

THE LEGAL REGULATION OF THE NON-SOCIALIZED ECONOMY

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The basic principles of the socio-economic system are given in Arts. 7—14 of the Constitution of the Polish People's Republic, 22nd July, 1952.¹ They declare that People's Poland "develops, through the nationalized means of production, exchange, communication, and credit, the economic and cultural life of the country in accordance with the national economic plan, and, in particular, through the expansion of the nationalized State industry, which is the decisive factor in transformation of social and economic relations". The economic policy of the State aims at steadily developing the productive resources of the country, at ceaselessly raising the standard of living of the working masses, and at consolidating the strength, the defence power, and the independence of the State. The Constitution declares that this aim should be attained by 1) recognizing the mineral resources, water, State forests, mines, roads, rail water and air transport, the means of communication, banks, State industrial works, State Farms and State Machine Centres, State trading enterprises, communal enterprises and facilities as national property and by giving this national property into the care and protection of the State and all the citizens; 2) by ensuring support for the development of various forms of the co-operative movement in town and country, by giving this movement all possible help in fulfilling its tasks, and by surrounding co-operative property, as public property, with particular care and protection; 3) by recognizing and protecting, in accordance with the existing laws, individual property and the right to inherit land, buildings, and other means of production belonging to peasants, craftsmen, or people engaged in home industries; 4) by protecting individual farms belonging to working peasant and by helping them to increase production, to improve the technical and agricultural level of their farms, and to raise their standard of living. Extending the legal foundations of the socio-economic system, a law

¹ Dziennik Ustaw [Journal of Laws, abbrev. J. of L.], No. 33, item 232; also 1954, No. 53, item 190; 1957, No. 61, item 329; 1960, No. 57, item 322; 1961, No. 25, item 120; 1963, No. 57, item 306.

of 23rd April, 1964, the Civil Code,² gave shape to the legal principles governing property. For the Civil Code draws distinctions between the following forms of property: public, individual, and personal. The creation of a legal basis for individual property and personal property in the form of land, buildings, and other means of production within the legal principles of the socio-economic system made it possible for non-socialized economic activity to be undertaken and carried on. In order to make the best possible use of material resources and thus satisfy the needs of the public as fully as possible, conditions were created for the development of all the productive resources of the country, not only through the activities of units of the socialized economy, but also through giving physical persons, and some legal persons, the opportunity to engage in non-socialized economic activity. In order to be quite clear as to what is meant by a unit of the socialized economy when the legal regulation of the non-socialized economy is being discussed, it will be as well to have a look at the regulation which applies here.³

The activity of a unit of the non-socialized economy is part of the national economy. It is subject to general economic direction and is expected to serve the public interest. Generally speaking, its role in the national economy is to supplement the activities of the units of the socialized economy. It undertakes and carries on its activities on the principles and conditions laid down by the law, while the kind and the extent of its activities, as well as the way it is organized, are regulated by the law. Legal regulations govern its organization, its economic relations, and even encroach onto the field of technical and other problems. The chief aim of the present paper is to outline the character and explain the role of legal acts passed in order to control the activities of units of the non-socialized economy. In view of the large number of spheres of the non-socialized economy which are regulated by the law, and the multiplicity of legal acts of different rank, it would be impossible within the scope of the present paper to describe in full the entire apparatus of legal instruments used in this field. Attention will be concentrated, therefore, on the principal legal acts which may show the direction of legal control, and which will give an idea of the characteristic legal regulations in this sphere. It is proposed to deal with the problem under the following headings: legal regulations covering the undertaking of economic activity by a unit of the non-socialized economy; the legal form given to the principles and conditions according to which such activity may be carried on; the legal representation of units of the

² J. of. L., No. 16, item 93, art. 126, art. 130, art. 132.

³ Order of the Council of Ministers, 14th May, 1964, issued on the basis of the 1958 statute on the issuing of licences to units of the non-socialized economy (J. of. L., 1964, No. 20, item 120).

non-socialized economy; care and supervision exercised by State administrative bodies.

