

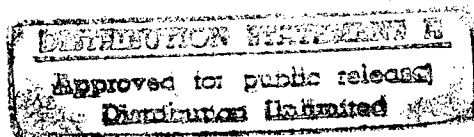
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RESULTS OF CANTON 1958 ECONOMIC PLAN

-COMMUNIST CHINA-

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RESULTS OF CANTON 1958 ECONOMIC PLAN

[This is a full translation of an article submitted by the Canton Municipal Statistical Bureau appearing in Kuang-chou Jih-pao, Canton, 31 December 1958, pages 1-2.]

CANTON MUNICIPALITY'S RATE OF ECONOMIC GROWTH IN 1958 WAS UNPARALLELED IN HISTORY

To Fully Execute General Line For Socialist Construction;
To Carry Out Firmly The Policy Of "Walking On Two Legs"

According to an official communication released by the Canton Municipal Statistical Bureau, results of the development and execution of Canton 1958 Economic Plan were as follows:

The year 1958 witnessed the great leap forward in China's socialist construction enterprises. It was a year which saw an all-out leap forward on the industrial front with steel production as the leading item. It also saw high production of agricultural crops and the triumph of the peoples communalization movement.

During 1958, under the direct leadership of the Kwangtung Provincial Committee and the Canton Municipal Committee of the Chinese Communist Party, the people's consciousness throughout the entire municipality was greatly heightened.

With heaven-reaching zeal, the people have carried out fully the Party line to "stimulate effort, strive for the upper reaches, and develop the general line for socialist

construction fully, speedily, efficiently, and economically. They have carried out the line to develop simultaneously industry and agriculture, heavy and light industry, centrally and locally-operated industry, and large, medium and small-scale enterprises; to adopt a policy for combined native and foreign-style methods of production; to carry out an all-out leap forward industrial policy of steel as the leading item and to centralize direction and promote mass movement as a joint policy.

Consequently, Canton municipal economic development has progressed by leaps and bounds and an all-out over-fulfillment of the various major objectives of national economy have been brought about.

The gross value of industrial output was placed at 2.16 billion yuan, fulfilling the leap forward plan by 110 percent and registering an increase of 76 percent over the 1957 figure. This was Canton municipality's greatest year for growth in industrial.

The increase in production for the whole year was above 930 million yuan, representing a rise of 15 percent over the 810 million yuan for the duration of the First Five-Year Plan. The volume of production increase for many products exceeded their total production volume for the First Five-Year Plan period.

Considerable expansion was also noted in capital construction, agricultural production, communication and transport, and commercial, cultural, and educational enterprises. The people's material and cultural standards were also improved. Results of the development and execution of national economic plan were proclaimed as follows:

I. Flying-Leap Growth in Industrial Production

Important achievements were made in 1958 in the promotion of steel as a basis for a high production industrial movements and a leap-forward increase in the rate of industrial production was registered. The municipality's gross value of industrial output (including handicraft industry) was placed at 2,160,000,000 yuan, which was an increase by 76 percent over the figure for 1957.

A breakdown of the 110 percent fulfillment of the leap forward plan relating to the gross value of the municipality's industrial output followed: Bureau of Chemical Industry fulfilled by 140 percent; Bureau of Machine and Electrical Industry, 122 percent; Bureau of Light Industry, 114 percent; Bureau of Metallurgical Industry, 112 percent; and Bureau of Textile Industry, 108 percent.

No sooner had the proclamation for the production of 10,700,000 tons of steel been made by the Central Committee of the Party than an all-Party and all-people mass movement for general production of iron and steel was set in motion.

In a short period of 3-4 months, a large number of rotary and blast furnaces and thousands and tens of thousands of native-style furnaces were set up to expedite the production of iron and steel. For the September-December period of 1958, over 65,000 tons of steel were produced, which was an increase by more than 23 times compared with the production figure of more than 2,600 tons for the January-August period. Prior to the liberation, the production of iron and steel at Canton was nil.

The production figure for the First Five-Year Plan period was placed at 9,400 tons of steel but it rose by leaps and bounds to 68,000 tons in 1958, more than seven times the gross production figure for the five-year period. The production of pig iron has also risen from scratch to more than 19,000 tons per annum.

In the course of the all-Party and all-people iron and steel production movement, tens of thousands of smelters have been trained to grasp the fundamentals of production technique, thereby laying the foundation for an even greater leap forward in the future growth of the iron and steel industry.

