

IV. HIGH RATE OF GROWTH OF INDUSTRIAL OUTPUT

Industrialization was a long-cherished dream of the Chinese people. This dream started to become a reality after the founding of the Chinese People's Republic. In the short period of ten years the foundation has already been laid for China's socialist industrialization.

Industry in old China was extremely backward, particularly in respect to the foundation of heavy industry. The output value of modern industry before the anti-Japanese war accounted for only about 10 per cent of the combined gross output value of industry and agriculture. Of the industrial output, the proportion devoted to light industry producing consumer goods amounted to over 70 per cent, while heavy industry manufacturing the means of production constituted less than 30 per cent. Nevertheless, even this small heavy industry was very incomplete. Its various departments, mostly mining and production of raw materials, were not co-ordinated with each other. The machine-building industry was deplorable. The main work was repairing and assembling. The meagre scope of old China's industry and its low technical level were known to the whole world. This situation was a large factor in China's weakness as a state, the poverty of her people and her infinite suffering from imperialist aggression and oppression in the last century.

After the founding of the People's Republic of China, the state quickly restored the industry that had been seriously damaged in the long years of war and launched a large-scale programme for industrial construction with concentration on heavy industry. In this, China achieved tremendous successes and succeeded in laying the foundation for socialist industrialization.

The Chinese people completed the rehabilitation of the national economy in three years. By 1952, the output of the major industrial products had regained or surpassed the highest pre-liberation levels. The magnificent First Five-Year Plan for the Development of the National Economy was launched in 1953. One of its fundamental tasks was to lay a preliminary foundation for the socialist industrialization of the country. This task was victoriously completed in 1957. The year 1958 witnessed an unprecedented great leap forward of the national economy. China's industrial production and construction developed at an unexampled speed, pushing China a big step forward towards industrialization. This unusually rapid rate of growth was brought about under the guidance of the Party's general line for building socialism and the policy of "walking on two legs"--the policy of simultaneous development of industry and agriculture on the basis of giving priority to heavy industry, simultaneous development of heavy and light industry with priority

to heavy industry, simultaneous development of industries run by central and local authority, simultaneous development of large industrial enterprises, medium enterprises and small ones, simultaneous development of modern and indigenous methods of production and the policy of combining centralized leadership with full-scale mass movements.

The gross industrial output value in 1958 amounted to 117,000 million yuan, 66 per cent higher than in 1957 and 9.3 times that of 1949, an average annual growth rate of 28.1 per cent.

The quick expansion of industrial production resulted in a noticeable change in the position of industry in the entire national economy. The proportion of the gross output of industry to the combined gross output value of industry and agriculture was 30.1 per cent in 1949. It rose to 41.5 per cent in 1952 and 63.6 per cent in 1958. If reckoned in net output value, industrial production in 1958 accounted for 44 per cent of the combined net output value of industry and agriculture.

In industrial production, the output of the means of production showed a particularly fast increase. The output value of the means of production reached 67,000 million yuan in 1958. This was 103 per cent higher than in 1957 and nearly 21 times the 1949 figure; an average annual rate of increase of 40 per cent. As a result of its more rapid growth, the proportion of the means of production in the gross output value of industry rose from 26.6 per cent in 1949 to 35.6 per cent in 1952 and 57.3 per cent in 1958.

While priority was given to the development of heavy industry, light industry also grew quickly in the past ten years. The output value of consumer goods totaled 50,000 million yuan in 1958, 34 per cent higher than in 1957 and 5.3 times that of 1949. The average annual rate of increase was 20.2 per cent.

Comparing the output of the major industrial products in 1958 with that of 1949, steel (not including steel produced by indigenous methods) increased 50.6 times, pig iron (not including iron produced by indigenous methods) 37.8 times, coal 8.3 times, electric power 6.4 times, crude petroleum 18.7 times, metal-cutting machine tools 31.6 times, sulphuric acid 18.5 times, soda-ash 7.3 times, caustic soda 18 times, chemical fertilizers (not including ammonium nitrate) 30 times, cotton yarn 3.4 times, cotton cloth 3 times, paper 7.1 times, sugar 4.5 times, and salt 3.5 times. The targets for such major industrial products as coal, timber, and salt which were originally set for 1962 in the Second Five-Year Plan will be nearly fulfilled, fulfilled, or overfulfilled by the end of 1959. The target for gross industrial output value can also be overfulfilled.

The state has paid great attention to developing industry in the areas inhabited by the national minorities with good results. The gross industrial output value in the national minority areas throughout the country in 1958 reached 5,350 million yuan, 84 per cent higher than in 1957 and 10 times the 1949 figure. The situation whereby no modern industry existed in the national minority areas has begun to change.

