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ATTAINMENTS OF POLISH METAL INDUSTRY

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The metal industry, headed by the Central Administration of the Metal Industry, is composed of metal-manufacturing plants employing over 50 workers. According to the prewar classification, these would be factories in Categories I to V. In 1938, plants in these categories employed 102,000 workers and had annual sales of 650 million zlotys.

Primarily, the metal industry produces investment goods: locomotives, railroad cars, bridges, signaling and station equipment, motor vehicle spare parts, etc., for carriers. The metal industry produces textile and paper machinery; coal cutters and coal-hoisting machinery for the coal industry; stone crushers, cement mixers, etc., for the construction industries, boilers for the power industry, chemical apparatus for the chemical, petroleum, and sugar industries; and cranes and conveyers for all manufacturing processes. Furthermore, the metal industry produces the machine tools for its own machine-building plants. It also provides farm machinery, plumbing supplies, and hardware.

In addition to producers' goods, which comprise the greater part of its production, the metal industry manufactures a variety of consumers' goods, such as enameled and tin-plate utensils, hardware, metal house furnishings, steel furniture, etc.

The Warsaw metal industry, which used to employ 20,000 workers, was completely wiped out during the war. In addition, factories in the Warsaw suburbs were demolished (Association of Mechanics in Pruszkow and the State Engineering Plants in Ursus). The occupation forces also removed the machine tools from factories located west of the 1944-45 front line; namely, from the plants of the former COP (Starachowice, Ostrowiec, Skarzysko, Radom). Thus, as a result of the war, the metal industry lost about 60 percent of its productive capacity.

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Reconstruction was begun immediately after liberation with the Regained Territories keeping pace. Although reconstruction was somewhat haphazard in 1945, in 1946 it was encompassed in a plan which was introductory to the Three-Year Plan. This was the so-called "9-month" plan, covering April to December 1946. This plan called for rebuilding a variety of plants which would attain the prewar level of production, in value, by December 1947. The 9-month plan was carried out before the expiration of its term, and prewar production was reached in November 1947. The following table gives production in 1937 zlotys for individual associations representing separate branches of the metal industry:

<u>Branch of Metal Industry</u>	<u>Monthly Production, in 1,000 zlotys, at 1937 prices</u>		
	<u>1938</u>	<u>Nov 1946</u>	<u>Nov 1947</u>
Railroad rolling stock	8,600	21,073	32,244
Machine tools, implements, precision and optical instruments	2,750	4,065	6,868
Farm and grain-milling machinery	1,630	1,900	3,799
Machine-building industry	6,900	4,122	6,120
Boilers (pressure)	5,330	3,392	5,179
Automotive industry	9,400	2,026	4,052
Castings	4,920	3,840	5,738
Screws and rivets	1,920	3,830	4,269
Sheet-metal products	2,000	4,027	4,846
Wire and nails	5,080	3,365	4,611
Steel furniture	1,080	770	1,277
Output of 14 plants acquired in 4th quarter	--	--	3,227

As can be seen from the above table, the metal industry after liberation was restored along somewhat different lines conditioned by the different needs of the postwar period, by the nature of devastation in the former territories, and by the nature of the metal industry in the Regained Territories. At present, production of railroad rolling stock, machine tools, agricultural machinery, screws, and rivets is greater than before the war.

The automotive industry has fallen short by the widest margin as a result of the total destruction of both automotive factories: the State Engineering Plants in Ursus and in Warsaw. Automotive production will be restored completely only within the framework of the Three-Year Plan. Significant achievement in the production of railroad rolling stock was the result of the reconstruction of factories with credit priorities (financed by the National Bank of Poland) given to plants producing locomotives and cars. Other favorable factors were allocations of raw materials, and special attention from the government and Minister Minc.

Facing difficulties in railroad transportation, the government instructed the metal industry to rebuild and activate three freight-car factories. The first and largest of these was developed from the ruins of the former Linke-Hoffman Factory in Wroclaw; the first 100 cars left the factory in January 1946, 6 months after the plant was turned over to the Central Administration. The second freight-car factory was built in Zielona Gora in the abandoned buildings of the former submarine factory; Beuchelt; the 100th car left this factory in July 1946. The third plant was the restored Zieleniewski Factory in Sanok, which had been completely demolished and burned; the 100th car left the Sanok factory in November 1946.

With the three new freight-car factories, besides two old ones in Chorow and Ostrowiec, it was possible to increase production to over 600 units monthly and to attain a monthly production as high as 1,200 cars during the

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fourth quarter of 1947, whereas the maximum prewar monthly production amounted to 288 cars in 1929. During recent months, after the period of plant reconstruction and activation, 11,318 cars were produced, or 240 percent more than any full year's production in Poland. The plan for 1948 calls for the production of 12,000 freight cars.

