

State Planning Commission to develop the industry to the year 2000 dictates that growth rates for pulp-and-paper production will continue to decline.

Should the burden of financing new construction be borne entirely by the USSR Ministry for the Timber Industry? Of course not, especially in view of the fact that the pulp-and-paper industry must be developed for the most part in new, remote regions. For instance, enormous quantities of raw material which could be used for pulp-and-paper production are being burned in Lesosibirsk, yet it is in Siberia and the Far East where the industry could operate to best advantage. However, from one Five-Year Plan to the next the question of building factory complexes in the Asian part of the country has been tossed around without any result. The standard explanation is that neither the money nor the construction materials are available. Yet hundreds of millions of roubles worth of currency are spent annually on the purchase of pulp-and-paper products abroad. It would make more sense to have in-depth processing of the wood done at the sites where it is cut.

It is an entirely different matter if an enterprise must be rebuilt. With the transition to self-financing, the USSR Ministry of the Timber Industry will have to earn its own money for this purpose. It received some "victuals" as of January 1, 1987 when new prices were set for pulp-and-paper products. For instance, the prices of paper for off-set printing rose 63% in comparison with 1980. There has also been a price increase for other types of products. But we mustn't forget that prices for wood and other pulp-and-paper products also increased. According to economists' calculations,