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POSTWAR STEEL INDUSTRY PROGRESSES;
PLANTS STRESS ECONOMY

EASTERN METALLURGY EXPANDS -- Pravda, No 135, 15 May 50

During the war years, production of pig iron in the East increased 58 percent over 1940, steel 56 percent, rolled metal 57 percent, and iron pipe 430 percent. On the basis of the Ural and Kuznetsk metallurgical unit, new coal and iron deposits were developed, and conditions for more effective specialization and cooperation, of both enterprises and economic regions, were created in the East. The leading enterprises of this unit, once based on Ural ore and Kuznetsk coal, are now in a greater measure using local raw materials and fuel. The metallurgical industry of West Siberia is utilizing local ore in ever larger quantities, and the requirements of the Ural industry for fuel are being covered to a considerable degree by coal mined in the Urals and Karaganda.

The industrial capacity of the eastern regions has increased sharply during the postwar Five-Year Plan and has served as the material foundation for reconstruction of the economy of the western regions of the Union. Also in the postwar period, the importance of the eastern regions in the production of metal and output of coal has increased even more. The eastern regions have been called upon to play a tremendous role in meeting the future task, outlined by Stalin in 1946, of producing 60 million tons of steel and 50 million tons of pig iron per year.

REVIEWS POSTWAR GAINS -- Sovetskaya Estoniya, No 88, 12 Apr 50

In 1940, the USSR produced 18.3 million tons of steel, 15 million tons of pig iron, and 13.1 million tons of rolled metal. By that year, the production of metal in the East had considerably exceeded all Russian production in 1913. During 1941 - 1942, 61 blast furnaces, 225 open-hearth furnaces, 174 rolling mills, and 131 coke batteries were moved from the South and partially from the Center. The Five-Year Plan provides for an increase of 35 percent over the prewar level of ferrous metal production, i.e., 19½ million tons of pig iron 25.4 million tons of steel, and 17.8 million tons of rolled products. To accomplish these ends, plants of the South had to be rebuilt, Ural, Siberian, and

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Central Asia industry expanded, and plants built in regions which never before had metallurgical production. These tasks are being met successfully. In 1949, the government increased the quarterly plan quotas, but these augmented plans were met by the industry. The industry produced considerable quantities of ferrous and nonferrous metals and iron pipe above the 1949 plan. The volume of capital construction in the industry has risen steadily each year. In 1948, the volume of capital construction in metallurgy was 131 percent of 1947, and in 1949, the volume increased 18 percent over 1948.

In the South, plants are not merely being restored but are undergoing extensive rebuilding and expansion, labor-consuming processes are being mechanized, automatization is being introduced, and more modern equipment installed. In this way, southern metallurgy is obtaining a higher technological basis than it had before the war.

During the postwar period, a tremendous amount of work has been done to mechanize labor-consuming processes in the ferrous metallurgy industry. Charging of the old blast furnaces has been mechanized in a number of southern plants. (Imeni Dzerzhinskiy, Yenakiyev, imeni Voroshilov, and others), and mixing yards have been mechanized. Labor-consuming processes at the Kuznetsk and Magnitogorsk combines, at Makeyevka, and at several other plants have been mechanized most extensively. Rolling production is now being equipped with a new rail and girder mill which tops all similar mills in its productivity and its mechanization and automatized control.

At present, nearly 85 percent of all pig iron is produced in oblast furnaces having automatic blast regulation, and nearly 80 percent of all steel is smelted in automatized open-hearth furnaces. In 1949, the metallurgical industry exceeded the level established by the Five-Year Plan for production of iron pipe in 1950, and in the fourth quarter 1949 production of rolled metal exceeded the 1940 level by 47 percent and steel smelting by 37 percent. The Kuznetsk Combine, best metallurgical plant in the USSR, fulfilled its Five-Year Plan for steel and rolled products in 3 years and for pig iron in 3½ years.

CAPITAL CONSTRUCTION UP -- Zarya Vostoka, No 89, 30 Apr 50

During 1949, capital construction in the metallurgical industry of the Georgian SSR increased 43 percent over 1948.

