The budgetary estimates system of financing forestry operations was seen to have great merit during the early years following its introduction but has now become an inhibiting factor. Beginning in 1989 it is planned to implement the transition of constantly operating integrated forestry enterprises to full profit-and-loss accounting and self-financing, to organize their work in such a way that it strictly complies with the USSR Law on State Enterprises (Associations), and to increase the stumpage price.

In the first eight months of 1988, the work of our forestry enterprises nationwide has for the most part remained stable. Timber regeneration operations in forests of State importance have been conducted over an area of 883,000 hectares (which is 100.6 per cent of the planned total), the forest planting and seeding plan has been fulfilled, with protective stands established in 136,000 hectares. There has been a 26 per cent increase in the production of consumer goods over the corresponding period of last year and the volume of services paid for by the population has increased one and a half times.

The output of the industry during the first eight months of the current year has risen by 3.9 per cent over the figure for the same period in 1987. This compares favourably with the planned increase for the year of 2.7 per cent. Products valued at more than 400 million roubles have been manufactured over and above the plan.

The State order for the production and deliveries of most of the main types of products has been executed. In all, 45,000 tonnes of paper, 14,000 tonnes of cardboard, 38,000 cubic metres of