user of social assets are kept must regularly submit to the Service daily statements concerning the balance and changes in those accounts.

If the balance in the giro account of a user of social assets is insufficient for collection to be made, the Service is required under Article 116, Paragraph 1, Subparagraph 2, of this law, to file a request that same day with the bank referred to in Paragraph 1 of this article for the amount of dinars which the bank must by its own orders, without delay, transfer from the balance or daily inflow of foreign exchange converted to dinars to the giro account of the user of social assets which is a debtor.

The bank referred to in Paragraph 1 of this article is required to act without delay in accordance with the request of the Service referred to in Paragraph 2 of this article.

If the orders of the bank referred to in Paragraph 3 of this article cannot be executed from the balance in the bank's giro account, the Service shall execute those orders from the balance of the bank's reserve fund or the resources of the legal reserve of that bank with the National Bank of Yugoslavia.

After receiving the Service's request, the bank referred to in Paragraph 3 of this article may not execute other orders from the resources of the user of social assets which is a debtor, except for foreign obligations come due, until it receives notice from the Service that the need has ceased for transfer of those resources to meet obligations in the sequence set forth in this law.

The use of social assets is required to notify the Service in writing as to the bank in which its foreign exchange is kept and about a change of the bank in which its foreign exchange is kept.

#### V. Bases of Organization, Management and Responsibility in the Social Accounting Service

##### Article 119

The organization and operating procedure in the Service shall be regulated in such a way as to ensure complete, effective, prompt and efficient performance of functions, linkage and coordination of efforts in the Service, achievement of the responsibility of personnel in the Service in performance of functions within its sphere of competence, and collaboration of the Service with organizations of associated labor and other users of social assets, and with bodies, agencies and organizations of sociopolitical communities in performance of functions within the Service's jurisdiction.

The organization and operating procedure in the Service shall be regulated by law, by the Service's bylaws and other general acts, in conformity with law.

##### Article 120

Organizational units through which functions in the sphere of competence of the Service are performed shall be established in the social accounting service in the republic and in the social accounting service in the autonomous province.

##### Article 121

The Social Accounting Service of Yugoslavia, the social accounting services in the republics and the social accounting services in the autonomous provinces shall have bylaws.

The bylaws referred to in Paragraph 1 of this article shall specifically regulate the following: the bases of the internal organization and operation of the Service; the sphere of competence of the governing and management bodies of the Service and their mutual relations; the competence of the organizational units and their mutual relations; principles concerning mutual rights, obligations and responsibilities of personnel in the work community of the Service; realization of funds for operation of the Service and the affairs of nationwide defense and social self-protection.

The bylaws referred to in Paragraph 1 of this article shall be confirmed by the assembly of the respective sociopolitical community.

##### Article 122

In order to ensure uniform performance of functions the Service shall adopt a work program setting forth tasks within its sphere of competence of interest to the entire country.

The Social Accounting Service of Yugoslavia, the social accounting services in the republics and the social accounting services in the autonomous provinces shall adopt their respective work programs in conformity with the work program referred to in Paragraph 1 of this article.

Tasks of interest to the entire country shall be performed first in carrying out the work programs referred to in Paragraph 2 of this article, and the uniform functioning of the Service shall be safeguarded.

#### Article 123

The books and documents of the Service have the status of public documents.

#### Article 124

The Service shall base performance of tasks within its competence on professional and scientific procedures and methods and shall use up-to-date technical equipment and technology in its operation.

#### Article 125

The funds for operation of the Service shall be realized in conformity with the nature, type, complexity, scope and quality of tasks in the Service's sphere of competence as set forth in law and enactment based on law and a self-management accord or contract setting forth tasks which are financed with those funds.

Funds for operation of the Service shall be realized from the following sources:

- 1) charges collected from organizations of associated labor and other users of social assets for performance of tasks in making domestic payments from their giro accounts and other accounts and charges collected from sociopolitical communities, self-managing communities of interest and funds of sociopolitical communities, as well as self-managing funds for performance of the business of keeping records, information and analysis, and monitoring and economic and financial audits from their general and other accounts;
- 2) charges as set forth in a self-management accord or contract on the basis of which the Service performs tasks within its sphere of competence for organizations of associated labor and other users of social assets;
- 3) charges for performance of the business of keeping records, information and analysis, and monitoring functions of interest to the entire country as set forth and provided for in the federal budget;
- 4) and from other sources as set forth in the bylaws of the Service, pursuant to law.

#### Article 126

The funds for operation of the Service shall be used to reimburse expenses of performing tasks in the Service's sphere of competence, to provide the means of improving and expanding the material basis of the Service's work, funds for special purposes and reserve funds, and funds are also furnished from which the work communities derive their income.

"Expenses for performing tasks in the Service's sphere of competence" refers in Paragraph 1 of this article to material costs and the costs of depreciation of fixed capital.

#### Article 127

On behalf of more successful performance of tasks of interest to the entire country the Social Accounting Service of Yugoslavia, the social accounting services in the republics and the social accounting services in the autonomous provinces shall provide funds on the basis of development programs for research and development, for improvement and expansion of plant and equipment in performance of those tasks, for improvement and training of personnel, and for other joint needs.

#### Article 128

On behalf of achieving organized participation of organizations of associated labor and other users of social assets in performing tasks in the sphere of competence of the Service and of exercising social influence on performance of those tasks, the Council of the Social Accounting Service of Yugoslavia and councils of the social accounting services in the republics and councils of the social accounting services in the autonomous provinces shall be established.

The councils referred to in Paragraph 1 of this article shall be made up of the following: delegates of organizations of associated labor and other users of social assets, delegates of assemblies of sociopolitical communities and delegates of certain sociopolitical organizations.

The general director of the Service and heads of the social accounting services in the republics and heads of the social accounting services in the autonomous provinces (hereinafter "head of the Service") shall be ex officio members of the respective council of the Service.

Delegates of the work community, whose number shall be fixed in the bylaws of the Service or by law, shall also participate in the work of the councils referred to in Paragraph 1 of this article.

