

On January 1, 1988 the ports serving the timber trade went over to full profit-and-loss accounting and self-financing (khozraschet). This change over, however, remains to a large extent a paper exercise. Essentially, labour contracting and leasing within the industry has not yet been instituted, nor has the wage scale been tied to increases in product quality and economies in the consumption of material and fuel resources.

These and other forms of wastefulness are adversely affecting the economic activity of the ports and it is only the possibility of exacting fines from the suppliers that enables the port managers to "correct" their financial situation. During the period 1986-1988 fines exacted from suppliers accounted for 38 per cent of the total revenue of the port of Leningrad.

For the port of Novorossiisk, in 1988 alone income "earned" in this way exceeded two million roubles, 962,000 of which were credited to the material incentives fund.

The disruption in the shipment of goods for exports is in large measure also attributable to a lack of discipline on the part of the supplying enterprises. For many years now, not one of the territorial production directorates of the USSR Ministry of the Timber Industry which process products for the Mediterranean market has fulfilled its responsibilities for these deliveries. During the last three years alone the enterprises of "Tyumenlesprom", "Komilesprom" and "Permlеспrom" have underdelivered 150,000 cubic metres of lumber to the Novorossiisk timber port. On top of this, at the time of writing the managers of "Permlеспrom" have failed to deliver more than 30,000 cubic metres of