To start the production of railroad passenger cars, a plant for the manufacture of passenger cars was rebuilt in Poznan at the Cegielski Factory. The first postwar passenger car of Polish make left the factory in November 1946.

Great emphasis has been placed on the production of locomotives. Locomotives were produced before the war, but many parts were imported from Germany. At present, all intricate equipment, including such items as lubricating pumps, speedometers, etc., is produced domestically. Production of standard-gauge locomotives for the Polish State Railroads in two factories alone -- the Cegielski Factory in Posen and Fablok in Chrzanow -- reached a figure of 18 units monthly in 1947, whereas before the war the production of three factories never surpassed 14 units monthly. The third locomotive factory, in Warsaw, was completely destroyed during the war.

Production of railroad car and locomotive brakes was begun in Starachowice in a plant completely vandalized by the Germans who did not leave a single machine tool. Today, after a year of intensive work, the plants at Starachowice contain 540 machine tools for the production of railroad brakes and equipment and employ 3,600 workers. The blast furnace at Starachowice was also activated.

The second major task assigned to the metal industry by the government was the maximum increase in the production of machine tools. A machine-tool plant with 250 machines was activated at the Cegielski Factory in Poznan. This plant will employ 2,000 workers. The machine-tool factory of the Association of Mechanics in Pruszkow was rebuilt, and already 1,900 workers are employed there. Not a single machine remained in this factory after the departure of the Germans; there was no roof over the main hall, and even the shop walls had been blown up.

With the activation of these factories and the intensive operation of old factories, the current production of machine tools has already doubled prewar production. The following table illustrates the quantitative increase in the most important products of the metal industry during 1945-47.

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	Value of Production at 1937 Prices (million zlotys)	Locomotives (units)	Freight Cars (units)	Machine Tools (units)	Farm Machinery at 1937 Prices (million zlotys)	Bicy- cles (units)	Screws, Rivets, Wrought Parts (1,000 tons)	No of Employees
<u>1945</u>								
3d quarter	44.0	19	25	89	0.9	1,390	1.4	38,000
4th "	70.0	35	78	172	1.5	2,191	2.4	48,000
<u>1946</u>								
1st quarter	96.0	41	563	264	2.3	2,988	5.4	67,000
2d "	117.5	32	1,222	372	4.3	4,703	6.1	82,000
3d "	137.0	32	1,625	429	4.8	11,730	6.6	91,000
4th "	153.9	47	1,708	459	5.4	14,745	7.7	102,458
<u>1947</u>								
1st quarter	162.3	46	2,271	575	7.3	20,484	8.0	106,990
2d "	185.6	50	2,734	616	8.7	23,700	8.7	106,930
3d "	207.3	53	2,784	647	10.6	18,983	9.2	114,626
4th quarter*	233.7	53	3,529	749	10.7	14,753	9.4	118,400
Average quarterly production in 1938	162.0	7	141	265	4.5	12,000	5.7	102,400

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	Value of Production at 1937 Prices (million zlotys)	Locomotives (units)	Freight Cars (units)	Machine Tools (units)	Farm Machinery at 1937 Prices (million zlotys)	Bicy- cles (units)	Screws, Rivets, Wrought Parts (1,000 tons)	No of Employees
Highest quarterly production attained during 1918 - 1938	162.0	41	840	265	8.1	12,000	6.2	102,400
Ratio of 4th quarter 1947 production to highest quarter 1918 - 1938	144	129	420	282	132	122	152	116

Highest quarterly
production attained
during 1918 - 1938

Ratio of 4th quarter
1947 production to
highest quarter
1918 - 1938

* Excluding establish-
ments transferred in
4th quarter from
Central Administration
of the Armament Industry

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Along with these achievements in production, an enormous amount of work was accomplished in engineering design. In demolishing factories, the occupation forces gave first attention to the destruction of factory archives. Without their replacement, it would have been impossible to activate production. During 1945-47, the engineering offices of the metal industry designed a number of new models, some of which have already gone into serial production. The new Polish freight locomotive, Ty-45, was designed, and dozens have already been produced. Other models include: the P-47 express locomotive, production of which will begin in 1948; a new 20-ton Polish coal car, thousands of which are already in operation on our railroad lines; and a new-type Pullman car, also completed by now.