What has been achieved in New China in the past ten years has far surpassed the level attained in 100 years in old China. In half a century, from the end of the 19th century when old China first began to set up a modern metallurgical industry, to 1949, the annual output of steel reached only 158,000 tons. Even the peak annual output was only 923,000 tons. In the ten years from 1949 to 1959, New China has increased her steel output from 158,000 tons to 12 million tons.* In the more than fifty years from the end of the 19th century when the first mechanized colliery was built, to 1949, old China's annual output of coal reached only 32,430,000 tons, with a peak annual output of no more than 61,880,000 tons. In the ten years from 1949 to 1959, New China increased her coal output from 32,430,000 tons to 335 million tons.* In the 67 years from 1882 when the first power plant was built in Shanghai by foreign merchants, to 1949, the electric power generated annually in old China reached only 4,310 million kwh. The peak annual output was only 5,960 million kwh. But in one decade New China increased her output of electric power from 4,310 million kwh. to 39,000 million kwh.* In the 100 years from 1850, when foreign merchants began to set up a machine repair industry in China, to 1949, old China's annual output of machine tools reached only 1,582 units, with the peak annual output not exceeding 5,390 units. In the past ten years, New China increased her output of machine tools from 1,582 units to 60,000 units.* These figures clearly show how the socialist system has promoted the very rapid growth of China's social productive forces and what immeasurable strength an emancipated people have.

China's high rate of industrial growth has never been and can never be attained under the capitalist system. Comparing 1958 with 1949, China's industrial production increased 9.3 times. In the corresponding period, industrial production increased only 39 per cent in the United States and 29.5 per cent in Britain. In a few years, China covered the distance that had taken the capitalist countries several dozen years to travel. Take steel as an example. In Britain, the annual output of steel reached 1,310,000 tons as early as 1880. But it did not reach 7,970,000 tons until 1914. The United States' steel output was 1,270,000 tons in 1880. It was increased to 7,270,000 tons by 1897. China's steel output in 1952

*Planned figure.

was 1,350,000 tons. It was increased to 8,000,000 tons (not including steel produced by indigenous methods) by 1958. This means that in steel production, it took Britain 34 years and the United States 17 years to achieve what China accomplished in 6 years. Britain's coal output was 65,700,000 tons in 1854. But it did not grow to 270 million tons until 1907. The coal output of the United States already reached 64,800,000 tons by 1880. But it did not grow to 270 million tons until 1902. China's coal output increased from 66,490,000 tons in 1952 to 270 million tons in 1958. This means that what took Britain 53 years and the United States 22 years to do, China did in 6 years. Britain's coal production twice approached 300 million tons early in the 20th century. But in the last 20 years and more, it has been steadily declining or at a standstill. In 1958, Britain's output of coal was only about 220 million tons, falling below China.

The high rate of growth of China's industrial production has resulted in a big promotion in China's position in world industrial production. In steel output, China rose from 26th place in 1949 to 18th place in 1952 and 7th place in 1958. In coal production, China rose from 9th place in 1949 to 6th place in 1952 and 3rd place in 1958, surpassed only by the Soviet Union and the United States. In electric power generation, China rose from 25th place in 1949 to 22nd place in 1952 and 11th place in 1958. In the production of other products, China's place has steadily risen in the world scale.

Because a large number of newly-built and reconstructed enterprises have been put into operation in the last ten years and because the broad masses of workers and other employees have constantly raised their technical level and given full play to their creative spirit, China has turned out tens of thousands of new industrial products which had never been made in China before. The iron and steel industry has produced such important products as high-grade structural alloy steel, special steel for meters, silicon steel sheet, steel plate for shipbuilding, seamless steel tubes for boilers, 550 mm.-high large I-steel, and 50-kilogramme rails. Before liberation China could produce less than 100 kinds of steel; she produced 500 kinds of steel in 1958. The varieties of rolled steel increased from 400 in 1952 to 4,000 in 1957 and 6,000 in 1958, 15 times the 1952 figure. China's machine-building industry can now make aircraft, motor vehicles, tractors, sea-borne vessels of 5,000 dead-weight tons, equipment for a blast furnace and 1,513 cubic metres in volume, 2,300 mm. medium-sized steel plate rolling machines, 50,000 kw. thermal power generating equipment, 72,500 kw. hydro-electric power generating equipment, 2,500-ton hydraulic forging presses, coal-cutting combines, many types of modern heavy machine tools, complete sets of textile, paper-making and sugar-refining equipment and other products. The chemical industry can now produce synthetic fibres, various kinds of antibiotics, dyestuffs with reactive colours, and organo-silicon resins, a high-grade insulating material. Old China had to import all these products from foreign countries.

As a result of the increase in the output and variety of industrial products, the ration of self-sufficiency in materials and equipment has been greatly raised. By 1957, China's ration of self-sufficiency in rolled steel had already reached 86 per cent and in machinery equipment the ration rose more than 60 per cent. It can be expected that in the near future China's heavy industry will be able to supply all the technical equipment needed by industry, agriculture, transport, communications and other departments.