Led by the development of the iron and steel industry, the machine making industry also scored a great flying leap. The production volume for metal-cutting machine tools, electric motors, steam boilers, telephones, etc. not only surpassed the level reached in 1957 but also approximated or exceeded the grand total for the First Five-Year Plan period.

At the same time, products necessary for the development of the iron and steel industry, and hitherto unavailable, such as smelting, rolling mill, mining and cement making equipment, and refractory materials have come off the production line.

Important achievements were noted in the "native, simple group" movement of the machine industry. Over 11,000 units of native-style machine tools and over 48,000 units of native-style equipment were produced in 1958. It was possible to equip not only our own enterprises but other enterprises as well, and their production capacity was greatly increased.

Led by the iron and steel industry, not only the machine industry but also heavy and light industry attained rapid growth. Compared with the figures for the previous year, increases in gross production value in 1958 were as follows: iron and steel smelting industry by more than 60 times, machine making industry by 1.2 times, basic chemical industry by 1.2 times, structural material industry by 32.6 percent, electric power industry by 39.1 percent, light industry by 79.1 percent, and textile industry by 40.9 percent.

Many industrial goals set for accomplishment in 1958 were either fulfilled or over-fulfilled. Of the 105 items of production, the following fulfilled their quotas: electric power, machine-made paper, telephone, needle, tablets (pharmaceutical) cotton yarn, and 53 varieties of industrial products. The unfulfilled quotas were composed of sewing machines, tractors, nails, sugar, cans, and 52 other lines.

The unfulfilled quotas could mainly be attributed to insufficiency in raw material brought about by the manufacture of such products as were needed for the production of iron and steel.

The rate of increase on 1958 production capacity as compared with that of 1957 was as follows: 12 items registered an increase of more than 5 times; 31 items showed an increase ranging from 1 to 4 times; 53 items increased one or less times; and 4 items registered a drop in production.

Tabulated hereunder are 24 principal products and their production volume in 1958 as compared by percentage with the figures for 1957.

Principal Product	Unit	1958 Volume of Production	Percent of 1957 Production
Steel	Ton	68,000	2,666
Metal-cutting Machine Tools	Unit	12,000	18,462
Foreign-style Machine Tools	Unit	972	1,395
Electric Motors	Unit	4,491	3,872
Generators	Unit	152	292
Transformers	Unit	1,065	293
Telephones	Set	11,813	393
Sewing Machines	Unit	75,264	166
Electric Power	10,000 KWH	40,396	133
Cement	Ton	360,318	113
Fire Resistant Bricks	Ton	87,021	1,970
Sulfuric Acid	Ton	4,614	263
Caustic Soda	Ton	215	109
Ampoules	10,000	17,026	326
Machine Made Paper	Ton	68,954	133
Cotton Yarn	Bale	40,630	168
Cotton Cloth	10,000m	6,731	112

Table continued--

Knitting Goods	10,000 Dozen	358	183
Flashlight	10,000 Sets	2,556	238
Battery	10,000 Pieces	12,771	106
Can	Ton	4,104	850
Cigarettes	Case	130,812	96
Soap	Ton	5,352	133
Rubber Shoes	10,000 Pairs	1,341	213
Rickshaw Tire	10,000 Tubes	144	260

The production technique level was raised considerably in 1958. During the year thousands of new products were experimentally manufactured with success, and many new products were mass produced. The annual volumes of production for some principal new products that entered into production were as follows: more than 19,000 tons of pig iron, 560 tons of manganese cast iron, 120 tons of silicon cast iron, 15,000 tons of coal, 70,000 tons of coke, 230 rotary smelting furnaces, 154 of open-hearth furnaces, 130 metal blast furnaces, more than 3,400 blowers for metallurgical use, 702 tons of rolling mill equipment, 29 cranes, 42 units of mining equipment, 25 units of "almighty" harvesting machines, and an unspecified number of ball mill machines, stone crushers, winnowing mills, etc.

Important new products successfully put to trail production included silicon steel, copper, aluminum, large-size 7,500 kilovolt-ampere transformers, large-size 1,500 kilowatt generators, tractors, 3-ton steam hammer, carbide,

66-gauge nylon, active dyestuff, fiber glass steel, glass fiber, bagasse-rayon, synthetic cotton, etc. These new products played an important role in the national economic life.

A reduction in production cost was noted in 1958. According to statistics compiled by 267 enterprises, the gross cost of production for comparable lines was reduced by 9.6 percent compared with the 1957 figure. The profit plan was fulfilled 103 percent, which was an increase of 69.6 percent over 1957.