From the point of view of legal control, the activities of units of the non-socialized economy may be divided into two kinds: activity which requires a licence, and activity which can be begun and carried on without a licence having to be obtained.

Licences allowing units of the non-socialized economy to engage in production, processing, trade, or in the provision of services, are issued in accordance with the principles laid down by the Act of 1st July, 1958. There are exceptions, consisting of certain kinds activities not covered by the Act.⁵ According to the Act, before a licence is granted, the following questions should be taken into consideration: is there a need for the proposed quantity or quality of the given kind of article or services; is the person applying for the licence likely to be able to secure the necessary materials, and are his professional qualifications and, in some cases his health, of the required standard?⁶ Licences are issued for a definite or indefinite period. As far as handicrafts are concerned, licences are usually granted for an indefinite time. A fee is charged when a licence is issued, the size of the fee depending on the kind of work done and the place where it is done. The licence is issued by the appropriate section (industry, trade, or agriculture) of the urban or district People's Council. The opinion of a commission set up by the praesidium of the People's Council is taken into consideration before a decision is taken. The commission includes members of appropriate commissions of the People's Council, representatives of the guild chambers, representatives of private industry and private trade and services, interested administrative bodies, and representatives of other economic units where necessary. According to the Act, in certain exceptional cases a licence may not be required in fields where usually one is required. These exceptions may be made in view of the kind of person who carries on the economic activity, or in view of the type of this activity. For example, people aged sixty or over, who employ not more than one hired help, who have been working in the same occupation for 20 years, and who have run their workshop for at least ten years, are

⁴ J. of L., 1958, No. 45, item 224, and 1963, No. 22, item 113.

⁵For example, if a unit of the non-socialized economy is engaged in production in agriculture, market-gardening, forestry, or stockbreeding, it is not subject to this statute; neither are professional services or creative work in the arts. The home industries are likewise not subject to this law. Activities listed in the Act as not being subject to the general regulations are subject to separate regulations.

⁶ For example, according to par. 15 of the Decree of the Council of Ministers of 14th May, 1964 (J. of L., No. 20, item 120), anyone who applies for a licence to run a business in the food trade or the gastronomic industry must come up to a required standard of health.

exempted from the obligation of having to obtain a licence.⁷ Home industries and peasant industries are likewise exempt from having to obtain a licence.⁸ Finally, it should also be noted that according to the Act⁹ there are certain kinds of commercial activity that can be carried on without a licence. For example, craftsmen as well as people engaged in home industries or peasant industries may sell their own products without having to have a licence to do so, provided certain conditions are observed.

A licence granted to a physical or legal person who is not a unit of the socialized economy has legal effect as long as it does not expire or as long as it is not withdrawn, in which case the rights it conveys cease to hold good. A licence expires in the following situations: upon the expiry of the term for which the licence was issued; upon the death of the physical person or the liquidation of the legal person to whom the licence was granted; when the licensee sells, or leases, or gives up his business. The body which granted the licence is the body which must make a pronouncement on the expiry of the licence. It should be noted that if a physical person to whom a licence was granted dies, the person's spouse or heirs are allowed to retain the licence, under the conditions laid down by the Act. The withdrawal of a licence is the sanction laid down by the Act with relation to a person who had been given a licence but did not obey the conditions or disobeyed the rules in so far as to disqualify him from carrying on that activity any longer. The Act defines the cases in which licences should be withdrawn and the cases in which they may be withdrawn. For example, the Act says that a licence should be withdrawn if the person to whom it was given is convicted of an offence committed for profit, and if that offence was committed in connection with the economic activity he carries on; or the licence should be withdrawn if the person concerned does not possess, or has lost, the required professional or personal qualifications. On the other hand according to the Act a licence may be withdrawn if the person to whom it was given was convicted of an offence connected with his business; or if he carries on his business in such a way as to give rise to justifiable complaints as to the bad quality of his production or his services, or as to his unreliability, in which case the guild chamber or other professional organization shall propose that his licence be withdrawn. A decision as to the withdrawal of a licence is taken by the body which was set up to issue licences, after it hears the opinion of the

⁷ A list of these activities is given in the Order of the Council of Ministers of 24th September, 1962 (J. of L., 1962, No. 62, item 296, and 1964, No. 11, item 68).