In the last ten years, as a result of the initiative and creative spirit demonstrated by the masses of the workers and other employees in industry in their work and improvements in the methods of management and organization, new production records have been made constantly and technical-economic norms have risen continuously. In 1958, the output, in 24 hours, of iron per cubic metre of available volume of large and medium-sized blast furnaces reached 1.49 tons, 2.4 times the 1949 figure. The output, in 24 hours, of steel per square metre of the hearth floor of the open-hearth furnaces reached 7.78 tons, 3.2 times the 1949 figure. The rate of recovery of the coal industry reached 82.7 per cent, 31.1 per cent higher than in 1949. The average annual utilization hours of the power generating equipment in the electric power industry was 2.4 times the 1949 figure and the consumption of standard coal (7,000 K calories per kg.) in power generation was 45.2 per cent lower. As for the textile industry, the output of cotton yarn per 1,000 spindles per hour reached 23.48 kilogrammes (various counts), 41.4 per cent higher than in 1949.

In the last ten years, the ranks of China's industrial workers and other employees have grown to an unprecedented size, particularly in relation to technical personnel. In 1958, the number of industrial engineers and technicians totalled 259,000, 4.5 times that of 1952. At the same time, the technical equipment has been increased markedly. During the period of the First Five-Year Plan, the average fixed assets for production per worker increased 49 per cent; the total capacity of power machinery used per worker increased 79 per cent; and the amount of electric power used per worker increased more than 80 per cent. Work which formerly required strenuous manual labour was in large part mechanized. In 1958, the technical equipment of the workers in large and medium-sized enterprises was further increased.

Labour productivity in industry has been rising continuously during the past decade. In industrial enterprises at county level and above, labour productivity in 1958 was 8 per cent higher than in 1957 and 64 per cent higher than in 1952. In the industrial departments under Central Government control the labour productivity, in physical terms, of the production workers rose in 1958 in comparison with 1949 as follows: the average daily output per miner increased 3.4 times; the average annual output per iron worker increased 17 times; and the average annual output per steel worker increased 8.6 times.

RAPID GROWTH OF INDUSTRIAL OUTPUT AND PRIORITY
DEVELOPMENT OF THE MEANS OF PRODUCTION (I)
(million yuan)

	<u>Gross output value of industry</u>	<u>Of which:</u>	
		<u>Output value of means of production</u>	<u>Output value of consumer goods</u>
At 1952 prices			
1949	14,020	3,730	10,290
1950	19,120	5,650	13,470
1951	26,350	8,500	17,850
1952	34,330	12,220	22,110
1953	44,700	16,680	28,020
1954	51,970	19,990	31,980
1955	54,870	22,890	31,980
1956	70,360	32,040	38,320
1957	78,390	37,940	40,450
At 1957 prices			
1957	70,400	33,000	37,400
1958	117,000	67,000	50,000

RAPID GROWTH OF INDUSTRIAL OUTPUT AND PRIORITY
DEVELOPMENT OF THE MEANS OF PRODUCTION (II)
(index numbers)

	<u>Gross output value of industry</u>	<u>Of which:</u>	
		<u>Output value of means of production</u>	<u>Output value of consumer goods</u>
(1949=100)			
1950	136.4	151.6	130.8
1951	188.0	228.0	173.5
1952	244.9	327.8	214.8
1953	318.8	447.5	272.2
1954	370.8	536.3	310.8
1955	391.4	614.2	310.7
1956	501.9	859.7	372.4
1957	559.2	1,020.0	393.0
1958	929.4	2,070.0	525.4

	<u>Gross output value of industry</u>	<u>Of which:</u>	
		<u>Output value of means of production</u>	<u>Output value of consumer goods</u>
(1952=100)			
1953	130.2	136.5	126.7
1954	151.4	163.6	144.7
1955	159.9	187.3	144.7
1956	205.0	262.2	173.3
1957	228.4	310.5	183.0
1958	379.6	630.3	244.7

RAPID GROWTH OF INDUSTRIAL OUTPUT AND PRIORITY
DEVELOPMENT OF THE MEANS OF PRODUCTION (III)
(index numbers; preceding year = 100)

	<u>Gross output value of industry</u>	<u>Of which:</u>	
		<u>Output value of means of production</u>	<u>Output value of consumer goods</u>
1950	136.4	151.6	130.8
1951	137.9	150.3	132.6
1952	130.3	143.8	123.8
1953	130.2	136.5	126.7
1954	116.3	119.8	114.2
1955	105.6	114.5	99.97
1956	128.2	140.0	119.8
1957	111.4	118.4	105.6
1958	166.2	203.0	133.7

RAPID GROWTH OF INDUSTRIAL OUTPUT AND PRIORITY
DEVELOPMENT OF THE MEANS OF PRODUCTION (IV)
(average annual percentage increase)

	<u>Gross output value of industry</u>	<u>Of which:</u>	
		<u>Output value of means of production</u>	<u>Output value of consumer goods</u>
1950-1952	34.8	48.5	29.0
1953-1957	18.0	25.4	12.8
1950-1958	28.1	40.0	20.2

