

Decision on improvement of socialist market economic system issued

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BEIJING, Oct. 21 (Xinhuanet) -- The Central Committee of the Communist Party of China (CPC) published here Tuesday a decision on issues regarding the improvement of the socialist market economic system.

The 24-page, 12-part decision, approved at the Third Plenary Session of the 16th CPC Central Committee, which was held from Oct. 11 to 14, outlined the major tasks to further improve the market economy to build a well-off society in the country.

The major tasks were defined as follows:

-- Improving the basic economic system of keeping public ownership as the main stay of the economy and allowing diverse forms of ownership to develop side by side;

- Narrowing the gap between urban and rural areas;
- Promoting coordinated development of different regions;
- Establishing a unified, open and orderly modern market system;
- Improving macro-control, administration and economic legal systems;
- Improving employment, income distribution and social security systems; and
- Establishing a mechanism to promote sustainable social and economic development.

The targets of further improving the market economy are to coordinate urban and rural development, regional development, economic and social development, the harmonious development of man and nature, domestic development and the opening up to the outside world, said the decision.

Also, with the move, the role of the market in resource allocation is expected to be strengthened, the competitiveness of enterprises reinforced, the state macro-control improved, and the function of the government in social administration and public service enhanced, according to the decision.

The decision stressed the importance and urgency of the reform of the economic system. So far, the socialist market economic system has primarily been established, a basic economic system dominated by the public ownership and supported by diverse forms of ownership have been set up, and an overall opening-up to the outside world has been formed, noted the decision.

"The continuous deepening of reform has greatly stimulated the improvement of the social productive force, the comprehensive national strength and the living standard of the general public, and also enabled the country to successfully endure the test of the world financial crisis, serious natural disasters and major epidemics," said the decision.

However, it pointed out, problems still exist, including irrational economic structure, imperfect distributive system, slow growth of farmers' income, high employment pressure, increased natural resource pressure and relatively weak economic competitiveness.

The main reason is that China is now at the primary stage of socialism with an incomplete economic system and still faces a lot systematic obstacles in the development of its productive force.

"To accord with the international environment featuring economic globalisation and fast scientific and technological development and to meet the target of building a well-off society in an all-round way, the step of reform should be further quickened so as to further emancipate and develop the productive force and inject more vigour into the overall economic and social development," said the decision.

Meanwhile, the decision also specified Deng Xiaoping Theory and the important thought of "Three Represents" as the guideline in carrying out the economic system reform.

Nation to further reform foreign trade system

BEIJING, Oct. 21 (Xinhuanet) -- China vows to deepen the structural reform of its foreign economic exchange and improve its level of opening up to the outside world, according to a decision issued Tuesday by the Central Committee of the Communist Party of China on improvement of socialist market economic system.

The decision called for deepening the structural reform of its foreign economic exchange, noting that China will continue creating a better legal environment to ensure that enterprises of all kinds could compete on equal footing, enhancing the government's function in service and economic supervision, upgrading the level of free and convenient trade and investment and setting up an alarm mechanism for international revenue and expenditures to safeguard the nation's economic security.

China will encourage overseas investments to play a better role, the decision noted.

"The nation should seize the opportunity of global restructuring to expand its scope and use of foreign investment," it said.

China should also introduce in more foreign advanced technology, management experience and top-quality talents, and lure more multinational corporations to transfer their manufacturing factories and R&D institutions of higher technology and with more added value in order upgrade its own.

The decision also called for improving the domestic investment environment, expanding the investment scale and guiding overseas investment to expand to areas and fields that are in line with the country's industrial policies and establishing a number of economic belts that features overseas investment.

According to the decision, China should increase its capabilities to join in international cooperation and competition, encouraging domestic enterprises to explore business opportunities, upgrade technology and build up their own brands.

China should continue to carry on the "Go-out" strategy, by granting the enterprises more rights in the management of their overseas branches, and meanwhile improving the responsibility system for supervision and thus promoting the development of China's multinational corporations and pushing forward the regional economic development.