⁸ Order of the Minister of Small-Scale Industry and Handicrafts, 27th June, 1956 (J. of L., 1956, No. 30, item 144, and J. of L., 1960, No. 42, item 258).

⁹ Order of the Minister of Home Trade, 5th May, 1965 (Monitor Polski [Official Polish Register], No. 24, item 116).

commission and listens to the person in question. It should be pointed out that both in issuing and in withdrawing licences, the body which examines these matters and issues the decisions must act in accordance with the regulations of the code governing administrative procedure.¹⁰

The law defines the conditions which a unit of the non-socialized economy must obey when engaged in production, processing, commerce, or services. In the public interest, activities of that sort are controlled. In the first place, let us have a look at the group of acts which are designed to protect the natural resources, for they contain regulations governing the use of nature's gifts. We might take here as an example the Water Act,¹¹ which says that all the water in the country is the property of the State, with certain exceptions. The Act is the legal instrument for controlling the supply of water needed by the national economy, as well as the water needed by the population. In the public interest, the Act restricts the rights of a person owning land in the use of water which is his property. He is only allowed to use this water for his own needs as well as for his household and farm, and only by sinking wells not deeper than 30 m., or wells which produce not more than 6 cubic metres of water per hour. If his needs exceed these limits, then he must apply for special permission. As regards the forests, the activities of units of the non-socialized economy are regulated by a special Act.¹² The Mining Act reserves for the State the sole right to exploit mineral resources. But the owner of ground may exploit some mineral resources for his own use upon the fulfilment of certain conditions laid down by special paragraphs of the Act.¹³ Continuing the list of Acts containing regulations on the protection of natural resources, there is the geological law,¹⁴ the law on fuel and power,¹⁵ and the decree on the use of commodities that are of fundamental importance for the national economy.¹⁶ Legal acts of another type are the acts and derivative regulations guaranteeing the rights of the working man, and defining the

¹⁰ Statute of 14th June, 1960 — Code of administrative procedure (J. of L., No. 30, item 168), Arts, 68, 75, 110, 127—129, 137—138.

¹¹ Statute of 30th May, 1962 — Water Act (J. of L., No. 34, item 158).

¹² Statute of 14th June, 1960, on the use of woods and fallow land not belonging to the State, as well as of certain woods and fallow lands belonging to the State (J. of L., No. 29, item 166).

¹³ Decree of 6th May, 1953 — the Mining Act (J. of L., 1961, No. 23, item 113), and the Order of the Council of Ministers, 16th March 1962 (J. of L., No. 19, item 80).

¹⁴ Statute of 16th November, 1962 on geological law (J. of L., No. 52, item 303), as well as the Order of the Council of Ministers of 10th September, 1963 (J. of L., No. 41, item 128).

¹⁵ Statute of 30th May, 1962 on fuel and power (J. of L., No. 32, item 150).

¹⁶ Decree of 29th October, 1952 (J. of L., No. 44, item 301).

standards of work safety and hygiene required of industrial works,¹⁷ regulating the fixing and the observance of technical norms¹⁸ which are aimed at ensuring quality of production. Then the regulations on the supply of raw materials and on sales, and especially the regulations on the fixing of prices¹⁹ represent a large measure of State control over the activities of units of the non-socialized economy. We could mention other examples, such as the law on weight and measures, or the law on metal standards, or the regulations on fairs, markets, auctions, etc. There would be no point in this, however, as what has been said already is sufficient to give an idea of the character and trends of the regulations controlling units of the non-socialized economy in industry commerce and services. But attention must be drawn to another set of regulations which do affect this sphere, and which are aimed not at restraining activity, but at developing it. The best illustration of this set of regulations is the law on inventions,²⁰ which protects the moral and material rights of the author of an invention, or other acts that foster technical progress. Among the acts aimed at the care of physical persons who carry on a business, on their own as units of the non-socialized economy, one which undoubtedly deserves mention is the Act of 29th May, 1965 on social security for craftsmen,²¹

Agriculture is a branch of the national economy that is so extensive and so different from industry and trade, that the legal regulation of the economic activities of units of the non-socialized economy in this sphere call for separate discussion. For the present let us confine ourselves to a brief outline of the problem. In agriculture, no regulations have been introduced making licences required for the running of a farm. But the State had already intervened in the sphere of the non-socialized economy in the agricultural section, through a decree on land reform passed by the

¹⁷ Statute of 30th March, 1965 on work safety and hygiene (J. of L., No. 13, item 91).