RAPID GROWTH OF INDUSTRIAL OUTPUT AND PRIORITY
DEVELOPMENT OF THE MEANS OF PRODUCTION (V)
(percentage distribution)

	<u>Output value of means of production</u>	<u>Output value of consumer goods</u>
1949	26.6	73.4
1950	29.6	70.4
1951	32.2	67.8
1952	35.6	64.4
1953	37.3	62.7
1954	38.5	61.5
1955	41.7	58.3
1956	45.5	54.5
1957	48.4	51.6
1958	57.3	42.7

GROWTH OF MODERN INDUSTRY

	<u>Gross output value of modern industry (million yuan)</u>	<u>Index numbers (1949=100)</u>	<u>Percentage of gross output value of modern industry to total gross output value of industry</u>
At 1952			
Prices			
1949	7,910	100	56.4
1950	10,890	137.5	56.9
1951	15,910	201.0	60.4
1952	22,050	278.6	64.2
1953	28,810	364.1	64.5
1954	33,980	429.5	65.4
1955	37,080	468.6	67.6
1956	50,340	636.2	71.6
1957	55,630	703.1	70.9
At 1957			
Prices			
1957	49,670	-	-
1958	87,270	1,240.0	74.6

PERCENTAGE OF SELECTED INDUSTRIES TO TOTAL GROSS
OUTPUT VALUE OF INDUSTRY

	<u>1949</u>	<u>1952</u>	<u>1957</u>
Gross output value of industry ¹	100	100	100
Of which:			
Electric power industry	2.4	1.6	1.7
Fuel industry	3.8	3.8	4.1
Ferrous metals industry	1.8	5.1	8.0
Metal processing industry	6.8	10.6	16.2
Of which:			
Machine-building industry	2.7	5.2	9.5
Chemical industry	1.5	3.2	6.6
Building material industry	1.1	2.3	2.5
Timber industry	6.9	4.5	3.0
Paper-making industry	1.3	2.4	2.6
Textile industry	36.9	29.7	19.1
Food industry	23.6	22.6	20.4
Publishing, art supplies and educa- tional appliances industries	3.0	2.1	2.1

¹Handicrafts are not included.

FIXED ASSETS OF INDUSTRIAL ENTERPRISES
(at original purchase prices)

	<u>Fixed assets of industrial enterprises</u>	<u>Of which: fixed assets used for industrial production</u>
1. Absolute figures (million yuan)		
1949	12,800	-
1952	15,800	13,300
1957	35,200	29,300
1958	47,400	40,400
2. Index numbers		
(1949=100)		
1952	123	-
1957	275	-
1958	370	-
(1952=100)		
1957	223	220
1958	300	304
(1957=100)		
1958	135	138

DEVELOPMENT OF HANDICRAFTS

	<u>Gross output value of handicrafts</u> (million yuan)	<u>Index numbers</u>	
		<u>1949=100</u>	<u>1952=100</u>
1949	3,240	-	-
1950	5,060	156.4	-
1951	6,140	189.7	-
1952	7,310	225.9	-
1953	9,120	281.7	124.7
1954	10,460	323.1	143.1
1955	10,120	312.7	138.4
1956	11,700	361.5	160.1
1957	13,370	412.9	182.8

RAPID DEVELOPMENT OF INDUSTRY IN NATIONAL
MINORITY AREAS

	<u>Gross output value of industry</u> (million yuan)	<u>Index numbers</u>	
		<u>1949=100</u>	<u>1952=100</u>
1949	540	100	-
1952	1,140	211	100
1957	2,950	544	258
1958	5,350	1,000	474

INCREASE IN THE OUTPUT OF MAJOR PRODUCTS

	<u>Steel</u> (thousand tons)	<u>Pig Iron</u> (thousand tons)	<u>Coal</u> (thousand tons)	<u>Electric power</u> (million kwh.)	<u>Crude petroleum</u> (thousand tons)
1. Output					
1949	158	252	32,430	4,310	121
1950	606	978	42,920	4,550	200
1951	896	1,448	53,090	5,750	305
1952	1,349	1,929	66,490	7,260	436
1953	1,774	2,234	69,680	9,200	622
1954	2,225	3,114	83,660	11,000	789
1955	2,853	3,872	98,300	12,280	966
1956	4,465	4,826	110,360	16,590	1,163
1957	5,350	5,936	130,000	19,340	1,458
1958	11,080 (8,000)	13,690 (9,530)	270,000	27,530	2,264
2. Index Numbers (1949=100)					
1952	853.8	765.5	205.0	168.4	360.3
1957	3,390.0	2,360.0	400.9	448.8	1,210.0
1958	7,010.0 (5,060.0)	5,430.0 (3,780.0)	832.6	639.1	1,870.0
(1952=100)					
1957	396.6	307.7	195.5	266.3	334.7
1958	821.3 (593.0)	709.7 (494.0)	406.1	379.2	520.0
(1957=100)					
1958	207.1 (149.5)	230.6 (160.5)	207.7	142.4	155.4

Note: The figures for the output of steel and pig iron in 1958 include steel and iron produced by indigenous methods. The figures within parentheses do not include steel and iron produced by indigenous methods.