CPC asks to consolidate public sector, vigorously promote private economy

BEIJING, Oct. 21 (Xinhuanet) -- Continued efforts should be made to consolidate the dominant position of the public economy as well as to vigorously promote the private sector in China, according to a decision issued Tuesday by the Central Committee of the Communist Party of China (CPC).

The decision, which focuses on the improvement of the socialist market economic system, was approved at the Third Plenary Session of the 16th CPC Central Committee, held from Oct. 11 to 14, and outlined the major tasks to further improve the market economy to build a well-off society in the country.

The decision called for actively promoting the development of diversified forms of public ownership, and speeding up adjustments of the layout and composition of the public economic forces.

A share-holding system that absorbs investment from various channels should be the major channel through which public ownership could be realized, the decision said.

More public capital should be invested in important industries that are vital to national security and economic lifelines, according to the decision.

The decision also called for vigorously promoting and guiding the private sector of the economy and granting private enterprises the same treatment in investment, financing, taxation, land use and foreign trade.

Non-public capital should be allowed to enter infrastructure, public utilities and other sectors not prohibited by laws and regulations, the decision said.

The decision also called for establishing a modern property rights system with explicitly defined ownership structure, rights and liabilities, strict protection and smooth transfer channels.

The decision also ruled that property rights of various types should be protected in accordance with the law.

CPC Central Committee decides to improve employment, income distribution, social security systems

BEIJING, Oct. 21 (Xinhuanet) -- The Central Committee of the Communist Party of China (CPC) vows to improve employment, income distribution and social security systems, according to a decision issued here Tuesday on issues regarding the improvement of the socialist market economic system.

The decision, approved at the Third Plenary Session of the 16th CPC Central Committee, which was held from Oct. 11 to 14, said more attention should be paid to employment expansion and enterprises will be encouraged to create more job opportunities.

The decision put focus on the development of labour-intensive industries, small- and medium-sized enterprises and the non-publicly-owned economy, underlining occupational education and training.

The decision says the country's income distribution system, in which distribution according to work is dominant and coexists with other modes of distribution, should be perfected.

It said attention should be paid to the problem of the increasing income gap among social members and to the increase of the proportion of people with mid-level income, underlining taxation system improvement and supervisory systems over monopoly industries.

It said the basic endowment insurance system, unemployment insurance system and urban people's basic medical insurance system should be improved. Reforms on social security systems in governmental and non-profit organizations will be explored, and improvement the lowest life insurance system of urban residents and exploration to build a rural lowest life insurance system in some areas will be made.

CPC demands improvements to rural reform

BEIJING, Oct. 21 (Xinhuanet) -- Further improvements to the ongoing reform in China's rural area were demanded in a decision issued Tuesday by the Central Committee of the Communist Party of China (CPC).

As the core of the fundamental system for management in the countryside, the household-based land contract system should be kept stable and the rights of farmers on land management should be safeguarded, according to the decision.

Within the term of the contract, rural households have the right to sell their farmland management rights in accordance with law and at their own will. The regulations on the circulation

of farmland should be improved, while large-scale farming should be developed step by step in a proper manner.

The most strict system of protecting cultivated land must be adopted to ensure national grain security. Under the principles of protecting farmers' rights and interests and controlling the amount of land turned to other uses by the government, China will reform its land-use system and improve procedures on land use.

The rural product marketing system should be improved, through changing indirect subsidies for farmers to direct subsidies during the circulation, so as to protect farmers' interests.

Investments in agriculture should be increased by the financial departments at all levels and the newly-added expenditure on education, sanitation and culture should be mainly used in rural areas.

The state will exert greater efforts to deepen rural tax reform and reduce the financial burden on farmers substantially. Policies related to tax reform will be improved in nationwide experimental units.

Great efforts should also be made to develop the county-based economy, accelerate the pace of urbanization, unify urban and rural labour markets step by step and create a system for equal employment of urban and rural labourers, so as to create more job opportunities for farmers.

Training programs for rural labourers should be established and improved by the governments at all levels and all limiting regulations on employment of migrant workers in cities should be cancelled.

The decision, outlining the major tasks to further improve the market economy to build a well-off society in the country, was approved at the Third Plenary Session of the 16th CPC Central Committee, which was held from Oct. 11 to 14.