¹⁸ Statute of 27th November, 1961 on standardization (J. of L., No. 53, item 298).

¹⁹ The legal basis for fixing prices, payments, and rates will be found in the regulations of the decree of 3rd June, 1953 (J. of L., 1953, No. 31, item 122, 1957, No. 49, item 235), which are developed in executive legal measures. The principal role here falls to the Council of Ministers, which directs the price-fixing process, fixes the prices of basic commodities and services, such as fuel and electricity, raw materials for heavy industry, grain, potatoes, milk and cattle, which empowers other bodies to fix prices, and directs them how to do this. Bodies entitled to fix prices include the following: the State Prices Commission, the ministers, the Voivodship prices commissions, the praesidia of the District People's Councils, industrial combines, State enterprises, and co-operative organizations. It should be pointed out that not all prices are fixed by decision of the administration; some are reached by agreement.

²⁰ Statute of 31st May, 1962 — Law on inventions (J. of L., No. 33, item 156).

²¹ J. of L., No. 13, item 90.

Polish Committee of National Liberation on 6th September, 1944.²² This decree died away with estates and large farms, and these lands were taken over by the State to be used for the foundation of State Farms, to extend existing small farms owned by the peasants, and to establish other individual farms. A new agricultural system was set up, based on State Farms and co-operative farms, while the individual peasant farms were still kept in existence.²³ The chief purpose of controlling the units of the non-socialized economy that were engaged in agriculture was to bring about a better level of agricultural production and link it with the national economy. Therefore in the Civil Code²⁴ there are paragraphs whose aim is to prevent the existing individual farms from being split up into small units, which would reduce them to dwarf size and make rational farming impossible. The transfer of land is subject to control. To make sure that the farms are run by qualified people, the Civil Code lays down that anyone inheriting or purchasing agricultural land must prove that he has the necessary qualifications for running a farm. In order to raise the level of agricultural production and to exploit the production reserves on the individual farms, a number of legislative acts introducing controls have been passed — for example, the Act of 2nd December, 1960 on stockbreeding,²⁵ or resolution No. 347 of the Council of Ministers of 22nd October, 1963,²⁶ on agrominimum, recommending the introduction of certain agrotechnical and zoo-technical measures.

The State wished to bring the individual farms into a scheme whereby they would provide, according to a State plan, the farm products needed by the public. At the same time it was anxious to preserve the conditions necessary for maintaining the individual farmers' interest in raising productivity. It therefore issued a set of legal regulations whereby the farmer must sell part of his farm's produce to the State²⁷ There is also an extensive

²²J. of L., 1945, No. 3, item 13 with later amendments. It should be mentioned that according to this Decree the State did not take over, but left to the original owners, land that was the property of physical or legal persons if the area concerned did not exceed 50 hectares of arable land, or even 100 hectares in some voivodships. During the period 1945—1949 altogether 6,070,100 hectares of land were distributed; 814,000 new-individual farms were set up; while 254,400 farms were enlarged. See: "Rocznik Statystyczny" [Statistical Yearbook], 1964, p. 227.

²³ According to the "Statistical Yearbook" for 1964 there were 3,591,900 individual farms in 1960.

²⁴ Statute of 23rd April, 1964. The Civil Code (J. of L., No. 16, item 93), Arts. 160, 161, 165, 215, 718, 1064, 1068, 1074, 1076, 1085, etc.

²⁵ J. of L., No. 54, item 310.

²⁶ Monitor Polski, No. 85, item 408.

