best records in the history. Agricultural industrialization was pushed steadily. The sixty state and province-level chief enterprises achieved sales revenue 20.3 billion yuan, increased by 12.8%, and gained per -tax profits 1.24 billion yuan, up by 6%. It has connected bases 866.7 thousand hectares, and covered farms 4 million or more. Th major six industry chairs of grain, vegetables, eatable oil, animals fowls aquatic and dairy products, tea and fruits, and bamboos woods forest and paper products, linking with \Box company to base to farm?, have formed initially. The market system of farm crops was further improved, and the commodity ratio of farm crops reached 62 percent. New progress was gained in pushing on urbanization. The urbanization ratio was 33.5 percent, rose by 1.5 percentage points higher over the previous year. The Gross Domestic Product of Changsha and Zhuzhou and Xiangtan was 157.84 billion yuan, up by 12.8 percent. The GDP of three cities accounted for 33.2 percent of the province, or 0.4 percentage points higher over the previous year.

The general prices level increased by small margin. The general level of consumer prices in Hunan of the year was up by 2.4 percent over the previous year. Of this total, the price of rood increased by 5.8 percent; the price s for medical, health and personal articles up by 8.6 percent. The general retail price of commodities was up by 0.6 percent. The products was 106.8 percent. The purchasing price index for raw materials, fuels and power was 106.7 percent. The ex-factory price index for industrial product was 102.6 percent. The price index for investment in fixed assets was 102.8 percent. The price index for real estate was 101.4 percent.

The work on employment was strengthened. According to the statistics from the Bureau of Labor and Social Security of Hunan Province, the newly-added employed people in urban areas was 0.5 million, and the re-employed people of laid-off workers was 0.41 million by the end of 2003. The total of urban unemployed people through unemployment registration numbered 0.314 million, and the urban unemployment ratio through unemployment registration was 4.5 percent.

The economic environment was further improved. Administering the province according to law was pushed on actively. The construction of incorruptible government and the struggle against corruption were strengthened, and a series of cases with serious problem were investigated earnestly. The comprehensive administration of public security was strengthened, and all kinds of criminal offense and economic crim inals were struck seriously. The situation of public security of the province was steady. The policy of reform for countryside taxs and administrative fees was implemented further, and the burden on the peasants was lightened further. In 2003, the per -capita expenditure of taxs and administrative fees of peasantry was 81.7 yuan, decreased 3.2 yuan over the previous year, down by 3.8 percent.

Main problems that existed in the economic and social development included the unreasonable economical structure, the general weakling strength of manufacturing sector, the tight relation between the supply and demand of energy, the un-sufficient investment in fixed assets in rural areas and agricultures, the slow growth of farmers' income, the increasing number of laid-off workers of state-owned enterprises and newly-added labor, and the severe situation of employment.

II. Agriculture

Steady progress was gained in agriculture production. The total output of grain amounted to 24. 43 milli tones, decreased by 2.3 percent. The output of oil-bearing seeds was 1.26 million tones, increased by 5.4 percent. The output of cotton amounted to 163 .1 thousand tones, up by 6.6 percent. The output of flue-cured tobacco was