CPC decision on deepening reform of administrative management system

BEIJING, Oct. 21 (Xinhuanet) -- Deepening the reform of the administrative management system and improving the economic legal system have been listed among the main tasks of improving China's socialist market economic system.

According to a decision covering the improvement of the socialist market economic system made at the Third Plenary Session the 16th Central Committee of the Communist Party of China (CPC), which was held in Beijing from Oct. 11 to 14, China will further adjust the establishment of government organs of various levels and straighten out functions of different government organs to legalize the functions and responsibilities of governments, government organizations and the size of government bodies.

The decision stresses conducting administration according to law and urges government organs and staff to exercise power and fulfil their duties strictly in accordance with the stipulations of laws.

The decision, made public on Tuesday, also calls for the development of e-government to improve services and management levels. It also calls for the establishment of an early-warning and emergency response mechanism to improve the government's capabilities to meet challenges brought about by sudden incidents and risks.

Efforts will be made to deepen the reform of local administrative management systems and to cut the size of local governments and reduce the staff, the decision said.

The rights of the central government and local governments will be defined to conduct economic adjustment, market supervision and management, social management and public services.

The fields of finance and taxation, investment and social security, national affairs and trans-provincial affairs will be managed by the central government for the purpose of guaranteeing the unity of the state legal system, unity of policies and orders, and unity of market, according to the decision.

Local affairs will be managed by local governments to improve the work efficiency, reduce cost of management and enhance administrative vitality.

Regarding affairs that are under the common management of the central and local governments, the central and local governments will fulfil their respective responsibilities accordingly.

Building of an economic legal system and economic legislature will be put forward in an all-around way. The legal system regarding key market players and intermediary organizations will be improved for the purpose of giving full play to the ability of various key market players.

The legal system of property rights will be improved for the purpose of standardizing and straightening out property rights relations and protecting the rights and interests of various property rights.

Efforts will be made to improve the legal system regarding market dealings to guarantee free contracts and safety of dealings and to safeguard fair competition on the market.

Efforts will also be made to improve laws and regulations on budget, taxation, finance and investment, labour, employment and social security, and laws and regulations in the social sector and on sustainable development, to promote economic development and social progress in an all-around way.

The decision also calls for intensified efforts to enhance the explanation of laws and regulations and law enforcement, and to improve administrative law-enforcement, judicial adjudgement and procuratorial work, so as to guarantee the effective implementation of laws and regulations, and to safeguard the unity and dignity of the legal system.

A forceful law-enforcement system will be built to prevent and correct local protectionism and selfish departmentalism, the decision said.

It noted that reform of the legal system will be further pushed forward and the justice of the legal system will be safeguarded. It also stressed enforcing the law as it is written, just law-enforcement and enforcing law with civility.

China to improve market system, rectify market order: CPC

BEIJING, Oct. 21 (Xinhuanet) -- China will step up efforts in building a nationally-unified market by injecting more incentives into nurturing its capital market and putting a social credit system in place for the improvement of its market order reform.

The Central Committee of the Communist Party of China (CPC) made the pledge in a decision on issues regarding the improvement of the socialist market economic system released here Tuesday.

"Strengthening the unity of the national market is a major task for the construction of a modern market system," the decision said, promising to further open the country's market to investors both at home and abroad, bring the role of the market mechanism to full play in pricing goods and services, encourage the development of e-commerce and chain-store operations, and modernize the goods circulation system.

These efforts are needed to promote the free flow of goods, capital and other market factors and to allow sufficient market competition in a unified market of the nation.

To break away from the current practices of industrial monopolies by government departments and blockades instigated by various local governments, China will take steps to nullify all the local and departmental regulations obstructing fair market competition and ostracizing goods and services from outside, it said.

China will also intensify efforts in cracking down on the production and circulation of fake and shoddy goods, as well as commercial frauds, for the maintenance and improvement of the market order, it said.

In the field of capital market, the Party document stressed that China shall "actively advance the reform and opening up of its capital market for its steady fast development, and expand the scope of direct financing."

