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I. Production

The total production plan of the Ministry for Mining and Smelting during the first quarter of 1952 has been fulfilled by 105.6 percent. For the first five months of the year the percentage is expected to be even higher, since several backlogs will have been eliminated by then.

A. Steel

1. Of far-reaching importance in the steel branch is the failure to carry out the pig iron plan. During the first five months this plan was realized by only 76.7 percent. The planned total of 280,000 tons fell short by approximately 65,000 tons. The chief reason for the discrepancy is to be found in the slow development of the Eisenhüttenkombinat Ost (EKO) and West (EMW). It was as recently as May that EKO, through the assistance of Soviet advisers, was able to reach full production of its installations for the first time, while EMW has not reached that level to this day. The deficiency in pig iron was purposely limited to open-hearth pig iron and spiegel iron, because it was felt that in this field the steel branch was in a position to compensate for the shortage through increased scrap deliveries. Instead of the planned 41,000 tons of foundry pig iron, 42,500 tons were actually delivered. This represents 103.5 percent of the foundry iron plan for the first five months. In spite of the open-hearth pig iron shortage, it was possible to fulfill those parts of the iron and steel production which are indispensable to the progress of the entire economy.
2. The plan for crude steel in blocks was realized by 99.6 percent, or 645,900 tons.

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3. The plan for steel casting was fulfilled by 102.8 percent during the first five months; this represents a surplus of 400 tons.
4. The plan for cast iron castings was fulfilled by 115.5 percent, or a surplus of 4,300 tons.
5. During the same period, the rolled steel plan was fulfilled by 111.7 percent or 41,000 tons. The plan for semi-finished products for other rolling mills was achieved with 109.1 percent or 11,000 tons.
6. The non-realization of the plan for seamless pipes will, however, have a serious effect on the entire economy. The plan was only 47.2 percent realized. The reason for this shortage lies in the fact that the production plan had counted on the output of a new pipe factory which did not materialize.

#### B. Copper

1. Of great significance is the non-fulfillment of the copper production plan. The plan for electrolytic and refined copper was, in fact, accomplished by 110.9 percent, but this production was made possible only by drawing upon scrap reserves. Copper production from ore amounted to only 87.8 percent of the plan. Already the first months showed a shortage of 1,400 tons of copper from the production of native ores. This shortage resulted from the non-fulfillment of the copper ore plan. The production of copper ore during the first five months reached only 90 percent, and it must be added that the ore contained less copper than the plan had foreseen.
2. The failure of the copper ore plan lies in the extraordinary geological difficulties encountered in the copper ore mine of the Mansfeld-Kombinat "Wilhelm Pieck" in the inadequate and belated preparations of new mine workings, in the lack of mechanization of the copper mining industry and in weaknesses and errors in the plant organization of the Mansfeld-Kombinat "Wilhelm Pieck". In order to remove these difficulties, to which must be added those related to plant security, workers' housing and transportation, a resolution is to be submitted to the Council of Ministers by the Secretariat of the Central Committee.
3. In the field of other nonferrous metals, the year 1952 saw again the failure to fulfill the plan of rolling mill products from nonferrous metal. The plan was filled by only 80.6 percent during the first five months. The plan has not been fulfilled for years, because orders are always included which presuppose the import of metals which never arrive. Shortages are particularly felt in the fields of lead and zinc, and are a result of the non-fulfillment of the plan for refined and electrolytic lead, where production amounted to only 82.5 percent.
4. It is essential to improve the quality of sheet metal. In this connection the following factors have to be pointed out:
  1. A large part of the heavy plate, especially that delivered by the Hettstedt rolling mill, is still furnished in an uncut condition. It should be pointed out that the VEB sheet metal mills, with the exception of Auerhammer, cut and direct their plates. Only the Hettstedt rolling mill lacks the installations for cutting the heavy boiler and ship plates and this leads again and again to complaints by the processing industries.

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- (1) Continuing effort to purchase the complete tube rolling mill in West Germany and to bring it into the DDR.
- (2) Simultaneously, and independent of the above, undertaking everything to make possible the construction of the mill in the DDR itself. The acquisition of construction plans is the most urgent task. Here again there are various possibilities:

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- b) Attempts should be made to inquire if sufficient blueprints exist in the SAG enterprises which would permit a short-term delivery and completion of construction blueprints for a tube rolling mill.
- c) During the next meeting between the commission for scientific-technical cooperation and the Soviet Union in Moscow, the question should be raised whether the Soviet Union can furnish the blueprints for a complete tube rolling mill, in order that the assembly could take place in Riesa this year yet and production could start in early 1953.
1. Another important project is the installation of the plate-mill train (850 size) in Brandenburg. This train will serve to pre-roll the blocks from Brandenburg in order to overcome the bottleneck in semi-processed goods. This train will also supply the Willy Becker rolling mill in Kirchmoser and other plate rolling mills with pre-blocked slab ingots, thereby improving not only the quality of the plates but also the capacity of the plate rolling mills. The decisive bottleneck right now is the acquisition of the electric motor by the SAG Sachsenwerk Niedersedlitz, and the gearing of the cogged cylinders by the Otto Gruson plant in Magdeburg.
  4. Urgently needed is the two-high rolling mill train (650 size) for the high-grade steel plant at Döhlen. This order is in the hands of the ABUS Schwermaschinenbau plant at Wildau.
  5. Extremely urgent is the completion of the hydraulic forge press of 6000 ton pressure for the large forge in Gröditz. Upon the delivery of this press depends the fulfillment of the energy program for 1953. This order is also assigned to ABUS, Wildau, which so far has not worked on it with sufficient intensity.
  6. In addition, ABUS, Wildau is to supply a rolling stand for the plate rolling mill Ilseburg. Ilseburg will then be able to roll five-ton blocks and satisfy the demand for ship plate.
  7. ABUS, Wildau is also to supply a three-high roughing-mill train for the Finow rolling mill. This train is especially important since no capacity exists at present for the manufacture of hot-band products.
  8. The Mansfeld Kombinat "Wilhelm Pieck" must have the assurance that it will obtain this year or next year a complete screening, crushing and sintering installation for 1,200,000 tons of copper slate ore. Supplier is SAG Polysius, Dessau. This installation is essential because otherwise the smelting plants of the Mansfeld Kombinat will no longer be in a position to absorb increased quantities of ore.
  9. Another important project is the completion of an electric overhead trolley for the furnace charging in the "Wilhelm Pieck" Kombinat. It is requested that the necessary construction plans be supplied by SAG-Bleichert.
  10. Of great importance to the lead ore mining industry will be the delivery of hoists and hoist stands to the VEB lead ore plant "Albert Funk" at Freiberg. Suppliers are ABUS Nordhausen, Stahlbau Halle and ABUS Gispersleben. If these installations are not delivered, it will be impossible to secure the lead supply from native production, as required by the Five Year Plan.