BUILD AZERBAIDZHAN PIPE PLANT -- Sovetskaya Kirgiziya, No 84, 28 Apr 50

A pipe rolling plant, one of the Five-Year Plan projects, is under construction in Azerbaydzhani.

TOP PLANTS GET AWARDS -- Trud, No 110, 10 May 50; Pravda, No 132, 12 May 50

The following plants and shops of the Ministry of the Metallurgical Industry were awarded transferable red banners of the Council of Ministers USSR and first prizes in the socialist competition for the first quarter 1950: Ural Aluminum Plant, metallurgical plant of the "Severonikel" Metallurgical Combine, and others: the open hearth shop of the Petrovsk-Zabaykalskiy Plant in Chita Oblast, coke shop of the Gubakha Coke Chemical Plant, and the Severoural'sk Bauxite Mines.

The following plants were awarded first prizes and transferable red banners of the VTSPPS and of the Ministry of the Metallurgical Industry: Leningrad Steel and Wire Plant imeni Mclotov, Debal'tsevo Machine-Building Plant, Moscow Secondary Aluminum Plant, Chusovoy Ferroalloy Plant, Dinas Brick Plant imeni Dzerzhinskiy, automobile transport management of the "Severonikel" Combine,

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"Nittis Kumuzzh'ye" Mine of the Severonikel' Combine, Pokrovskiy Mechanized Timber Center, railroad shops of the Rutchenkov Coke-Chemical Plant and the Karabash Copper Smelting Plant, and the capital construction division of the Mine Administration imeni Karl Libknekht.

The victors in the socialist competition represent the best of the enterprises which have fulfilled all conditions of the competition. The leading enterprises have had to overcome difficulties, and while working under similar conditions as other enterprises, were able to attain the highest performance indexes. Publication of the results of the competition shows that there are still serious deficiencies in the work of certain branches of industry. In the heavy-machine building industry, for example, no prizes were awarded as a result of the first quarter work of the industry and its plants. The "Uralsmash" Plant completed only 83.9 percent of the plan for production of rolling mill equipment. The Novokramatorsk Plant in Kramatorsk completed only 94.2 percent of the plan for output of metallurgical equipment.

RISING COSTS CAUSE CONCERN -- Trud, No 116, 17 May 50

The Five-Year Plan calls for an increase of 35 percent in the production of ferrous metals over the prewar level. The adoption of progressive norms for utilization of equipment and improvement in the technology and organization of production enabled the industry in 1949 to increase the production output over 1948. In the fourth quarter 1949, the prewar levels for average daily smelting of pig iron and steel and output of rolled metal and iron pipe were exceeded.

This year, the metallurgists propose to decrease consumption of raw materials, fuel, power, and auxiliary materials in order to decrease production costs further. Consumption coefficients established for 1950 demand the strictest economy in all processes and by all enterprises. The plants still have great untapped reserves, as the results of the first-quarter 1950 plan indicate. Several plants have not yet started the economy drive for decrease in production costs, and a number of enterprises, because of ineffective winter preparations, failed to meet the state plan. This is one reason why production costs went above plan. Certain enterprises, although meeting the conditions for the All-Union Socialist Competition, did not make the planned above-plan savings by decreasing their costs. Thus, when the results of the first-quarter competition were announced, they were not awarded the red banners or the prizes. The Magnitogorsk Combine failed to give the state considerable sums of above-plan profits. The Kuznetsk Combine decreased costs only 7.4 percent instead of the planned 9.3 percent; the Makeyevka Plant, 13.9 percent instead of 22.9 percent; and "Zaporozhstal'," 5.5 percent instead of 10 percent.

Consumption of molten pig, coke, fuel, and other materials exceeded the established norms. The Makeyevka Plant consumed 67 more kilograms of coke per ton of pig iron than the norm; "Zaporozhstal'," 25 kilograms; and the Plant imeni Petrovskiy, 66 kilograms. At "Azovstal" consumption of fuel exceeded the norm by 16 kilograms and at the Plant imeni Petrovskiy by 20 kilograms per ton of pig iron. The norms for consumption of molten pig were also substantially exceeded by these enterprises. This waste is explained in many cases by the violation of correct technological procedures. The result was a failure to meet the plan for decreased production costs and failure to provide the state with many millions of rubles in above-plan accumulations.