Dozens of types of machine tools were designed which had never before been produced in Poland, such as: turret lathes, automatic machine tools, hydraulic saws, coal-face-drilling machines, radial drilling machines, etc. Three types of port cranes designed for the port of Gdansk are already under construction and will be assembled in 1947 and 1948. Drawings were completed for a farm tractor and for a heavy truck to be produced under the Three-Year Plan.

The prewar production level was reached by the metal industry in November 1946, simultaneously with the prewar employment level, indicating prewar productivity of labor.

Before the war, fixed capital of enterprises in the metal industry, Categories I to V, amounted to 650 million zlotys. The value of capital invested currently in enterprises of the Central Administration of the Metal Industry amounts to 680 million zlotys in 1937 prices (after deducting empty structures and certain unused facilities. This indicates a prewar level of efficiency for machine installations.

All the attainments of the metal industry were contingent upon activation of the Regained Territories. The metal industry of the Regained Territories had been very rich, amounting to one half the size of the prewar Polish metal industry. However, war damage was so great that the industry had to be built from the bottom. The main rapidly rebuilt industrial plants of the Regained Territories are well-known. In addition to the Wroclaw and Odra railroad car factories, the following deserve mention: Gliwice Machine Factory, Traveling Crane and Hoisting Equipment Factories in Jelenia Gora and Klodzko, State Optical Manufactures in Jelenia Gora; the Machine-Tool Factory in Gdansk, and the Foundry in Nowa Sol.

In October 1946, 19,000 metalworkers were employed in the Regained Territories; and production amounted to 16 percent in value of the production of the entire Polish metal industry. By October 1947, 27,000 workers were employed and the value of production amounted to 26 percent. For many commodities, the production of the Regained Territories holds a high-ranking place in the country as a whole. For example, the Regained Territories produce 78 percent of the freight cars, 10 percent of the farm machinery, 13 percent of the wire products, 36 percent of the steel cables, 40 percent of the precision instruments, and 30 percent of the machine industry.

All economic indices of the metal industry of the Regained Territories, such as productivity of labor, share of wages in the value of production, and efficiency of installations, are almost equal to the indices for the country as a whole. The factories of the Regained Territories complement the factories of the former territories and cooperate closely with them. The Pokoj Foundry supplies the railroad-car factories with wheel assemblies; the Chorzow Plants supply springs, the Cegielski Factory in Poznan supplies bumpers; the Brevillier and Urban Factory in Ustron supplies spring supports, etc. Optical glass fused by the State Optical Producers in Jelenia Gora is ground in the Polish Optical Plants in Warsaw. Cables from the Bode Factory in Bytom draw hoppers in the Dabrowa and Krakow coal mines. Traveling cranes produced in Jelenia Gora and Klodzko lift crucibles of steel in the Cegielski Factory in Poznan.

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In the course of the Three-Year Plan, the metal industry is to double its monthly production, with 25 locomotives, 1,200 freight cars, and 40 passenger cars; the production of tractors and heavy trucks is to be activated. In comparison with prewar production, the output of farm machinery is to be doubled and the quantity of machine tools increased tenfold. With these aims, the metal industry will receive during the 3-year period about 20 millions in investment credits. To double production, it will be necessary, during the 3-years, to effect the major reconstruction of many factories, while some factories will need to be set up in empty buildings.

Reconstruction will be completed on the railroad car factories in Wroclaw and Sanok and on the machine-tool factory in Pruszkow. New machine-tool factories will be built in Raciborz, Wroclaw, and Warka. There will be new tool factories: one in Starachowice and the Avia Factory in Warsaw. Reconstruction will be completed on the Polish Optical Plant in Warsaw, and on the Parowoz Factory in Warsaw. In the Regained Territories there will be two new farm-machine factories: one in Slupsk in the Pomorze Zachodnie West Coast and one in Dobre Miasto in the Mazury region. To satisfy the investment needs of other industries, new factories for machines and apparatus will be erected in Nysa, Elblag, and Jelenia Gora. Reconstruction will be completed on the Machine-Building Factories in Gliwice and Bytom.

The automotive industry assumes a heavy assignment in the Three-Year Plan. Reconstruction has been completed on the State Engineering Plants in Ursus and they have started production of tractors. The first tractors of Polish make left the factory in mid-1947. Production is to be brought up to 2,000 units annually. A heavy-truck factory to be erected in Starachowice will produce its first 20 motor vehicles in 1948 and 1,500 in 1949. The production of low-horsepower motorcycles will be started.

In the course of 3 years, employment in the metal industry is to increase from 100,000 at the end of 1946 to 160,000 in 1949, contingent on an intensive training program. For this reason, an integral part of the investment plan for the metal industry is a broad plan for vocational training.

Results achieved so far promise that the tasks set by the government will be carried out.

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