The councils referred to in Paragraph 1 of this article shall adopt the work program of the Service, shall guide the work of the Service, shall take steps toward effective and optimum performance of tasks within the Service's sphere of competence and to improve the organization of work and operating procedures of the Service, shall adopt the Service's bylaws and the annual report



on the work of the Service, shall take steps in the domain of nationwide defense and social self-protection, shall make decisions on resources for operation of the Service, shall set forth criteria for the conduct of personnel policy, and shall decide on other matters as set forth in the bylaws of the Service, in conformity with law.

#### Article 129

The head of the Service shall organize and ensure lawful and effective performance of tasks within the Service's sphere of competence, shall adopt general and individual acts whose enactment is placed in his competence, and shall take other steps within the sphere of competence of the Service and shall make decisions on certain rights, duties and responsibilities of personnel in the Service in performance of tasks and functions, in conformity with law and the Service's bylaws.

The head of the Service shall be appointed by the assembly of the sociopolitical community.

The head of the Service shall perform tasks placed in his competence on the basis of law and other enactments, bylaws and other general acts of the Service and shall be accountable for his work and for the work of the Service which he heads to the assembly of the sociopolitical community which appointed him.

The head of the Service is required within the limits of his powers to ensure implementation of the general and individual acts of the council of the Service.

The head of the Service shall have a deputy who replaces him in case of his absence or incapacitation, with all his powers and responsibilities, and he shall perform the tasks assigned him by the head of the Service.

The deputy head of the Service shall be appointed by the assembly of the sociopolitical community.

#### Article 130

Workers who organize and direct work in organizational units and in other particular forms of the organization of work in the Service as set forth in the Service's bylaws (hereinafter "supervisory personnel") and workers who in performance of functions and tasks have special powers and responsibilities (hereinafter "personnel with special authority and responsibility") shall be appointed or hired and discharged and shall be accountable for their work under the conditions and in the manner set forth in the bylaws of the Service.

Workers who are vested with public authority in performance of functions and tasks are personnel with special authority and responsibility in the Service.

#### Article 131

Heads of the Service and their deputies, supervisory personnel and personnel with special authority and responsibility may not in performance of their duties, that is, in performance of tasks and functions, receive guidelines and orders from bodies and agencies and officials of sociopolitical communities which are not based on law, nor may they act according to such guidelines and orders.

#### Article 132

Supervisory personnel shall be accountable for their work to the head of the Service and to the council of the Service, under the conditions and in the manner set forth in the bylaws of the Service, in conformity with law.

Personnel with special authority and responsibility shall be accountable for their work to the head of the organizational unit and the head of the Service.

Heads of social accounting services in the republics and of social accounting services in the autonomous provinces and their deputies shall be accountable for performance of tasks of interest to the entire country to the general director of the Service and to the Council of the Social Accounting Service of Yugoslavia, under the conditions and in the manner set forth in the bylaws of the Social Accounting Service of Yugoslavia and by this law.

#### Article 133

Personnel in the Service are required to perform the tasks and functions assigned to them conscientiously and in an orderly fashion, in conformity with law and other enactments, the bylaws, and other general and other acts of the Service, and they shall be responsible for the lawful and effective performance of those tasks and functions.

#### Article 134

Personnel in the Service shall exercise their rights and discharge their obligations and responsibilities in self-management in the work community, according to the nature of the tasks and functions which they perform and the responsibility which they have in performance of work in the sphere of competence of the Service.

Personnel in the Service shall exercise their self-management rights in the work community in conformity with the bylaws and other general self-management acts of the work community, enacted in conformity with the bylaws of the Service and with law.

Heads of the Service and their deputies shall exercise their rights and discharge their obligations and responsibilities in self-management in the work community, except for those rights, obligations and responsibilities which the law provides that they shall exercise or discharge in another manner.

#### Article 135

In order to ensure performance of tasks in the Service's sphere of competence in accordance with the nature and responsibility which personnel in the Service have in performance of such tasks, the head of the Service shall have the following right and duty:

- 1) to issue general acts on the internal organization and on work and on the systematic organization of tasks and functions in the Service, after first having obtained the opinion of the work community of the Service and with concurrence of the Service's council;
- 2) to institute proceedings for establishment of disciplinary accountability or proceedings for establishment of material liability in case of a violation of work duties or in case injury has been caused in work in relation to the work of personnel in the Service;
- 3) to obtain the opinion of the work community of the Service concerning the program for specialized education and improvement of qualifications of personnel to perform tasks within the sphere of competence of the Service and also concerning a general act concerning professional training and specialized education of personnel in the Service before the proposed version is submitted to the council of the Service.

#### Article 136

In order to ensure constitutionality and legality and the timely and successful performance of functions within the sphere of competence of the Service, the head of the Service shall have the following right and duty:

- 1) to stay execution of a general self-management act of the work community of the Service which he judges not to be in conformity with the constitution or to be contrary to law or other enactment or other general act, after he has proposed to the personnel or body of management which enacted it that they amend such act, if the personnel or body of management fails to amend such act within the period specified;
- 2) to institute proceedings for evaluation of constitutionality or legality of a general self-management act of the work community of the Service whose execution he has stayed;
- 3) to stay execution of an individual act of the work community of the Service which he judges not to be in conformity with the constitution, law or other enactment or general act of the Service or general self-management act of the work community of the Service, after he has proposed to the personnel or to the body of management which enacted it that they amend such act, if the personnel or body of management fails to amend such act within the period specified;
- 4) to propose to the council of the Service that it rule on an individual act of the work community of the Service whose execution he has stayed;

5) to stay execution of a general self-management or individual act of the work community of the Service which he judges to threaten the timely and successful performance of functions within the sphere of competence of the Service, which could result in harmful consequences for the Service or for users of social assets, after he has given advance notice of this to the personnel or body of management which adopted such act, if the personnel or body of management does not act in accordance with that warning within the period specified;

6) to propose to the council of the Service that it rule on a general self-management act or individual act of the work community of the Service whose execution he has stayed;

7) to notify the assembly of the sociopolitical community which appointed him of a general act or individual act of the council of the Service whose execution he has stayed and which he judges not to be in conformity with law, after first having notified the council of the Service of this fact, if the council of the Service does not amend such act within a period of 30 days from the date of the warning, and if the general act or individual act which has been stayed pertains to performance of functions of interest to the entire country--to notify the general director of the Service as well.