INCREASE IN THE OUTPUT OF MAJOR PRODUCTS (cont'd)

	<u>Cement</u> (thousand tons)	<u>Timber</u> (thousand cubic metres)	<u>Sulphuric</u> <u>acid</u> (thousand tons)	<u>Soda-ash</u> (thousand tons)	<u>Caustic</u> <u>soda</u> (thousand tons)
1. Output					
1949	660	5,670	40	88	15
1950	1,410	6,640	49	160	23
1951	2,490	7,640	149	185	48
1952	2,860	11,200	190	192	79
1953	3,880	17,530	260	223	88
1954	4,600	22,210	344	309	115
1955	4,500	20,930	375	405	137
1956	6,390	20,840	517	476	156
1957	6,860	27,870	632	506	198
1958	9,300	35,000	740	640	270
2. Index Numbers (1949=100)					
1952	433.3	197.5	475.0	218.2	526.7
1957	1,040.0	491.5	1,580.0	575.0	1,320.0
1958	1,410.0	617.3	1,850.0	727.3	1,800.0
(1952=100)					
1957	239.9	248.8	332.6	263.5	250.6
1958	325.2	312.5	389.5	333.3	341.8
(1957=100)					
1958	135.6	125.6	117.1	126.5	136.4

INCREASE IN THE OUTPUT OF MAJOR PRODUCTS (cont'd)

	<u>Chemical</u> <u>fertilizers</u> (thousand tons)	<u>Penicillin</u> (kilo- grammes)	<u>Metal-</u> <u>cutting</u> <u>machine</u> <u>tools</u> (number)	<u>Power</u> <u>machinery</u> (thousand h.p.)	<u>Electric</u> <u>motors</u> (thousand kw.)
1. Output					
1949	27	-	1,582	10	61
1950	70	-	3,312	11	199
1951	129	-	5,853	26	225
1952	181	46	13,734	35	639
1953	226	593	20,502	144	918
1954	298	2,189	15,901	172	957
1955	332	7,829	13,708	247	607
1956	523	14,037	25,928	657	1,069
1957	631	18,266	28,000	690	1,455
1958	811	72,607	50,000	2,000	6,052
2. Index Numbers (1949=100)					
1952	670.4	-	868.1	350.0	1,050.0
1957	2,340.0	-	1,770.0	6,900.0	2,390.0
1958	3,000.0	-	3,160.0	20,000.0	9,920.0
(1952=100)					
1957	348.6	39,710.0	203.9	1,970.0	227.7
1958	448.1	157,800.0	364.1	5,710.0	947.1
(1957=100)					
1958	128.5	397.5	178.6	289.9	415.9

Note: Chemical fertilizers do not include ammonium nitrate.
Metal-cutting machine tools do not include simple indigenous machine tools.

INCREASE IN THE OUTPUT OF MAJOR PRODUCTS (cont'd)

	<u>Power gener- ating equipment</u> (thousand kw.)	<u>Locomo- tives</u> (number)	<u>Motor vehicles</u> (number)	<u>Merchant vessels</u> (thousand dwt. tons)	<u>Tractors</u> (number)	<u>Combine har- vesters</u> (number)
1. Output						
1952	-	20	-	16	-	-
1953	-	10	-	35	-	-
1954	-	52	-	62	-	-
1955	-	98	-	120	-	3
1956	-	184	1,654	104	-	22
1957	198	167	7,500	54	-	124
1958	800	350	16,000	90	957	545
2. Index Numbers (1952=100)						
1957	-	835.0	-	337.5	-	-
1958	-	1,750.0	-	562.5	-	-
(1957=100)						
1958	404.0	209.6	213.3	166.7	-	439.5

INCREASE IN THE OUTPUT OF MAJOR PRODUCTS (cont'd)

	<u>Cotton yarn</u> (thousand bales)	<u>Cotton cloth</u> (million metres)	<u>Paper</u> (thousand tons)	<u>Rubber foot-wear</u> (thousand pairs)	<u>Bicycles</u> (thousand units)
1. Output					
1949	1,800	1,890	228	28,900	14
1950	2,410	2,520	380	45,670	21
1951	2,680	3,060	492	65,060	44
1952	3,620	3,830	539	61,690	80
1953	4,100	4,690	667	76,360	165
1954	4,600	5,230	842	85,840	298
1955	3,970	4,360	839	97,450	335
1956	5,250	5,770	998	103,480	640
1957	4,650	5,050	1,221	128,850	806
1958	6,100	5,700	1,630	182,360	1,174
2. Index Numbers (1949=100)					
1952	200.7	202.7	236.3	213.5	568.2
1957	258.1	267.4	535.7	445.9	5,720.0
1958	338.3	301.8	714.9	631.1	8,340.0
(1952=100)					
1957	128.6	131.9	226.7	208.9	1,010.0
1958	168.6	148.9	302.5	295.6	1,470.0
(1957=100)					
1958	131.1	112.9	133.5	141.5	145.7