While there was some improvement in the quality of the product, some light industrial products were not sufficiently consistent in quality.

In 1958 the masses were actively alerted for the promotion of industry. Under the brilliant guidance of Party's general line for socialist construction, the employees and workers were able to elevate their awareness; emancipate their thinking; improve their operation regulations, rules and systems; and practice the "four big's," "two participation's," "one revision," and "three combination's."

By stimulating technological innovation, 99,000 items were brought up for technological innovation examination. Over 50,000 items were successfully put to work. Compared with the labor productivity rate for 1957 an increase of 48 percent was indicated; and at the same time the iron and steel, machinery, coal and coking coal, structural material, and chemical industries were marked by a great leap forward in production through the promotion of the "small, native-style group" and the "native-style, simple group" movement.

A broad development in people managed industries was observed in 1958. Industries operated by the people's communes and by the road-street groups totaled 1,200, of which the latter organization accounted for 1,028 units. The transition of handicraft industry from the collective to the all-people system was completed, further liberating productive capacity.

By elevating its industrial production and technical level in 1958, the Canton Municipality has taken a great

step forward toward the gigantic objective which the south-China industrial base was set up to accomplish.

II. Giant Capital Construction

Capital construction in 1958 was aimed at the execution of the key-point construction policy of steel as the leading item. There was considerable growth in capital investment for the buildup of the smelting, machinery, structural material, and chemical industries.

In 1958 capital investment in capital construction reached a value of over 290 million yuan, fulfilling 78.7 percent of the leap forward plan. It was an increase of 94.5 percent over 1957. The fulfilled value for municipal capital investment amounted to over 210 million yuan, fulfilling 82.3 percent of the leap forward plan, or an increase of 1.6 times over 1957.

There was marked growth in capital investment in industrial construction, increasing 1.5 times over 1957. The smelting industry rose by 12.5 times; the machine industry by 2.5 times; the structural material industry by 5.8 times; and the chemical industry by 9.6 times. An increase was also observed in other industrial departments.

Items on new and expanded industrial construction totaled 393, including the Canton Iron and Steel Mill, the Canton No 1 Heavy Machinery Works, the Canton Hydroelectric Equipment Factory, the Canton Ship-building Yard, the Canton Nitrogen Fertilizer Plant, the Canton Industrial Chemical Works, the No 2 Cotton Textile Mill, and 31 other enterprises.

Results of industrial construction in 1958 were: newly increased fixed capitalization at more than 140 million yuan, which was an increase of two times over 1957. Already in full production were the Canton Agricultural Chemical Works, the Kwangtung Can Factory, the Canton Glass Works, the Overseas Chinese Sugar Mill, and 98 other enterprises.

Partly in production were the Canton Iron and Steel Mill, the Canton No 1 Heavy Machinery Factory (expanded

engineering construction), the Canton Industrial Chemical Works, the Shih-ching Iron and Steel Mill and 176 other enterprises.

Other production capacity increases were: 80 tons in steel smelting furnace production capacity, 200 tons in iron smelting furnace capacity (the figures on steel and iron production capacity were given after revision) 8,200 tons in manganese cast iron, 2,000 tons in silicon cast iron, 300,000 tons in coal and coking coal, 200,000 tons in refractory material, 10,000 kilowatts in electric power, over 40,000 tons in refined sugar, 44,000 tons in various kinds of cans and 1,214 tons in "Yu-t'eng-chin" (fish weed essence). The increased capacity of these industries will be further stepped up in 1959.

Apart from this important increase in capital investment in industrial capital construction, there was some growth in capital investment in such municipal public utilities as communication and transport and post and telecommunication.

Compared with the figures for 1957, increases in fulfilled investment values were: municipal public utilities, 1.2 times; communication and transport and post and telecommunication enterprises, 1.7 times; newly constructed and reconstructed sewers, 176.4 kilometers; roadway, 14.23 kilometers; newly increased heavy trucks, 144 units; freight transportation vehicle and trailer, 326 units; and passenger buses, 15 units. The Pearl River Bridge, the Whangpu Deep-water Wharf, the Huang-sha Wharf, and other harbor engineering works are in the process of construction.

It was through active participation in voluntary labor by the people of this municipality in 1958 that the Fang T'sun Railway (a special line, 6.9 kilometers long) was constructed, and that 11 reservoirs at Pai-yun-shan with capacity for more than 980,000 cubic meters were completed. Meantime, three large man-made lakes are being built.