If the assembly of the sociopolitical community does not issue a ruling on the general act or individual act of the council of the Service which has been stayed within a period of 90 days from the date of notice given by the head of the Service, the stay of execution of that act shall expire.

## VI. Council and General Director of the Social Accounting Service

### 1. Council of the Social Accounting Service

#### Article 137

In order to achieve organized participation of organizations of associated labor and other users of social assets in performance of functions of interest to the entire country and social influence on performance of these functions, the Council of the Social Accounting Service (hereinafter the "Council of the Service") shall be formed.

#### Article 138

The Council of the Service shall be made up of the following: nine delegates of organizations of associated labor and other users of social assets elected within the framework of the Economic Chamber of Yugoslavia, four delegates elected from among delegates of the SFRY Assembly and one delegate each elected within the Socialist Alliance of Working People of Yugoslavia, the Federation of Yugoslav Trade Unions, the councils of social accounting services in the republics and the councils of social accounting services in the autonomous provinces.

A delegate of the work community of the Social Accounting Service of Yugoslavia shall also participate in the proceedings of the Council of the Service.

The term of office of the delegate in the Council of the Service shall be 4 years.

The general director of the Service shall be an ex officio member of the Council of the Service.

#### Article 139

The Council of the Service shall perform the following functions:

- 1) adopt the annual work program of the Service;
- 2) examine reports on performance of functions of interest to the entire country and decide on measures which the Service undertakes to perform those functions;
- 3) adopt the program for development of the Service and improvement of the technical and technological bases of the Service's operation;
- 4) take measures to ensure the unity of the information effort carried on by the Service and to link those activities to the information efforts being carried on by the other information services in the federal information system;
- 5) establish the technical and technological foundations of the information effort carried on by the Service and of data processing and transmission concerning payments traffic in the country;
- 6) adopt the annual report on the work of the Service;
- 7) adopt the financial plan of the Social Accounting Service of Yugoslavia and approve the year-end statement of the Social Accounting Service of Yugoslavia;
- 8) adopt the Bylaws of the Social Accounting Service of Yugoslavia;
- 9) adopt general acts on specialized training and specialized education and improvement of the qualifications of personnel performing certain tasks important to the work of the Service;
- 10) adopt the program for specialized education and improvement of qualifications of personnel performing certain tasks important to the work of the Service;
- 11) fix the percentage of the share of the Social Accounting Service of Yugoslavia in the funds for operation of the social accounting services in the republics and the social accounting services in the autonomous provinces for operation of the Social Accounting Service of Yugoslavia and decide on the

charge for services performed on the basis of special agreements and contracts concluded by the Social Accounting Service of Yugoslavia;

12) set forth the bases and scales for distribution of funds furnished in the federal budget as compensation for performance of functions of interest to the entire country and for distribution of foreign exchange obtained to perform functions within the competence of the Service;

13) make decisions on use of funds secured for special purposes and funds for research, development, improvement and expansion of the material basis of operation and advanced training and development of personnel and other joint purposes on behalf of more effective performance of tasks of interest to the entire country;

14) adopt general acts on use of the funds of the Social Accounting Service of Yugoslavia for special purposes;

15) issue the order defining which tasks and documents shall be considered trade secrets and the degree of secrecy of such information and documents;

16) make the decision on establishment of the joint periodicals of the Service;

17) appoint and dismiss supervisory personnel in the Social Accounting Service of Yugoslavia as designated by the Bylaws of the Social Accounting Service of Yugoslavia;

18) examine the positions and opinions, recommendations and initiatives of the Council of the Public Information System of the Socialist Federal Republic of Yugoslavia which have general importance to performance of functions within the competence of the Service;

19) establish for all the services the schedule and opening and closing hours for the particular operations in payments traffic;

20) and also examine and decide other issues of common interest to performance of tasks within the competence of the Service.

#### Article 140

The Council of the Service shall adopt an operating procedure to govern its work.

The operating procedure concerning the work of the Council of the Service shall regulate the organization and operating procedures of the Council of the Service and other matters important to the work of the Council of the Service.

The Council of the Service shall elect the chairman of the Council of the Service from among its own members for a term of 1 year.

## 2. General Director of the Social Accounting Service

### Article 141

The general director of the Service shall prepare proposals to be examined and decided on by the Council of the Service and shall see to implementation of the decisions, guidelines and resolutions of the Council of the Service.

The general director of the Service, in collaboration with the heads of the social accounting services in the republics and the heads of the social accounting services in the autonomous provinces, shall prepare proposed versions of acts and materials as referred to in Article 139, Paragraph 1, of this law.

If opinions differ on the proposals referred to in Paragraph 2 of this article, the general director of the Service is required to make those opinions known to the Council of the Service.

### Article 142

The general director of the Service shall represent the Service and, within the limits of the rights and duties set forth in this law, shall direct the work of the Service in performance of functions of interest to the entire country.

### Article 143

In performance of functions of interest to the entire country the general director of the Service shall provide oversight of enforcement of federal enactments and shall see that those enactments are carried out.

If in performance of functions within the competence of the Service he judges that enactments are not in conformity with the SFRY Constitution and federal law, the general director of the Service shall institute proceedings before the Constitutional Court of Yugoslavia for evaluation of the constitutionality or legality of those enactments.

The general director of the Service shall decide a conflict of jurisdiction in performance of functions of interest to the entire country between social accounting services in the republics and social accounting services in the autonomous provinces, unless federal law provides otherwise.

The general director of the Service shall also perform other tasks placed in his competence by federal law.

### Article 144

The general director of the Service shall be appointed and dismissed by the SFRY Assembly.

The general director of the Service shall have a deputy appointed and dismissed by the SFRY Assembly.

The general director of the Service and his deputy shall be appointed to terms of 4 years and may be appointed twice in succession to the same position.

The deputy general director of the Service shall replace the general director of the Service should he be absent or incapacitated, with all his authorities and responsibilities, and shall perform the tasks assigned him by the general director of the Service.

The bylaws or other act of the Social Accounting Service of Yugoslavia shall set forth which tasks within the competence of the Social Accounting Service of Yugoslavia the general director of the Service may delegate to his deputy, to particular supervisory personnel and to personnel with special authority and responsibility in the Social Accounting Service of Yugoslavia.