INCREASE IN THE OUTPUT OF MAJOR PRODUCTS (cont'd)

	<u>Cigarettes</u> (thousand crates) ¹	<u>Edible vegetable oil</u> (thousand tons)	<u>Sugar</u> (thousand tons)	<u>Salt</u> (thousand tons)	<u>Aquatic products</u> (thousand tons)
1. Output					
1949	1,600	444	199	2,985	448
1950	1,848	607	242	2,464	912
1951	2,002	731	300	4,346	1,332
1952	2,650	983	451	4,945	1,666
1953	3,552	1,009	638	3,569	1,900
1954	3,728	1,066	693	4,886	2,293
1955	3,567	1,165	717	7,535	2,518
1956	3,907	1,076	807	4,940	2,648
1957	4,456	1,100	864	8,277	3,120
1958	4,750	1,250	900	10,400	4,060
2. Index Numbers (1949=100)					
1952	165.6	221.5	226.5	165.7	372.0
1957	278.5	247.9	434.1	277.3	695.7
1958	296.9	281.7	451.9	348.4	906.4
(1952=100)					
1957	168.2	111.9	191.6	167.4	187.0
1958	179.3	127.2	199.5	210.3	243.7
(1957=100)					
1958	106.6	113.6	104.1	125.7	130.3

¹One crate contains 50,000 cigarettes.

AVERAGE ANNUAL RATE OF INCREASE IN OUTPUT OF
MAJOR PRODUCTS
(Percentage)

	<u>1950-1952</u>	<u>1953-1957</u>	<u>1950-1958</u>
Steel	104.2	31.7	60.4 (54.7)
Pig iron	97.1	25.2	55.9 (49.7)
Coal	27.0	14.4	26.6
Electric power	18.9	21.6	22.9
Crude petroleum	53.3	27.3	38.5
Cement	63.1	19.1	34.2
Timber	25.5	20.0	22.4
Sulphuric acid	68.1	27.1	38.3
Soda-ash	29.7	21.4	24.7
Caustic soda	74.0	20.1	37.9
Chemical fertilizers (not including ammonium nitrate)	88.6	28.4	46.0
Penicillin	-	231.0	-
Metal-cutting machine tools	105.0	15.3	46.7

Note: The average annual percentage increases for steel and iron in the 1950-1958 column include steel and iron produced by indigenous method, while the percentage increases in parentheses do not.

AVERAGE ANNUAL RATE OF INCREASE IN OUTPUT OF
MAJOR PRODUCTS (cont'd)
(Percentage)

	<u>1950-1952</u>	<u>1953-1957</u>	<u>1950-1958</u>
Power machinery	51.8	81.5	80.2
Electric motors	119.0	17.9	66.6
Locomotives	-	52.9	-
Merchant vessels	-	27.5	-
Cotton yarn	26.1	5.2	14.5
Cotton cloth	26.6	5.7	13.1
Paper	33.2	17.8	24.4
Rubber foot-wear	28.8	15.9	22.7
Bicycles	78.4	58.8	63.5
Cigarettes	18.3	11.0	12.8
Edible vegetable oil	30.4	2.3	12.2
Sugar	31.3	13.9	18.3
Salt	18.3	10.9	14.9
Aquatic products	54.9	13.3	27.8

OUTPUT OF MAJOR INDUSTRIAL PRODUCTS COMPARED WITH
PEAK PRE-LIBERATION OUTPUT

			<u>Index numbers</u> <u>(peak pre-liberation year=100)</u>			
	<u>Unit</u>	<u>Peak pre-lib- eration output</u>	<u>1949</u>	<u>1952</u>	<u>1957</u>	<u>1958</u>
Steel	thousand tons	923	17.1	146.2	579.6	1,200.0 (866.7)
Pig iron	do	1,801	14.0	107.1	329.6	760.1 (529.2)
Coal	do	61,880	52.4	107.4	210.1	436.3
Electric power	million kwh.	5,960	72.3	121.9	324.4	462.3
Crude petroleum	thousand tons	321	37.7	135.7	454.2	705.7
Cement	do	2,290	28.8	124.9	299.6	406.1
Sulphuric acid	do	180	22.2	105.6	351.1	411.1
Soda-ash	do	103	85.4	186.4	491.3	621.4
Caustic soda	do	12	125.0	658.3	1,650.0	2,250.0
Chemical fertilizers	do	227	11.9	79.7	278.0	357.3
Metal-cutting machine tools	number	5,390	29.4	254.8	519.5	927.6
Cotton yarn	thousand bales	2,450	73.7	147.8	190.1	249.3
Cotton cloth	million metres	2,790	67.8	137.4	181.2	204.5
Cigarettes	thousand crates ¹	2,363	67.7	112.1	188.6	201.0
Sugar	thousand tons	414	48.1	109.0	208.8	217.4
Salt	do	3,918	76.2	126.2	211.2	265.4

¹One crate contains 50,000 cigarettes.