China will establish a multi-layer capital market system, standardize and promote the development of its main-board market, promote risk investments, expand the scale of the current corporate bonds issuance and nurture a larger group of institutional investors, it said.

China will also improve its stock transaction, registration and settlement procedures for the ultimate goal of creating a unified and interconnected securities market, it added.

"A sound social credit system sustained by moral codes, based on property rights and guaranteed by laws is a must for establishing a modern market system, key to the standardization of the market order," the Party document said.

China will install systems for credit supervision and set penalties for credit violations, it said, noting that the country will eventually open its market of credit services to all.

Party vows to strengthen leadership

BEIJING, Oct. 21 (Xinhuanet) -- The leadership of the Communist Party of China (CPC) should be improved as part of the efforts to improve China's socialist market economic system.

According to a decision of the CPC Central Committee on issues regarding the improvement of the socialist market economic system, which was adopted at the Third Plenary Session of the 16th CPC Central Committee held from Oct. 11-14 and released Tuesday, the leadership of the CPC is the basic guarantee for pushing forward the reform smoothly.

The building of a perfect socialist market economic system is a decision of great importance for the present situation and of far-reaching historical significance made by the CPC for the new period in the new century and will be a new major challenge for the whole CPC.

All CPC members should fully know the historical responsibility bestowed on them, keep studying new knowledge, new situations, and solving new problems, and continue to explore ways that efficiently accommodate socialism and the market economy, said the decision.

It is necessary to reform and improve the means of leadership of and ways of ruling of the CPC in accordance with new situation arising in the socialist market economic development.

It is also imperative to persist in training and preparing a large number of talents suitable for needs of modernization, the decision said.

It is necessary to have in mind the general situation of China, adhere to being realistic in doing all things and suiting measures to local conditions, unify the intensity of the reform, the speed of the development and the society's endurable capability and solve various contradictions to ensure a social stability and an orderly work.

Various reforms should be pushed forward in a unified way and efforts should be made to bring a harmony between macro and micro economic reforms, between reform in economic sectors and in social life, between urban and rural reforms, and between economic and political restructuring.

The decision also noted that the work style of the CPC should be improved and construction of a clean and honest government should be enhanced.

Improved construction of the Party work style and a clean government, fighting against and preventing corruption is an important guarantee for the establishment and improvement of socialist market economic system, and should be carried on through the entire process of reform, opening-up and modernization.

It is necessary to do a good job of educating workers with Party and government departments, especially leading officials to be clean and honest and self-restrained, be firm in dealing with

different kinds of rule-breaking or law-violating cases, and rectify in a down-to-earth manner practices against the interests of the masses.

It is imperative to persist in tackling both the roots and symptoms of problems, and deal with problems in comprehensive ways, to pay great attention to ideological and ethical education, step up building of a clean and honest government and legal construction, improve supervisory mechanism, establish and improve a punitive and corruption-alert system that pays equal emphasis to education, system and supervision commensurate with socialist market economic system.

It is also imperative to continue to keep the work style of being modest, prudent, guarding against arrogance and rashness, and to keep the style of hard struggle, be firm against erosion of various unhealthy practices, so as to create a fine social environment for the improvement of a socialist market economic system.

A harmonious development of socialist material, political and spiritual civilizations should be adhered to, said the CPC document.

Socialism with Chinese characteristics is a great cause that features a harmonious development of socialist market economy, democratic politics and advanced culture. It is necessary to push forward political system reform in a safe way, expand socialist democracy, improve the socialist legal system, solidify and enlarge a united patriotic front, enhance ideological and political work to offer a strong political guarantee for the development of a socialist market economy.

Great efforts should be made to step up socialist cultural construction, with the emphasis placed on establishment of a socialist ideological and ethical system commensurate with socialist market economy, socialist laws, fine traditions of the Chinese nation, and to carry forward and cultivate the national spirit, and keep improving the ideological and ethical quality, scientific and cultural quality of the whole nation in a bid to provide reform and development with a strong spiritual impetus and intellectual support.