#### Article 145

If a violation of a federal enactment has been committed by a decision of the Service, the general director of the Service shall adopt a decision staying execution of that decision before it becomes valid.

If the general director of the Service ascertains that federal enactments or regulations or instructions which he has issued are not being applied or are being applied incorrectly, he shall institute disciplinary or misdemeanor proceedings and take the steps envisaged by this and other federal laws and adopt a decision ensuring enforcement of federal enactments or those regulations and instructions.

In the case referred to in Paragraph 2 of this article the general director of the Service shall propose to the assembly of the republic or to the assembly of the autonomous province that it institute proceedings against the head of a social accounting service in the republic or head of a social accounting service in the autonomous province to establish his accountability.

#### Article 146

The general director of the Service and his deputy shall be accountable for their work to the SFRY Assembly and, within the limits of their rights and duties, for performance of functions of interest to the entire country.

The general director of the Service and his deputy may not receive guidelines and orders from bodies, agencies and officials of other sociopolitical communities which are not based on law, nor may they act according to those guidelines and orders.



## VII. Social Accounting Service of Yugoslavia

### 1. Sphere of Competence and Operating Funds

#### Article 147

The Social Accounting Service of Yugoslavia shall be a juridical person with rights, obligations and responsibilities which it has on the basis of the SFRY Constitution, federal laws and the Bylaws of the Social Accounting Service of Yugoslavia.

The headquarters of the Social Accounting Service of Yugoslavia shall be in Belgrade.

The Social Accounting Service of Yugoslavia shall have a stamp on which is inscribed its name in the languages and scripts of the nationalities of Yugoslavia as set forth in the republic constitution and on which there is the emblem of the Socialist Federal Republic of Yugoslavia.

The Social Accounting Service of Yugoslavia shall adopt work programs and work plans for the periods of time set forth in the Bylaws of the Social Accounting Service of Yugoslavia.

#### Article 148

The Social Accounting Service of Yugoslavia shall perform the following functions:

- 1) prepare and propose the annual work program of the Service;
- 2) prepare and propose the report on performance of functions of interest to the entire country;
- 3) prepare and propose the program for development of the Service and for advancement of the technical and technological bases of operation of the Service;
- 4) prepare and propose the annual report on work of the Service and the financial plan and year-end statement of the Social Accounting Service of Yugoslavia;
- 5) prepare and propose the Bylaws of the Social Accounting Service of Yugoslavia;
- 6) prepare and propose the general act on professional training and professional education and improvement of qualifications of personnel performing certain functions important to the work of the Service;
- 7) prepare and propose the program for specialized education and improvement of qualifications of personnel performing certain functions important to the work of the Service;

- 8) prepare and propose a decision on the share of the Social Accounting Service of Yugoslavia in funds for operation of the social accounting services in the republics and the social accounting services in the autonomous provinces;
- 9) prepare and propose the bases and scales for distribution of funds furnished in the federal budget and for distribution of foreign exchange obtained for performance of functions within the competence of the Service;
- 10) prepare and propose a decision on use of funds obtained for research and development, improvement of the material basis of operation, for personnel training and development, and for other joint purposes, on the basis of the development program;
- 11) prepare and propose general acts on use of the funds of the Social Accounting Service of Yugoslavia for special purposes;
- 12) prepare and propose general acts stating which data and documents shall be trade secrets and the degree of secrecy of such information and documents;
- 13) prepare and propose a decision on establishment of a joint periodical of the Service;
- 14) prepare and nominate and propose the dismissal of supervisory personnel as designated by the Bylaws of the Social Accounting Service of Yugoslavia.

The Social Accounting Service of Yugoslavia shall perform the functions enumerated in Paragraph 1 of this article in collaboration with the social accounting services in the republics and the social accounting services in the autonomous provinces.

#### Article 149

The Social Accounting Service of Yugoslavia shall perform the following functions:

- 1) set forth the methodology of operation and procedure for uniform performance of functions in domestic payments traffic and the manner of issuance and use of the prescribed uniform instruments of payment and organization of the enforcement of that method of payment, whereby more rapid and efficient circulation of social assets is ensured;
- 2) establish those records, registers and data catalogues of the Service which are of interest to the entire country;
- 3) approve the uniform accounting plan of the Service's social accounting and issue instructions for application of the uniform methodology in performance of those functions;
- 4) set forth the uniform methodology for keeping records and for gathering, processing, transmission and presentation of data and information of interest to the entire country;

- 5) set forth the technical and technological bases of the information activity carried on by the Service and for data processing and transmission concerning domestic payments traffic;
- 6) gather, process and publish data of interest to the entire country;
- 7) conduct research to improve the information effort of the Service and the methods and organization of the Service's work in performance of functions which are of interest to the entire country;
- 8) issue instructions for uniform enforcement of federal enactments in performance of functions within the competence of the Service;
- 9) issue instructions on the methodology and a regulation on procedure for performance of the functions of economic and financial auditing and issue instructions for performance of those functions.

#### Article 150

In performance of functions within its sphere of competence the Social Accounting Service of Yugoslavia shall perform the following functions:

- 1) in performance of monitoring functions draft decisions in review proceedings and participate in administrative accounting disputes in the cases specified by this law;
- 2) exercise oversight of the enforcement of federal laws and other enactments, regulations and instructions of the general director of the Service in the social accounting services in the republics and the social accounting services in the autonomous provinces on behalf of their uniform enforcement and prompt and quality performance of functions;
- 3) exercise direct oversight over the application of federal enactments by users of social assets at the request of the SFRY Assembly, the assemblies of the republics and the assemblies of the autonomous provinces and their executive councils, as well as the general director of the Service;
- 4) exercise direct oversight over particular users of social assets in order to monitor uniform enforcement of federal enactments over the entire territory of the Socialist Federal Republic of Yugoslavia;
- 5) gather financial data, establish indicators, and prepare the reports and analyses referred to in Article 21 of this law;
- 6) perform functions specified by federal law and other federal enactments in connection with fulfillment of the federal budget and in connection with other federal resources;
- 7) exercise oversight over the correctness of fulfillment of the federal budget, monitor disposition of social assets indicated in periodical accounts and year-end statements of users of the federal budget and monitor the

year-end statement of the federal budget in relation to enforcement of federal laws and other federal enactments;

8) exercise oversight over the use of the methodology of operation, regulations and instructions for performance of economic and financial auditing;

9) participate in the actual performance of the functions of economic and financial auditing;

10) issue instructions for performance of functions within the Service's sphere of competence which pertain to military units, military institutions, Military Service in the National Bank of Yugoslavia, and organizations of associated labor manufacturing products or rendering services for the Yugoslav People's Army;

11) cooperate with international organizations and organizations of other countries in performance of functions within its sphere of competence.

