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Feb 23
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POLAND
CZECHOSLOVAKIA
HUNGARY

TRADE /3300/
Foreign Trade /3305/

THE LAST BOILERS FOR POLAND.

SOURCE BERLIN: An East German refugee who prior to his flight was a constructor with the people's-owned plant "Dampf-kesselbau Hohenturm." Source claimed that he had to flee very fast when it was discovered in November that he had begun making preparations for leaving the GDR in March 1956. He added that he wanted to leave East Germany in March because of "poor conditions" in the German Democratic Republic. "The living standard is too low."

DATE OF OBSERVATION: Until the end of January 1956.

EVALUATION COMMENT: Attention Economic Program Editor.

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In 1956, the "Dampf-kesselbau Hohenlohe" plant is to manufacture the last of the boilers ordered by Polish importers in 1954 and 1955. New orders from Poland are not expected as far as boilers are concerned. The Poles have complained several times about the fact that boilers constructed in the GDR are made out of poor material and have caused frequent - and sometimes fatal - accidents.

The plant's boiler production plan for Poland provides for:

Five boilers /130 t/h each, 42 atü/ for the Polish energy plant at KONIN.

Seven boilers /60 t/h each/ for an energy plant near OSWIECIM.

One small boiler for an energy plant at BYDGOSZCZ.

The plant, which employs about 1,800 people, also plans to manufacture five boilers, each with a capacity of 80 t/h, and another unknown quantity of smaller boilers for export to Red China.

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Additional boiler orders have been obtained from India.

Compared to the plant's manufacturing capacity, orders totaling not more than 75 per cent of the capacity have been placed with the plant so far.

From a colleague working with the East BERLIN "Bergmann-Borsig" plant, source obtained the following information:

For the past four years, "Bergmann-Borsig" has manufactured boilers for Hungary /BERENTE/ but it no longer gets any Hungarian orders. Czech competition has been stiffening for the past two years. For the past eight months, CSR manufacturers have been offering boilers below GDR prices, and Hungary has diverted her orders to the CSR.

"Bergmann-Borsig" will henceforth produce locomotives in greater numbers than heretofore.

End.