

Everyone knows that veneer logs are more expensive than building timber and broad-leaved sawtimber. But it is by no means from every birch long-log that one can get a log measuring at least 4.5 metres in length and therefore suitable for making veneer. The curvature, knots and other stem defects preclude this. But the timber floating bureau will not accept short longs, which could be cut out even from a defective long log. The customers themselves are glad of the additional profit which is to be gained from efficient cross-cutting.

It is not surprising that in these circumstances the logging enterprise has for many years been receiving a subsidy of 600,000-700,000 roubles from the government.

But now hardly a year has gone by, and already they have put an end to their losses. Labor productivity at the logging enterprise has risen by 31%. And this took place after the enterprise went over to the leasing contract.

#### How the idea originated

On August 1st of last year the logging enterprise began working under a collective agreement and was preparing to make the transition to the second model of khozraschet.

This was a time for the study and mastery of khozraschet, primarily by administrative personnel. People learned how to assess their activity by economic yardsticks and taught themselves to locate and eliminate production bottle-necks.

The whole production process was reviewed. The corrections introduced made it possible to markedly reduce fines for unsatisfactory clearing of felling sites and violation of production commitments. Fines and penalties for the supply of poor quality output were completely eliminated. Both labor productivity and commercial timber yields increased and there was a dramatic rise in the output of marketable goods. They were even able to curtail the losses in 1987. The extraction output per mechanised shift increased by 10%. The corresponding increase per tractor-shift was 9% with the annual output per worker rising by more than 17%.