In 1958, municipal construction and installation works were completed at a gross value of over 66 million yuan, which was an increase of 30.8 percent over 1957. These engineering works were completed ahead of schedule and thrown into production through the promotion of the technological innovation movement and the increase in opera-

tional speed. At the same time, there was a reduction in actual construction and installation expense by 7.6 percent as against the estimated cost of production. This was brought about by a rise in labor productivity and savings in the consumption of raw materials.

Municipally inspected projects were completed at a total value of more than 140 million yuan, which was an increase of 8.9 times compared with the preceding year. By shortening the period for planning and by keeping operation ahead of schedule, the construction cost was lowered and capital investment saved.

In 1958 the production of iron and steel was assured by the allocation of capital construction, but some key-point items of the machine making industry had lagged behind. Because of insufficiency in the supply of raw materials and equipment, and because of operational lag, municipal capital construction had failed to fulfill the leap forward plan.

III. Bumper Farm Crops and Communalization

The year 1958 witnessed the harvesting of bumper farm crops in the area outside the city. Gross value of subsidiary rural output was placed at more than 99 million yuan, or an increase by 33 percent over 1957.

Gross volume of production for grain crops was estimated at 4,080,000 tan [50 kilograms], representing an increase of 55 percent over 1957. Compared with 1954, the peak production year, the increase was still rated at 18 percent. For our municipality 1954 was the peak year in the growth of farm production.

By concentrating our effort on the production of food-stuff in 1958, plans for economic crops were left unfilled although an increase in gross production was noted as compared with the figures for 1957. Gross volume of production for peanuts was placed at more than 50,000 tan which represented a rise of 39.3 percent over 1957.

Gross volume of production for sugar cane, at 4,210,000 tan or an increase of 95.5 percent over 1957; gross volume of production for fruits, at 720,000 tan showing slight increase over the 1957 figure; and gross volume of production for vegetables, at more than 6,200,000 tan which was an increase of 31.3 percent over 1957.

Compared with the figures for 1957 [100 percent], figures for unit area production were: peanuts at 122.8, sugar cane at 164.3, and vegetables at 131.3. Pig fodder crops showed an increase by 28 percent over 1957.

By putting into practice the "eight-character constitution" "shui" [water conservancy] "fei" [fertilizer], "t'u" [earthwork], "chung" [seed breeding], "mi" [close planting], "kuan" [control] "pao" [conservation], and "kung" [labor] in the area outside the city 2,320,000 "fang" of earthwork were excavated for the development of water conservancy projects. More than 145,000 mou of land were benefited by the irrigation work, and 90 percent of the arable land was provided with irrigation equipment.

Over 1.1 billion tan of fertilizer were applied to the land, or an average of more than 1,500 tan per mou of land, which was an increase of 29 times over 1957. Over 90 percent of the cultivable rice field were planted with high-breed seedlings and put to close planting, and control measures were strengthened to ensure the production of bumper crops.

By the end of August the area outside the city was completely communalized, which expedited not only the growth of the agricultural economy but also the expansion of industry. Iron and steel works, farm implement repair workshops, fertilizer plants, food processing factories, etc. with a total number of 175 rooms were established by the people's communes. The gross value of people's commune sponsored industrial output rose 64.4 percent over 1957.

By putting into practice a distribution system which combined a wage system with rationing, and by enforcing a policy of "eat rice without care for money," the people's communes were able to increase their members' take-home pay as compared to 1957.

The communes also established collective social security enterprises; operated 1,950 public mess halls, 1,290 units of kindergarten already with an enrollment of 98 percent, 1,338 nurseries for children with a registration of 94 percent, and an old-age home of 55 rooms. With the development of these collective social benefits came the liberation of female labor potential. The communes also established primary schools with 166 rooms and middle schools with 53 rooms. The members' cultural life was also improved.