²⁷ Statute of 10th July 1952 on compulsory supplies of grain (J. of L., 1961, No. 35, item 122); decree of 1st December 1953 on compulsory supplies of animals for slaughter (J. of L., 1953, No. 50, item 244, and 1957, No. 38, item 163).

system of contracts,²⁸ through which the farmer is linked with the planned economy in that he pledges himself to supply a certain amount of livestock or other farm products to a unit of the socialized economy at an agreed price. Apart from these compulsory supplies and these contracts for farm produce, the farmer may also sell a certain amount of his produce to other customers, in the free market. The farms benefit from the care²⁹ and protection³⁰ of the State in many respects. A huge Agricultural Development Fund has been set up.

If, despite the care and assistance extended by the State, an individual farm goes downhill, the Act of 28th June, 1962, comes into force.³¹ According to this Act, the State may take over a farm as its own property or run it under its own management either at the request of the owner or else by compulsory order. For example, the owner may request the State to do so if he is unable to go on running the farm because of ill health or old age. In such a case, the Act says that the owner should be given a pension. The State may take possession of a farm by compulsory order if the farmer is behind with his taxes or other payments defined in the Act; a compulsory order for the acquisition of a farm by the State is issued by the district court, which also sees that the order is carried through.

The question of housing also deserves special mention, since it is one of immense and dynamic importance. But here it should perhaps be noted that units of the non-socialized economy are very energetic in this field, and growing steadily more so.³² The management and maintenance of hous-

²⁸ These contracts are provided for in the Civil Code (Arts. 613—615). It may be useful to mention that the rules according to which units of the non-socialized economy are given orders for supplies, work or services for State units of the economy are laid down in the Act of 28th December, 1957 (J. of L., 1958, No. 3, item 7). This Act lays down the principle that State units of the economy should give their orders to other State and co-operative units, and only to units of the non-socialized economy in exceptional cases. Even in these cases the orders should be given according to the conditions and manner laid down in the law.

²⁹ One example of this is resolution No. 256 of the Council of Ministers, 19th July, 1963 on services for agriculture (Monitor Polski, No. 63, item 317).

³⁰ The figures given in the resolution of the Sejm of the Polish People's Republic, 12th December 1964, on the national economic plan for 1965 (Monitor Polski, No. 87, item 415) show the amount of aid given by the State to individual farms. For instance, as part of the capital invested by the State in the electrification of agriculture in 1965, electricity will be brought to 83,000 peasant farmsteads; the help given to individual farms in the form of State credits is as much as 4,000,000,000 zlotys.

³¹ J. of L., No. 38, item 166.

³² In the National Economic Plan for 1965 it is taken that the total sum invested in the individual peasant farms will be 10,600,000,000 zlotys (Monitor Polski, 1964, No. 87, item 415). In 1963, altogether 83,791 buildings belonging to units of the non-socialized economy were completed ('Statistical Yearbook'¹ 1964, p. 190).

es in Poland is largely in the hands of physical persons, Building undertaken by units of the non-socialized economy is in the first place subject to the regulations of the (Town and Country) Planning Act³³ and the Building Act.³⁴ To give an example of the kind of regulations met with in these acts, a building can only be erected if it fits in with local physical planning, while before building starts, building permission must first be obtained from the responsible building authority, which is usually the praesidium of the District People's Council. The extent of building undertaken by an investor who is not a unit of the socialized economy is controlled by the regulations, since he may only be given permission to erect a building for his own use or the use of his own immediate family. Legal persons may obtain permission to erect buildings for purposes allowed by the Act. Non-socialized building is also controlled by other legal measures, whose aim is not to hamper building but to subject it to such control as is necessary in the public interest, particularly from the economic and technical point of view, so that existing resources in raw materials and manpower may be utilised to the full, and so that as many dwelling houses as possible may be built for the population. It should be noted that the State does everything in its power to satisfy the housing needs of the population through State, co-operative, and private building. This matter is dealt with by resolution No. 129 of the Council of Ministers, dated 22nd May, 1965,³⁵ according to which the State encourages building by giving long-term bank credits, by ceding building sites, facilitating the supply of building materials, allowing work to be carried out by State enterprises, and fostering the production of building materials from local resources.