PRINCIPAL NEW PRODUCTS SUCCESSFULLY
TRIAL-MANUFACTURED

<u>Year</u>	<u>Products</u>
1953	43-kg. heavy rail, 6,000 kw. water-turbine generator, 44 kv.-20,000 KVA transformer, 500 mm.-swing heavy duty lathe, double column planer with a planing length of 4 metres, radial drilling machine with a drilling diameter of 50 mm., 1,000 metre-drilling machine, rotary cone crusher with a diameter of 2,100 mm., 2,700 x 2,100 ball mill, large X-ray apparatus, penicillin in oil, aniline, glacial acetic acid and wall board.
1954	Heat-resistant stainless steel, 6,000 kw. steam-turbine generator, 154 kv.-20,000 KVA transformer, special purpose multi-cutter semi-automatic lathe, horizontal boring, drilling and milling machine with a main spindle of 85 mm. in diameter, hydraulic precision grinder, coal-cutting combine, coal loading machine, 300 h.p. hoisting machine for mines, ladle for molten iron with a capacity of 100 tons, pneumatic ore loading machine which can load 20 cubic metres of ore per hour, 0.3 cubic-metre electric mud gun, spiral grading machine 1,200 mm. in diameter, freighter of 2,650 tons displacement, training plane, 24-row sower, centralite, phen-acetin, rubber tire with cross sectional width of 12 in. and an internal diameter of 22 in. and, toughened glass.
1955	Steel plate for shipbuilding, special-shape rolled steel for motor vehicles, 50-kg. heavy rails, seamless alloy steel tube, silicon steel sheet, water-tube boiler which can evaporate 40 tons of steam per hour, 6,000 kw. steam turbine, 10,000 kw. water-turbine generator and water turbine, 120 kv.-31,500 KVA transformer, universal slotting machine, single spindle automatic lathe and 58 other types of machine tools, ore sintering furnace with a capacity of 90 tons per hour, mining axial-flow ventilator 2.4 metres in diameter, coke loader, 48-row sower, 5-share plough, combine harvester, syntomycin and sodium nitrate.
1956	High-temperature resistant alloy steel, 12,000 kw. steam-turbine generator and steam turbine, 15,000 kw. water-turbine generator and water turbine, 600 h.p Diesel engine, double column planer with a planing width of 2 metres, 120 kw. short-wave broadcasting transmitter, lorry, 1-5-1 freight locomotive, jet plane, organic glass, P V C (poly-vinyl chloride), aureomycin, acetone, laminated glass and wrist watch.

1957 Steel plate for motor vehicles, water-tube boiler which can evaporate 130 tons of steam per hour, 220 kv.-20,000 KVA single-phase transformer, 140-ton overhead hoisting crane, 3 cubic-metre electric shovel, 1200-metre petrol-eum drilling machine, equipment for blast furnace of 1,000 cubic metres in volume, An-II planes for various purposes, 70 types of machine tools, methyl alcohol, variamine B, penicillin, camera, synthetic wool and synthetic leather.

1958 Various kinds of low-alloy high-strength structural steel, clad stainless sheet steel, 550 mm.-high large I-steel, 25,000 kw thermal power generating equipment, 110 kv.-60,000 KVA 3-phase transformer, 220 kv.-40,000 KVA single-phase transformer, blast furnace of 1,513 cubic metres in volume, 2,300 mm. medium-sized plate rolling machine, 2,500-ton hydraulic forging press, ocean-going ship of 5,000 tons deadweight, dye-stuffs with reactive colours, organo-silicon resins--a high grade insulating material, tubeless tire, chloroprene rubber, high-grade cement and synthetic detergent.

CHINA'S PLACE IN WORLD OUTPUT OF STEEL, PIG
IRON, COAL AND ELECTRIC POWER

	<u>Steel</u>	<u>Pig iron</u>	<u>Coal</u>	<u>Electric power</u>
1936	18th	12th	7th	14th
1949	26th	23rd	9th	25th
1952	18th	11th	6th	22nd
1957	9th	7th	5th	13th
1958	7th	6th	3rd	11th

CHINA FAR SURPASSES THE CAPITALIST COUNTRIES IN THE
RATE OF GROWTH OF INDUSTRIAL OUTPUT
(percentage)