#### Article 151

The Social Accounting Service of Yugoslavia, as an information service in the federal information service, shall carry on information activity within its sphere of competence to meet the needs of federal bodies, agencies and organizations.

In performance of its information activity, within its own sphere of competence, the Social Accounting Service of Yugoslavia shall furnish data, indicators, reports and analyses which are especially important to the following: preparation and enactment of the social plan of Yugoslavia and monitoring its fulfillment; monitoring current financial developments and establishment and realization of measures of current economic policy; preparation and enactment of social compacts in whose conclusion the Federation participates and monitoring their implementation; preparation and adoption of the federal budget and year-end statement of the federal budget and monitoring their fulfillment; monitoring the trends in investment, government, social service and personal expenditure and adoption of steps to guide certain forms of expenditure; preparation, adoption and implementation of federal laws and other general enactments and general acts.

In performance of its information activity, within the limits of its competence, the Social Accounting Service of Yugoslavia shall perform functions which specifically pertain to the following: establishment and keeping of records, organization of censuses and inventories, and the recording, gathering, processing, transmission and presentation of data and information of interest to the entire country.

In performance of its information activity, within the limits of its competence, the Social Accounting Service of Yugoslavia shall collaborate with the social accounting services in the republics and the social accounting services in the autonomous provinces, as well as with other information services and the competent bodies, agencies and organizations at the federal level

which, within the limits of their own sphere of competence, perform functions in the domain of the social information system and the information system in the Federation of interest to the entire country and of interest to performance of the functions and tasks of bodies, agencies and organizations in the Federation.

#### Article 152

In collaboration with the social accounting services in the republics and the social accounting services in the autonomous provinces the Social Accounting Service of Yugoslavia shall have the right to issue initiatives, that is, to submit requests for steps to be taken and for adoption of federal laws and other federal enactments and general acts which it applies in performance of functions within its sphere of competence.

The Federal Executive Council, federal administrative agencies and federal organizations shall submit to the Social Accounting Service of Yugoslavia for its examination drafts and proposed versions of laws and other enactments and general acts which the Social Accounting Service applies in performing functions within its sphere of competence.

The Social Accounting Service of Yugoslavia has the right and duty to present its opinion, suggestions and proposals concerning drafts and proposed versions of federal laws and other federal enactments and general acts which it applies in performing functions within its sphere of competence.

The Federal Executive Council, federal administrative agencies and federal organizations are required to take under consideration the opinions, suggestions and proposals of the Social Accounting Service of Yugoslavia referred to in Paragraph 3 of this article, and the federal administrative agencies and federal organizations are also required to make their own positions known to the Social Accounting Service of Yugoslavia.

#### Article 153

The work of the Social Accounting Service of Yugoslavia shall be directed by the general director of the Service, who shall represent the Social Accounting Service of Yugoslavia as its representative and agent, who shall see to organization of the work of that Service, who shall prescribe the regulations and instructions within the restriction of the Service and who shall perform other functions placed in his competence by federal law or by the Bylaws of the Social Accounting Service of Yugoslavia.

#### Article 154

Funds for the work of the Social Accounting Service of Yugoslavia shall be furnished as follows:

- 1) by its share in the funds for operation of the social accounting services in the republics and the social accounting services in the autonomous provinces;

- 2) from the resources of the federal budget to perform functions related to fulfillment of the federal budget and other resources of the Federation;
- 3) from a portion of charges for performance of functions of interest to the entire country provided for in the federal budget;
- 4) from charges for services performed by the Social Accounting Service of Yugoslavia on request or on the basis of a contract in conformity with this law;
- 5) out of funds from other sources, in conformity with this and other federal law.

## 2. The Work Community

### Article 155

Personnel in the Work Community of the Social Accounting Service of Yugoslavia (hereinafter "personnel in the Work Community") shall exercise their rights and discharge their obligations and responsibilities in self-management as set forth in the bylaws and other general self-management acts of the Work Community, in conformity with this law, the self-management accord concluded between the Work Community and the Social Accounting Service of Yugoslavia, and the Bylaws of the Social Accounting Service of Yugoslavia.

### Article 156

Personnel in the Social Accounting Service of Yugoslavia shall constitute a single work community.

Personnel in the Work Community may realize their individual rights and discharge their individual obligations and responsibilities in self-management in their organizational subdivision as well, in the assembly of workers of that organizational subdivision.

### Article 157

Personnel in the Work Community shall realize income according to the principles of the free exchange of labor, in conformity with the self-management accord concluded between the Work Community and the Social Accounting Service of Yugoslavia.

Personnel in the Work Community shall realize funds for personal incomes and social services, within the limits of income, in conformity with the principle of distribution according to work and the results of work and in conformity with the socially established bases and scales governing distribution as set forth in a social compact and self-management accord.

#### Article 158

Personnel in the Work Community shall set forth in a self-management accord the bases and scales for realizing the income of the Work Community and for its distribution, bases and scales for distribution of funds for personal incomes and social services, in conformity with the provisions of the social compact which the Work Community of the Social Accounting Service of Yugoslavia has concluded or into which it has entered.

#### Article 159

In general self-management acts the personnel in the Work Community shall regulate their mutual rights, obligations and responsibilities, in conformity with law and the Bylaws of the Work Community.

The Council of the Work Community shall make the proposed versions of general self-management acts known to the general director of the Service.

The general director of the Service and the deputy shall exercise their rights and discharge their obligations and responsibilities in self-management within the Work Community, except for the rights, obligations and responsibilities which the law provides that they shall exercise or discharge in another manner.