The CPC document also called on all CPC members and all people of different nationalities of China to unite around the CPC Central Committee and work hard to meet the targets of an improved socialist market economy system and building China into a comparatively affluent society.

CPC urges reforming scientific, educational and cultural systems

BEIJING, Oct. 21 (Xinhuanet) -- The Communist Party of China (CPC) stresses reforming scientific, educational and cultural systems to improve China's national innovation capability and overall quality of its citizens in a decision on improving the economic system.

The decision on improving China's socialist market economic system, approved at the Third Plenary Session of the 16th CPC Central Committee held from Oct. 11 to 14, urges setting up a mechanism favourable for nurturing, attracting and keeping talents of various sorts.

A market system should be established to facilitate the flow of human resources, says the decision.

It urges accelerating the establishment of a national innovation system to facilitate the optimal allocation and comprehensive use of scientific and technological resources in the whole society.

It says that enterprises should assume a dominant role in making technological innovations and in making investments in science and technology.

The decision calls for introducing a modern national educational structure and lifelong learning system, building a society that keeps learning, pushing forward all-round education in a comprehensive way and enhancing citizens' capability to seek employment, carrying out innovation and starting enterprises.

As a result, the country's huge population would become an advantageous ample supply of human resources for China's economic growth, explained the decision.

The decision calls for raising funds for education through multiple channels and allowing both public-funded and private schools to develop simultaneously.

In the cultural fields, the decision notes, social benefits should be the top consideration of administrative organizations.

It calls for establishing a dynamic production and management system for cultural products, raising more funds through multiple channels and nurturing a number of large enterprise groups in the sector.

The decision urges beefing up the government's role in public health administration and building a health and medical system in conformity with the socialist market economic system.

It also demands stepping up construction of public health facilities, making full use of and integrating existing resources, setting up and improving an illness information network system, disease prevention and control system and medical treatment system to better the state's capability in offering public health services and in responding to possible public health emergencies.

Moreover, the decision says, while accelerating the reform of the medical and health system in urban areas, health and medical facilities in the countryside should also be improved. Needy farmers should have access to medical aid.

The decision calls for fully tapping the use of traditional Chinese medicine in medical treatment, further improving the hygienic monitoring system and ensuring the safety of food, medicine and medical treatment.

CPC vows to enhance macro-economic control, transform government functions

BEIJING, Oct. 21 (Xinhuanet) -- China will further improve the macro-economic regulation system and transform government functions to ensure sound economic growth and social

development, according to a decision issued by the Communist Party of China (CPC) Central Committee here Tuesday on issues regarding the improvement of the socialist market economic system.

The decision, approved at the Third Plenary Session of the 16th CPC Central Committee, which was held from Oct. 11 to 14, called for further improvement of the macro-economic regulation system with state planning integrated with fiscal and monetary policies.

The targets and overall requirement of state planning should be the main guidance in making fiscal and monetary policies. While the monetary policy should play a dominant role in maintaining the stability of RMB yuan, China's legal currency, and the balance of money supply and demand, the fiscal policy should play an important role in promoting economic growth, optimising the economic structure and readjusting the income distribution pattern.

The statistical system should also be improved to enhance monitoring of economic performance and facilitate information sharing among economic regulation departments of the government, the decision said.

According to the decision, China will further transform government functions, especially deepen the reform of the system of administrative examination and approval.

Reform of the administrative examination and approval system should be further carried out, providing a sound and sustainable environment for the market economy, the decision said.

In making mid- and long-term planning of economic and social development, much attention should be paid to coordination between economic growth and population, resources and environment, and between the east, central and west regions.

Scientific and democratic decision-making should be underlined to make full use of resources, enhance the transparency of governments and increase the participation of the public, it said.

In deepening reform of the investment system, enterprises should become the main investment sources, which make decisions, reap profits and shoulder risks on their own.

The decision called for simplifying the approval procedure of investment. It said that governments should only examine major projects which have a great influence on the security of the national economy, on the environment and resources and on the overall economic structure.

The government will mainly rely on offering policy guidance, providing information and strengthening market supervision to help improve the structure of social investment, curb disorder in competition and avoid blind investment, it said.