IV. Rapid Development of Communication and Transport

It was through the great leap forward in agricultural production that the all-Party and all-people transport policy and the technological innovation movement were carried out and that the planned goal for communication and transport development in 1958 was over-fulfilled as shown below:

Volume of Traffic	Percentage of Plan Fulfillment	In Percentage Terms of 1957 Showing
<hr/>		
Freight Loading and Unloading		
Volume at Harbor	108	141
Railroad Freight Dispatch Volume	--	127
Lighterage Volume of Bureau of Harbor Administration	--	130
Cooperatives' Junk Freight Transport Volume	--	144

Table continued--

Freight Transport Volume of City De- livery Trucks and Large and Small Hand-Carts	111	150
Two-way Freight Transport Volume of City Delivery Trucks and Large and Small Hand- Cart	141	197
Bus and Ferry Passenger Traffic Volume	104	106

To assure supremacy in iron and steel production, a movement for mass operation of transport enterprise was set in motion. For the fourth quarter of 1958 alone, over 290,000 persons composed of urban employees and workers, residents, students and cadres of public organizations were engaged in supporting the conduct of transport enterprises. Motor vehicles operated by the Army, public organizations, and enterprises were mobilized to participate in transport activities. The transport volume hit the 170,000 ton mark.

The communication and transport department was benefited by technological innovation achievements. Motor transport vehicles were operated by batches as if they were freight cars, and rickshaws were equipped with roller bearings. Toward the end of 1958 the number of trailers was nearly eight times that of 1957, at an average of 1.3 trailers for every three motor vehicles. During the year the trailer transport volume rose by 5.7 times over 1957.

Motor vehicles operated on a double-batch system rose from 18.4 percent of total motor vehicular traffic in 1957 to 33.8 percent in 1958 and their transport volume increased 2.3 times in 1958 compared with the figure for 1957.

Already 62 percent of large-size handcarts were equipped with roller bearings. Most lighters were tugged by motor launches, thus saving manpower and increasing transport efficiency. Loading and unloading of freight at the Whangpu Harbor and other harbor operating areas were semi- or partly mechanized. The task was performed with greater efficiency.

V. Market Activity: Heavy Purchasing and Distribution of Goods

The people's purchasing power rose as the great leap forward in industrial and agricultural production continued. The year 1958 was characterized by an active market and price stability. Compared with the figure for 1957 the volume of retail merchandising for 1958 had increased by 9.9 percent and the retail price index had dropped by 1.9 percent.

By pursuing a policy of heavy purchasing and distribution, the state-operated enterprises stepped up their volume of merchandising and over-fulfilled the leap forward quota. In 1958 the state-operated enterprises fulfilled 102.1 percent of the entire leap forward purchasing program, representing an increase of 20.8 percent over 1957.

The gross figure for distribution was 109.6 percent of the leap forward goal, which was an increase of 31.7 percent over 1957. The distribution of the means of production increased 46 percent over the 1957 figure.

Heavy purchasing of industrial products by the commercial departments was meant to promote the waste product recovery movement by the masses. In 1958 the purchase and supply stations of Canton bought industrial products for processing to the amount of 533 million yuan, showing an increase of 40.7 percent over 1957. During the year, rejects at a gross value of 38 million yuan were bought back to bolster industrial production..

Generally, the supply volume of principal consumer goods was on the increase. The retail volume in percent for principal commodities compared with 1957 was as follows: rice, 107; edible vegetable oil, 78; pork, 115; fish, 95; sugar, 91; cotton cloth, 86; towels, 128; socks, 134; upper underwear, 121; heavy upper and lower underwear 264; woolen textiles, 93; worsted, 138; rubber shoes; 124, and soap at 185.

Due to deficiency in the production of some supplementary foodstuffs and a deficiency in transport capacity during the second half of 1958, coupled with the improvement of rural commune members' standard of living and the rise in purchasing power as a result of broadening opportunity for urban employment, the supply of supplementary foodstuffs had failed to meet the demand.

The year 1958 also witnessed the adjustment of the commercial network, the elimination of over-staffing at commercial establishments, rationalization in distribution within the commercial network, the reduction commercial employees by over 30,000 persons (including petty merchants), the support for industrial and agricultural production, and the promotion of socialist contest among commercial establishments. Many shops had practiced "six good's" and the attitude of the shopkeepers had improved.

VI. The Rapid Growth of Cultural, Educational and Health Services

The year 1958 was marked by an important achievement in cultural revolution brought about by an amalgamation of education with labor for production.

In the field of education, further development was observed in 1958. Enrollment of students for the entire municipality totaled 390,000, which was an increase of 12 percent over 1957. The increase was distributed as follows: 52 percent for college, six percent for secondary school, and 12 percent for primary school.

Primary school education became universal as over 96 percent of school-age children were enrolled. There was also some growth in the people-managed schools. Compared with the figures for 1957, the increase in enrollment was as follows: 30 percent for secondary school, 1.2 times for primary school and 3.1 times for kindergarten.