#### Article 160

Supervisory personnel in the Social Accounting Service of Yugoslavia are as follows: assistants to the general director of the Service and advisers of the general director of the Service, as well as the heads of the organizational components so specified by the Bylaws of the Social Accounting Service of Yugoslavia.

The position, authority and responsibility of supervisory personnel in the Social Accounting Service of Yugoslavia shall be regulated by the Bylaws of the Social Accounting Service of Yugoslavia.

#### Article 161

The assistants of the general director of the Service and other supervisory personnel in the Social Accounting Service of Yugoslavia shall be appointed and dismissed by the Council of the Service on the recommendation of the general director of the Service, in conformity with the Bylaws of the Social Accounting Service of Yugoslavia.

The heads of the organizational components as designated by the Bylaws of the Social Accounting Service of Yugoslavia shall be appointed and dismissed by the general director of the Service.

Supervisory personnel in the Social Accounting Service of Yugoslavia must have adequate professional training, several years of experience, and ability in organizing and supervising the tasks and functions of the positions to which they are appointed.

When the assistants to the general director of the Service are being appointed, consideration shall be given to uniform representation of personnel from the republics and autonomous provinces.

Supervisory personnel in the Social Accounting Service of Yugoslavia shall be appointed for periods of 4 years, and they may be reappointed.

Supervisory personnel in the Social Accounting Service of Yugoslavia who are not reappointed at the end of the period of time for which they have been appointed are entitled to be assigned to tasks and functions in the Social Accounting Service of Yugoslavia which correspond to their professional training and work ability.

#### Article 162

Personnel with special authority and responsibility in the Social Accounting Service of Yugoslavia are personnel who are authorized to perform the functions of monitoring the enforcement of federal enactments and instructions of the general director of the Service in the social accounting services in the republics and in the social accounting services in the autonomous provinces and also on the premises of users of social assets, as well as personnel authorized to perform the functions of conducting an administrative accounting dispute.

#### Article 163

The employment relation of personnel shall be established on the basis of a public competition or public advertisement.

The decision on the need to establish the employment relation with new personnel under conditions envisaged by the general act on systematic classification of the tasks and functions in the Social Accounting Service of Yugoslavia shall be made by the general director of the Service, after he has obtained the opinion of the Council of the Work Community.

The general director of the Service, after having obtained the opinion of the Council of the Work Community, shall decide on the assignment of personnel to particular tasks and functions and also on termination of a worker's employment relation--in the manner and under the conditions set forth in law.

#### Article 164

The competition commission shall conduct proceedings for personnel who establish the employment relation through a public competition or public advertisement.

The Council of the Work Community shall establish the competition commission.

The competition commission shall be independent in its work.



Candidates proposed on a list of candidates, which shall be set forth by the competition commission, shall be chosen by the general director of the Service, after first having obtained the opinion of the Council of the Work Community.

#### Article 165

A worker who in performance of his tasks and functions has committed a violation under Article 194, Paragraph 2, of the Law on Associated Labor, shall be deemed to have committed a very serious breach of work duties.

A general self-management act of the Work Community shall set forth what is deemed to be a very serious and less severe breach of work duties, in conformity with the Bylaws of the Social Accounting Service of Yugoslavia.

#### Article 166

The following measures may be pronounced for a breach of work duties:

- 1) warning;
- 2) public warning;
- 3) assignment to other tasks and functions for a period lasting from 1 to 6 months;
- 4) a fine;
- 5) termination of the employment relation.

The fine referred to in Paragraph 1, Subparagraph 4, of this article may be pronounced in the amount of 10 percent of the monthly advance of the worker's personal income, but the total amount of fines in a single month may not exceed 20 percent of the monthly advance of the worker's personal income.

The measures enumerated in Subparagraphs 3 through 5 of Paragraph 1 of this article may be pronounced only for a very serious breach of work duties.

The following shall be especially taken into account when a measure is being pronounced for a breach of work duties: the seriousness of the breach and its consequences; the degree of the worker's responsibility; the conditions under which the breach was committed; the worker's previous work and behavior; the importance of the work and other circumstances which could influence the type of measure pronounced.

#### Article 167

Measures for breaches of work duties of supervisory personnel in the Social Accounting Service of Yugoslavia appointed by the Council of the Service shall be pronounced by a disciplinary commission established by the Council of the Service.

Measures for breaches of work duties of personnel hired by the general director of the Service shall be pronounced by the disciplinary commission elected by the Work Community, after having first obtained the opinion of the general director of the Service.

The makeup and operating procedure of the disciplinary commissions referred to in Paragraph 1 and Paragraph 2 of this article shall be regulated by a general act or general self-management act, respectively.

An appeal may be filed against a decision of a disciplinary commission as referred to in Paragraph 1 and Paragraph 2 of this article within the period set forth in the general act or general self-management act, respectively.

An appeal against the disciplinary commission referred to in Paragraph 1 of this article shall be ruled on by the Council of the Service, and an appeal against a decision of the disciplinary commission referred to in Paragraph 2 of this article--by the Work Community.

#### Article 168

A proposal for institution of proceedings to establish a worker's responsibility for a breach of work duties shall be submitted by the general director of the Service on his own initiative or on the initiative of the Council of the Service, the head of an organizational component of the Service, the Council of the Work Community, the body for self-management control or the trade union organization in the Social Accounting Service of Yugoslavia.

The general director of the Service is also required to institute the proceedings referred to in Paragraph 1 of this article at the request of a user of social assets.

#### Article 169

The workers in the Work Community shall exercise their rights and discharge their obligations and responsibilities arising out of the employment relation, insofar as they have not been regulated by this law, under the republic law on employment relations which is in effect on the territory where the headquarters of the Social Accounting Service of Yugoslavia is located.