The use of housing space comes under control in the towns and certain villages. This control was introduced directly after the war, when the destruction of enormous numbers of dwelling houses³⁶ left thousands of families without a roof over their heads. The law in force at the present time is the Housing Act of 30th January, 1959,³⁷ which regulates the use of dwelling-places and commercial premises. While ensuring a certain standard of housing for the population, it also imposes measures guaranteeing that existing dwelling houses and commercial buildings will be kept in a

²³ Statute of 31st January, 1961, on (Town and Country) planning (J. of L., No. 7, item 47).

³⁴ Statute of 31st January, 1961 — the Building Law (J. of L., No. 7, item 46).

³⁵ Monitor Polski. No. 27. item 140.

³⁶ According to the House-Building Institute (see: B. Domosławski, *Cztery lata odbudowy osiedli* [Four Years of Village Reconstruction], the war damage was as follows: 295,431 buildings, that is, more than 30%, in the towns, and 466,942 buildings, that is, 22%, in the rural areas. Some towns, especially Warsaw, were practically razed to the ground by the Nazis during the invasion and subsequent occupation of Poland.

³⁷ J. of L., 1962, No. 47, item 227.

proper state of repair. According to this law, buildings belonging to physical persons or to legal persons who are not units of the socialized economy are subject to controls. The essence of these controls is that in places where housing is controlled the owner of a house is not allowed himself to choose the tenants, but they are chosen for him by a subsidiary body of the praesidium of the People's Council, which allocates a dwelling to a given person by means of an administrative act. Another essential feature of the law is that it defines the size of area which may be allocated per person. Likewise the rent that may be charged for a dwelling house is controlled. By another law³⁸ small dwelling houses as well as houses occupied by one family are free from public control. This law is very conducive to the building of one-family houses by physical persons in places where housing is controlled. Anyone who undertakes to build such a one-family house is assured by law that the house will be uncontrolled.

According to law, units of the non-socialized economy have their own representative bodies. The handicrafts, for example, have their own representative body, as do private industry and commerce, private house-owners, the agricultural circles, etc. The handicrafts call for special attention. Handicrafts are manual skills carried on outside the factory in a non-industrial manner. A by-law containing a list of handicrafts³⁹ settles officially which types of production, processing, or service shall be counted as handicrafts. Additional instructions regarding this matter have also been issued.⁴⁰ Each handicraft has its own self-governing board, whose agencies are the guild chambers, possessing legal personality. According to this Act, the purpose of these is to ensure that the given handicraft takes full part in the economic and social life of the country. The guild chambers are supposed to represent the given crafts, to organize any economic activities undertaken by the crafts, such as to arrange exhibitions, fairs, competitions, museums, etc.; to hold the journeymens' and masters' examina-

³⁸ The Statute of 28th May, 1957 whereby one-family houses and dwellings in co-operative buildings were decontrolled (J. of L., 1962, No. 47, item 228). According to the terms of this statute, a one-family house is a house of which the dwelling area does not exceed 110 sq. metres.

³⁹ This list was recently drawn up in an order issued by the Chairman of the Small-Scale Production Committee on 27th June, 1963 (J. of L., No. 32, item 124). In 1963 there were 132,447 craft workshops, of which 97,960 were industrial ones, 24,770 were in the building industry, and 9,717 were of various types.

⁴⁰ A circular issued by the Chairman of the Small-Scale Production Committee on 5th September, 1963 explains that a business in which the owner himself works, and which apart from the owner employs no more than 4 hired workers, may be regarded as a craft workshop; only in exceptional cases may more than 5—6 hired workers be employed. Members of the owner's family who live with him in the same household are not counted as hired workers.

tions; to see the work safety and hygiene regulations are obeyed in the workshops belonging to members of the guild, and to exercise supervision over the guild members. The various agencies of the guild chamber are: the council, board, control commission, and the court of guild. The members of the guild chamber are elected by the regional elective assemblies, which consist of delegates elected to it by the general meetings of the guilds. Adult, independent craftsmen belonging to the guilds are allowed to vote. The members of the board, the control commission, and the court are elected by the council from among the councillors and deputy councillors. All the guild chambers belong to a Union of Guild Chambers, which represents all the handicrafts in the country, and co-ordinates and supervises the activities of the guild chambers.⁴¹

