In construction, 2,207 million roubles worth of capital investments were assimilated. The introduction of new capacities for timber extraction, and production of sawn timber, wood fibreboard, furniture, plywood, cardboard, and the commissioning of new housing, pre-school establishments, public schools, clubs, hospitals and polyclinics all proceeded in accordance with the plan. At the same time, no new capacities were introduced for the production of wood particle board and pulp and paper, nor for waste water purification plants.

Despite the substantial overfulfilment of the plan with respect to profit, the improvement in the financial situation was slow. In a number of the enterprises it remained serious, due to shortages of their own working capital and infractions of payment discipline.

As of January 1, 1989 a total of <u>320 enterprises were operating at a loss</u>, however during the year just ended the number of such enterprises decreased by more than 100.

Constituting a new stage in the development of profit-and-loss accounting and self-financing relations was the transfer of the enterprises to the leasing and cooperative mode of labour organization. At the time of writing, 41 enterprises and 485 crews were operating on leasing contracts. "Within the Ministry there are 635 cooperatives, 309 of which are for the production of consumer goods other than foodstuffs, 134 - for the provision of services to the population, 79 - for the output of industrial goods, and 36 - for construction and repair work. Forty million roubles worth of goods and services were produced by the cooperatives during the fiscal year."

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