### VIII. Punitive Provisions

#### 1. Economic Offenses

#### Article 170

An organization of associated labor or other user of social assets shall be subject to a fine of not less than 20,000 and not more than 1 million dinars for an economic offense in the following cases:

- 1) if it does not preserve as a trade secret data envisaged by this law which the Service has supplied it concerning another user of social assets at its request (Article 31, Paragraph 3);

2) if it does not preserve data or indicators or reports or analyses of the Service, which are prescribed as a trade secret, in the manner prescribed by law or other enactments based on law, or does not handle them in the manner indicated on them, or if it does not preserve documents and data which are a state secret, a military secret, or an official secret in the manner provided by law or other enactment based on law (Article 38, Paragraphs 2 and 3);

3) if it does not act in accordance with the decision of the authorized employee in the Service ordering that certain actions be taken to correct illegalities or irregularities which have been ascertained and does not correct those illegalities or irregularities within the period specified (Article 55, Paragraphs 1 and 3);

4) if it does not keep all money assets, except foreign exchange, in giro accounts and other accounts with the Service (Article 94, Paragraph 1).

The person responsible in the organization of associated labor or other user of social assets shall also be subject to a fine of not less than 3,000 and not more than 50,000 dinars for an economic offense for the actions enumerated in Paragraph 1 of this article.

The person responsible in the body or agency of a sociopolitical community, other government agency or local community shall also be subject to a fine of not less than 3,000 and not more than 50,000 dinars for an economic offense for the actions enumerated in Paragraph 1 of this article.

#### Article 171

A bank in which the foreign exchange accounts of users of social assets are kept shall be subject to a fine of not less than 20,000 and not more than 500,000 dinars in the following cases:

1) if at the request of the Service it does not issue orders to make a regular transfer of the balance or inflow of foreign exchange converted to dinars to the giro account of a user of social assets which is in debt (Article 118, Paragraph 3);

2) if after receiving a request of the Service it executes other orders charged to the resources in foreign exchange accounts of the user of social assets which is in debt, except for foreign obligations which have come due, until it receives notice from the Service of cessation of the need for the transfer of those funds (Article 118, Paragraph 5).

The person responsible in the bank shall also be subject to a fine of not less than 3,000 and not more than 30,000 dinars for an economic offense for the actions enumerated in Paragraph 1 of this article.

#### Article 172

The person responsible in the Service shall be subject to a fine of not less than 3,000 and not more than 50,000 dinars for an economic offense in the following cases:

- 1) if he opens more than one giro account for a user of social assets (Article 97, Paragraph 1);
- 2) if he executes a payment with the funds in accounts for payment of the revenues of sociopolitical communities or their funds or in the accounts of self-managing communities of interest or other self-managing organizations or communities, or from the funds in flow-through accounts for joint revenues and in flow-through accounts for other funds which are gathered and distributed among particular users of social assets (Article 98, Paragraph 1);
- 3) if he executes a payment order for which coverage does not exist in the giro account and other accounts of the originator of the order (Article 107, Paragraph 1);
- 4) if he makes collection from the money resources of a user of social assets contrary to the prescribed sequence of collection under the provisions of this law (Article 111, Paragraphs 2 and 3; Article 114, Paragraph 3; Article 116, Paragraphs 1 and 2; and Article 179).

## 2. Misdemeanors

### Article 173

An organization of associated labor or other user of social assets shall be subject to a fine of no less than 5,000 and no more than 100,000 dinars for a misdemeanor in the following cases:

- 1) if it does not give to the Service data to meet needs in performance of the functions of information and analysis (Article 22, Paragraph 2);
- 2) if it does not furnish the authorized employee in the Service the conditions necessary for performance of an examination (Article 50, Paragraph 1);
- 3) if the responsible person does not provide a written explanation related to the subject matter of an examination within the period of time fixed by the authorized employee in the Service (Article 50, Paragraph 2);
- 4) if it does not proceed according to the conclusion of the authorized employee in the Service and within the period specified does not carry out the orders contained in that conclusion (Article 51, Paragraph 2);
- 5) if it has in the Service more than one giro account (Article 97, Paragraph 1);
- 6) if it does not inform the Service in writing in which bank it keeps its foreign exchange or a change of the bank in which those resources are kept (Article 118, Paragraph 6).

The person responsible in the organization of associated labor or other user of social assets shall also be subject to a fine of not less than 3,000 and not more than 20,000 dinars for a misdemeanor for the actions enumerated in Paragraph 1 of this article.

The person responsible in the body or agency of a sociopolitical community, other government body, the body of a social community or in a local community shall also be subject to a fine of not less than 3,000 and not more than 20,000 dinars for a misdemeanor for the actions enumerated in Paragraph 1 of this article.

#### Article 174

A bank or organization of associated labor providing postal, telegraph and telephone service shall be subject to a fine of not less than 5,000 and not more than 100,000 dinars for a misdemeanor in the following cases:

- 1) if it does not accept a payment from individuals and civil juridical persons to be credited to the giro account and other accounts of users of social assets kept in the Service (Article 89, Paragraph 1);
- 2) if it does not deliver to the Service payment orders received from individuals or civil juridical persons or organizations of associated labor payable to users of social assets within 2 days of the date of receipt of those orders at the latest (Article 106, Paragraph 3);
- 3) if it does not deliver to the Service payment orders received from individuals or civil juridical persons or organizations of associated labor payable to users of social assets on the next day at the latest (Article 106, Paragraph 4);
- 4) if it does not regularly submit to the Service daily statements concerning balance or changes in foreign exchange accounts kept in it (Article 118, Paragraph 1).

The person responsible in the bank or organization of associated labor in the field of postal, telegraph and telephone service shall also be subject to a fine of not less than 3,000 and not more than 20,000 dinars for a misdemeanor for the actions enumerated in Paragraph 1 of this article.