Consumption norms are still not being emphasized strongly enough in the plants. The ministry and main administrations are extremely tardy in delivering the norms, and directors of plants do not then immediately refer them to workers and engineers. The shops of Magnitogorsk Combine did not get the norms for consumption of raw materials for the second quarter until 19 April, and Serp i molot" until 20 April. The steel wire shops still do not have the

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fixed norms for the second quarter. More than one half of the plants under "Glavtrubostal" were not given their consumption coefficients until 6 May. This factor hinders the drive for reduction in costs. At the Chelyabinsk Pipe-Rolling Plant, workers and production directors do not know how large quantities of materials and fuel they are allowed to expend. Many workers are not advised of consumption norms, which are known only to the bookkeepers.

These facts point up the tremendous significance of the drive recently started by the three Magnitogorsk Combine workers for a competition to decrease costs. They have pledged to save, per ton of steel, .5 percent of metallic charge, 5 percent of refractories, 2 kilograms of furnace repair materials, 10 kilograms of fuel, and 5 percent of fixed costs. They have pledged to produce above the year plan 12,000 tons of steel, including 1,000 tons by using saved materials and fuel. Other metallurgical enterprises have followed suit, including the blast-furnace workers of the Novo-Tagil'skiy Plant, the Dnepropetrovsk metallurgical plants the Kuznetsk, Stalino, Makeyevka, Pervoural'sk, and other enterprises. The combine has organized accounting procedures so that each worker will know the consumption per machine shift. Training of workers in economics was given throughout the combine and lectures were read. Workers at blast furnace No 2 overexpended coke in the first quarter when they were not cognizant of consumption norms, whereas in April, under the new competition, they saved 4 kilograms per ton of pig iron. The combine is now preparing to apply cost accounting to the basic equipment and sections.

URAL PLANTS ADOPT COST ACCOUNTING -- Pravda, No 131, 11 May 50

In 1949, the Verkh-Isetskii Metallurgical Plant obtained 5.4 million rubles in savings above plan from decreased production costs as a result of increasing and developing its intraplant cost-accounting system. The turnover of working capital was speeded by 11.6 days, and utilization of capital resources was improved greatly. In 1950 the plant is topping even last year's success. While exceeding the first-quarter plan, the workers have already saved 390,000 rubles this year. The Novo-Tagil'skiy Metallurgical Plant and the Pervoural'sk New Pipe Plant imeni Stalin have also considerably decreased production costs both in 1949 and in the first quarter 1950. Directors of the Verkh-Isetskii, Nizhne-Serginskiy, and Alapayevsk metallurgical plants are successfully using the cost-accounting method of calculating production costs and have established extremely stringent control of the ruble.

The Verkhnyaya Salda Plant, on the other hand, does not have cost accounting in its shops. The system of sanctions for failure to meet plans is used weakly and ineffectively. In 1949 and in the first quarter 1950, the plant failed to meet the plan, realized no savings from decreased costs, but rather overexpended a million rubles.

The Verkh-Isetskii Plant has even gone one step further by introducing cost accounting for each worker or brigade. All three shifts in the sheet bar mill shop have converted to cost accounting, so that the cost of the product can be determined for each shift. Substantial success has been attained in this way. Where individual, brigade, or shift cost accounting becomes too complex because of the auxiliary services involved, such as in operating open hearths, blast furnaces, etc., a cost-accounting plan is set up for each furnace, as has been done in the Verkh-Isetskii Plant. The plan specifies the volume of steel production and the norms for expenditures. The production cost is figured according to actual norms and planned prices, while total plant or total shop expenditures are not included in the calculation of production costs for each furnace. This type of accounting was introduced in the fourth quarter 1949, and results have been outstanding.

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