	<u>1950-1952</u> <u>average</u> <u>annual rate</u> <u>of growth</u>	<u>1953-1957</u> <u>average</u> <u>annual rate</u> <u>of growth</u>	<u>Percentage</u> <u>increase</u> <u>in 1958</u> <u>over 1957</u>	<u>1950-1958</u> <u>average</u> <u>annual rate</u> <u>of growth</u>
Industrial				
Output:				
China	34.8	18.0	66.2	28.1
Britain	2.2	4.1	- 0.9	2.9
United States	8.5	2.8	- 6.5	3.7
Steel:				
China	104.2	31.7	49.5	54.7
Britain	1.8	5.7	- 9.8	2.6
United States	6.1	3.9	- 24.5	1.0
Pig iron:				
China	97.1	25.2	60.5	49.7
Britain	4.2	5.9	- 9.2	3.5
United States	4.9	5.0	- 27.1	0.8
Coal:				
China	27.0	14.4	107.7	26.6
Britain	1.7	decline	- 3.5	0.03
United States	1.8	0.4	- 17.6	decline
Electricity:				
China	18.9	21.6	42.4	22.9
Britain	8.2	7.8	7.4	7.9
United States	10.3	9.1	1.2	8.6

PRINCIPAL NORMS IN VARIOUS INDUSTRIAL DEPARTMENTS

	<u>Unit</u>	<u>1949</u>	<u>1952</u>	<u>1957</u>	<u>1958</u>
Iron and Steel industry					
Coefficient of utilization of blast furnaces ¹	ton/cu. metre in 24 hrs.	0.62	1.02	1.32	1.49
Coefficient of utilization of open-hearth furnaces	ton/sq. metre in 24 hrs.	2.42	4.78	7.21	7.78
Coal industry Recovery rate ²	%	63.1	76	81.9	82.7
Electric power industry					
Utilizing hours of power generating equipment	hours	2,330	3,800	4,794	5,518
Consumption of standard coal	kg./kwh.	1.020	0.727	0.604	0.559
Of which: consumption of standard coal by public utility power plants	kg./kwh.	0.961	0.685	0.573	0.537
Building material industry					
Output of cement kilns per square metre per hour	kg.			22.69	23.34

¹For large and medium-sized blast furnaces.

²For large and medium-sized coal mines.

PRINCIPAL NORMS IN VARIOUS INDUSTRIAL DEPARTMENTS (cont'd)

	<u>Unit</u>	<u>1949</u>	<u>1952</u>	<u>1957</u>	<u>1958</u>
Machine-building industry					
Rate of utilization of metal-cutting machine tools ¹	%		58.8	64.8	82.9
Textile industry					
Output of cotton yarn per thousand spindles per hour	kg.	16.60	19.64	20.67	23.48
Output of cotton cloth per loom per hour	metres	3.516	3.988	4.075	4.160
Consumption of cotton per bale of yarn	kg.	205.85	198.97	193.56	192.85

¹1953 figure.

ADVANCE IN OVER-ALL LABOUR PRODUCTIVITY IN INDUSTRY

	<u>1957</u> <u>(1952=100)</u>	<u>1958</u> <u>(1957=100)</u>	<u>1958</u> <u>(1952=100)</u>
Labour productivity	152	108	164

Note: Data cover workers and other employees in industrial enterprises at county level and above.

GROWTH OF LABOUR PRODUCTIVITY IN PHYSICAL TERMS

	<u>1957</u> <u>(1952=100)</u>	<u>1958</u> <u>(1949=100)</u>
Average daily output per coal miner	145.8	341.7
Average annual output per iron worker	238.5	1,698.5
Average annual output per steel worker	192.9	857.7
Average annual output per cement worker	174.3	-
Average annual output of cotton yarn per spinner	108.0	-

Note: Data cover enterprises directly under the industrial departments of the Central Government.

INCREASE IN TECHNICAL EQUIPMENT PER WORKER
IN INDUSTRY IN 1957

(1952=100)

Average amount of fixed assets used per worker	149.1
Total capacity of power machinery used per worker	179.2
Total amount of electricity used per worker	180.4

COST REDUCTION OF INDUSTRIAL PRODUCTS
(percentage)

	<u>Percentage</u> <u>reduction in</u> <u>1957 over 1952</u>	<u>Average annual</u> <u>rate of reduction</u> <u>1953-1957</u>
Total cost of comparable products of industrial departments under central authorities	29	6.5
Of which: unit cost of principal products		
Electric power (one thousand kwh.)	24.5	5.5
No. 56 motor petrol (one ton)	1.3	0.3
Pig iron (one ton)	2.6	0.5
Medium-sized rolled steel (one ton)	28.1	6.4
Welded steel tube (one ton)	47.5	12.1
Oil of vitriol (98%) (one ton)	18.7	4.1
Caustic soda (95-98%) (one ton)	31.6	7.3
Ammonium nitrate (above 90%) (one ton)	42.5	10.5
32-count cotton yarn (one bale)	4.2	0.9
23 x 21 cotton cloth (one bolt)	4.6	0.9
No. 1 newsprint (one ton)	33.0	7.7