#### Article 175

The person responsible in the Service shall be subject to a fine of not less than 3,000 and not more than 20,000 dinars for a misdemeanor in the following cases:

- 1) if he does not furnish financial data or indicators or reports or analyses to entities in the public information system or meet the needs of nationwide defense and social self-protection, or if those data, indicators, reports or analyses do not correspond to the actual state of records or documentation which the Service possesses (Article 21);
- 2) if he does not deliver to the organizations of associated labor referred to in Article 29, Paragraph 1, of this law indicators for the annual or semi-annual period within 60 days at the latest of expiration of the period prescribed for their delivery to the Service (Article 29, Paragraph 2);

3) if at the request of an organization of associated labor or other user of social assets he does not deliver data on another user of social assets within a period of 8 days from the date of receipt of the request (Article 31, Paragraph 1);

4) if he does not deliver the official record of an examination made on the premises of a user of social assets and the written report on the situation ascertained in the course of an examination to the professional management body, the body of self-management and the body of self-management workers' control or the body of self-management control of the user of social assets or if he does not submit to them the written report on the situation ascertained in the course of the examination (Article 54, Paragraph 2);

5) if he does not execute payment orders between users of social assets whose accounts are kept in the same town, though the prescribed conditions have been met, on the same day when the Service receives them, or, if payment is being made between users of social assets whose accounts are not kept in the same town, but the prescribed conditions have been met, he does not debit the account of the issuer of the order on the same day or does not expedite them without delay to the Service in which the account is kept of the user of social assets to which payment is being made (Article 106, Paragraphs 2 and 6);

6) if he does not deliver to a user of social assets a report containing figures on daily changes and the balance of money resources in its giro account and other accounts with the Service no later than the day after those changes occur (Article 108);

7) if he does not regularly inform the bank concerning changes and the balance of resources in giro accounts and other accounts of its depositors or if he does not every day ascertain and does not inform the bank of the balance in the bank's account for its business operation (Article 110);

8) if without delay he does not inform the professional management body of a bank and the national bank of the republic or national bank of the autonomous province concerning use of resources from the bank's reserve fund and from the resources of the bank's legal reserve with the National Bank of Yugoslavia (Article 111, Paragraph 4);

9) if he does not inform the National Bank of Yugoslavia concerning the use and level of resources of the legal reserve (Article 111, Paragraph 5).

### 3. Legal Consequences of Conviction

#### Article 176

The tasks and functions of supervisory personnel and personnel with special authority and responsibility in the Service may not be performed by a person who has been sentenced to prison for a premeditated crime committed against the foundations of the social system of socialist self-management and the security of the Socialist Federal Republic of Yugoslavia, against the economy and unity of the Yugoslav market, against official duties, against the rights of self-management and against social property.

The prohibition referred to in Paragraph 1 of this article shall last 5 years from the date when the penalty was pardoned or lapsed through the statute of limitations.

#### IX. Transitional and Final Provisions

##### Article 177

The Service shall monitor the legality and correctness of accounts, the promptness of payment and the correctness of assignment of revenues to self-managing communities of interest and other self-managing organizations and communities on the basis of a contribution until the date when republic or provincial laws or enactments based on law take effect, but no later than 31 December 1985.

##### Article 178

The Service shall execute the payment orders of an organization of associated labor and other user of social assets for the payment of personal incomes of workers up to the amount set forth in the general self-management act.

In executing the order referred to in Paragraph 1 of this article the Service shall verify whether the organization of associated labor or other user of social assets is paying the personal incomes of workers up to the amount set in the general self-management act.

The Service shall not execute the orders for payment referred to in Paragraph 2 of this article if the sums covered by those orders are greater than the amount set forth in the general self-management act.

The provisions of this article shall be applied until 31 December 1985.

##### Article 179

If a user of social assets does not have sufficient money resources in his giro account and other accounts with the Service for all its payments, payment shall be made in the following sequence:

- 1) obligations come due on the basis of taxes and other charges which the user of social assets has collected under specific enactments along with the price of its products or services on behalf of sociopolitical communities and their bodies, agencies and funds;
- 2) obligations come due under a loan for credit financing of the faster development of the economically underdeveloped republics, autonomous provinces and regions;
- 3) orders to meet obligations for repayment of foreign loans and credits under the law regulating the transfer of the resources, rights and obligations of the Federation for capital investments in the economy to the republics and autonomous provinces;

4) orders of banks for payment of obligations come due under credit transactions with foreign countries or orders of the National Bank of Yugoslavia issued in accordance with the provision of Article 99, Paragraph 2, Subparagraph 2, of this law;

5) obligations related to the bases for collection referred to in Article 102 of this law;

6) prescribed obligations which have come due under orders which have been filed by the users of social assets.

The Service shall keep records on the order in which bases for collection as referred to in Paragraph 1, Subparagraphs 5 and 6, of this law have been received by the date and hour of their receipt, and it must make collection in that sequence, and at the creditor's request it must issue confirmation of the position of his claim in the order.

As an exception to the provisions of Paragraph 1 of this article, the Service shall execute before the orders enumerated in this paragraph the orders of users of social assets for payment of personal incomes from their own reserves or funds obtained from a bank, sociopolitical community or other user of social assets for that purpose, which shall be recorded separately in the Service.

The provisions of this article shall apply until 31 December 1985.

#### Article 180

The Bylaws of the Social Accounting Service of Yugoslavia shall be brought into conformity with the provisions of this law no later than 6 months from the date when this law takes effect.

#### Article 181

Enactments and other general acts of the Social Accounting Service of Yugoslavia which are not in conformity with the provisions of this law shall be brought into conformity with the provisions of this law no later than 3 months from the date when the Bylaws of the Social Accounting Service of Yugoslavia take effect.

#### Article 182

The bylaws and other general self-management acts of the Work Community of the Social Accounting Service of Yugoslavia shall be brought into conformity with the provisions of this law within a period of 1 year from the date when this law takes effect.

#### Article 183

The existing Council of the Social Accounting Service of Yugoslavia, until establishment of the Council of the Service in accordance with the provisions



of this law, shall continue to work with the status and functions set forth in the Law on the Social Accounting Service (SLUZBENI LIST SFRJ, No 2, 1977; No 22, 1978; No 35, 1980; No 43, 1982; and No 41, 1983).

The Council of the Service is required to bring its organization and operating procedure into conformity with the provisions of this law within a period of 3 months from the date when this law takes effect.

#### Article 184

The provisions of Article 113 of this law shall apply as of 1 January 1986.

#### Article 185

On the date when this law takes effect the Law on the Social Accounting Service (SLUZBENI LIST SFRJ, No 2, 1977; No 22, 1978; No 35, 1980; No 43, 1982; and No 41, 1983) shall cease to be valid.

#### Article 186

This law shall take effect on the eighth day after publication in SLUZBENI LIST SFRJ.

7045  
CSO: 2800/193

END