

"Already we can not only be a self-compensating enterprise, but a self-financing one as well," your reporter was told by B. Abakumov. "But we are hampered by the excessively high amounts of the deductions which are liable to be sent out by the steamship line.

Taking into account the short shipping season, all the Chukotka ports pay no more than two percent of their profit for the maintenance of the fixed productive capital. Egvekinot, for example, is completely free of such deductions for the state budget. Arctic Pevek has been forced to pay twelve percent of its profit on this account, a sum amounting to two million, three hundred and fifty thousand roubles. The payment for the fixed capital fund is excessively high, particularly if one takes into account the fact that in the current year, in the system operated by the Ministry of the Marine Fleet, the maximum payment has been set at eight percent.

The amounts and deductions taken from the current profit for the budget are unacceptably high. At the port of Pevek, these deductions amount to 41.8 percent. At other ports in Chukotka, by contrast, this type of deduction is scarcely more than thirty percent.

In a word, we are faced with the obvious desire of the authorities of the Far East Marine Steamship Line to skim off a solid chunk of the profits, earned by the workers of the port of Pevek and to hand these sums over to support those ports which run at a loss.

However, as we have often seen, this wage-levelling process gives rise to deplorable results. Above all, it is harmful because it kills