Private industry and commerce are represented by the Co-ordinating Commission of the Associations of Private Industry.⁴² Certain matters which used to be dealt with by industrial-commercial chambers have been handed over to the appropriate associations of private industry and the associations of private commerce and services. These matters include certain functions made obligatory by the law — for example, they are supposed to make reports and put forward propositions, to name or introduce candidates to take part in the work of various authorities, offices, institutions, commissions, or other bodies. A Co-ordinating Commission of the Associations of Private Industry has been set up to co-ordinate the activities of the associations of private industry throughout Poland with the actions ordered by the State authorities.

It should be stressed that the organizational units of private industry, as well as the craftsmen represented by their economic associations and guild chambers, may voluntarily enter into contracts with various branches of industry, including State enterprises and other State units, as well as co-operatives and co-operative unions, social organizations that are engaged, in economic activities and organizations that run home industries. This is in accordance with resolution No. 116 of the Council of Ministers, 14th May, 1965⁴³ on economic co-operation and co-ordination.

Other examples of representative bodies are local village associations,

⁴¹The Statute of 11th September, 1956, on guild chambers and the Union of Guild Chambers (J. of L., No. 41, item 190). The procedure for election to the guild chambers is laid down by an order of the Minister of Small Scale Industry and Handicrafts, 7th February, 1957 (J. of L., 1957, No. 10, item 44, 1960, No. 4, item 30, and 1963, No. 21, item 112).

⁴²Order issued by the Chairman of the State Commission for Economic Planning on 15th December, 1950 (J. of L., No. 9, item 71).

⁴³Monitor Polski, No. 33, item 178.

local property owners' associations,⁴⁴ forestry associations⁴⁵ to which individual owners of forests belong, and agricultural circles.⁴⁶ Such organizations are sometimes called self-governing, socio-economic organizations.

Enterprises belonging to the non-socialized economy in Poland come under the care and supervision of supreme bodies of the administration. One of the most important of these is the Small-Scale Production Committee, which is a collegiate body set up by law on July 2nd, 1958.⁴⁷ The Chairman of this Committee is a member of the Council of Ministers. The Minister of Agriculture carries out this function with regard to the non-socialized economy in the sphere of agriculture. Similarly, other ministers are responsible for care and supervision of non-socialized units in certain other fields. In the provinces, the local bodies of State administration with regard to the activities of units of the non-socialized economy are the appropriate sections (e. g. industry, agriculture) of the praesidia of the People's Councils. For the People's Councils direct the economic, social, and cultural activities in their own area; they deal with all matters that pertain to State authority and administration, as long as they do not come within the responsibilities of other bodies.⁴⁸ Those bodies which supervise the activities of units of the non-socialized economy undertake legal measures provided for by statute — that is, they issue licences they inspect enterprises issue decisions designed to lead to the observance of the legal regulations, and as a last measure the statutes entitle them to withdraw licences. It should be borne in mind that these bodies come under the rigor of the Code of administrative proceedings, which aims at ensuring that bodies of the State administration act in accordance with the law.

⁴⁴Order issued by the Minister of Housing and Communal Services on 23rd December, 1963 on associations of private house-owners (J. of L., 1964, No. 1, item 2), and an ordinance made by that minister on 10th August, 1964 on fixing the pattern of these associations' statutes (Monitor Polski, No. 57, item 271).

⁴⁵Order issued by the Minister of Forestry and the Timber Industry on 24th May, 1962 on fixing the pattern of the statute of the forestry association (Monitor Polski, No. 48, item 235).

⁴⁶The agricultural circles, whose members are individual farmers, come under a law concerning such associations passed in 1932. There are more than 30,000 such circles. They fulfil many functions charged by the law.

⁴⁷J. of L., 45, item 225.

⁴⁸This is laid down by Art. 3 par. 1 of the Statute on People's Councils, 25th January, 1958 (J. of L., 1963, No. 29, item 172).