Nurseries and kindergartens numbering some 3,500 rooms were scattered over the municipal area. The number of infants admitted to the nurseries increased by more than two times compared with the 1957 figure.

Colleges, secondary and primary schools were alerted in 1958 to promote "diligent work and study" activities. Teachers and employees of colleges, secondary and primary schools all basically participated in labor for production; factories with a total of 404 rooms were established; 50 farms were inaugurated; and teachers and employees worked regularly at the factories and people's communes.

In 1958 the anti-illiteracy movement was crowned with great success. By the end of September the task for eliminating illiteracy among youth and able-bodied persons was consummated. Delivered from illiteracy were 220,000 persons, representing an increase by 4.7 times compared with the result achieved during the First Five-Year Plan period.

Cultural activities in 1958 were calculated to serve political and production aims. There was also considerable development in cultural and fine arts works for the masses. Compared with 1957 some increase was noted in the growth of motion picture theaters, movie projection squads, and play houses while movie and opera theatergoers had increased by 46 percent as against the 1957 figure. The publishing business had prospered too.

Periodicals and magazines increased by 53 percent over the 1957 figure and there was some increase in the volume of newspaper circulation. Altogether 12 million volumes of books were published to meet the central work demand, and all kinds of exhibitions were held. Present at the evening publicity meetings and street performances was an aggregate audience of six million people.

Performances given by professional fine arts organizations for the entertainment of industrial and agricultural militia in mountainous and rural areas increased by almost two times as against the 1957 showing. Fine arts activities for the masses were unprecedentedly active.

Compared with the 1957 figure, the number of clubs had risen by more than three times. Spare-time theatrical groups had increased by more than four times while spare-time singing and dancing organizations showed an increase of more than six times. Premier performances for the masses totaled six million acts. The people were accustomed to writing and singing folk songs.

Massive development in physical culture was observed in 1958 and its level was distinctly raised. In the municipal area there were more than 2,800 athletic clubs and more than 2,000 rooms were set up for physical education by the spare-time schools.

As to mass participation in physical training program, already 240,000 persons were qualified for grade I, grade II and youth grade standards; 27,000 persons had met the national athletic standard; and 71 persons were rated as star athletes.

The development of health service in 1958 also took a step forward. Of the newly added 20 hospitals, 12 were operated by the people's communes; 61 street health centers were newly established, and 18 small-scale clinics were added.

The clinic system was improved. The masses were benefited when the clinic was put on three-shift system and the procedure simplified. Through the promotion of technological innovation, the level at the clinic was elevated considerably.

During the year large scale patriotic health campaigns for the masses were conducted and important results were achieved through the elimination of the "seven evils" and the dissemination of health education. Due to the excessive dry climate and poor preventive work, an epidemic of contagious diseases such as diphtheria and measles broke out during the first half of 1958. However,

by adopting timely measures in combating the spread of contagious diseases the epidemic was kept under control.

VII. Rise in Employment Index and Improvement of People's Living Standard

In 1958 a rapid rise in employment index was noted and the heritage of unemployment was destroyed. There was also some improvement in the people's livelihood and welfare.

By the end of 1958 the municipal employment figure rose above 720,000, representing an increase of 12 percent or 80,000 persons over the 1957 figure. Of this increase, over 90,000 were industrial workers (including more than 20,000 workers from people-managed industries).

There was an increase of over 10,000 workers engaged in capital construction but there was a drop of over 30,000 workers engaged in trade, food shops, and services due to the transfer of employment as a result of simplification of personnel needs in these industries.

In 1958 a rise in living standard and wages for employees and workers was observed. The people's purchasing power had risen by 9.9 percent. At various production segments of the economy there was a general raise in the average wages for the original employees and workers as follows: 3.2 percent for industrial workers, three percent for those engaged in capital construction, and 4.8 percent for communication and transport workers.

The living cost index for employees and workers had fallen by 2.6 percent. Newly constructed residences covered an area of more than 240,000 square meters. Rentals were lowered. Employees and workers that were covered by labor compensation benefits numbered over 198,000, or an increase by 2.1 percent compared with the figure for 1957.

The great leap forward at various segments of China's national economy in 1958 was successfully brought about

by the adoption of the Party's general line for socialist construction, the promotion of the all-people rectification movement, and the sustained effort of all people in the municipal area.

The great accomplishments attained in 1958 should be considered as favorable factors for an even greater, better and more extensive leap forward in 1959.

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