

However, at the end of last year and the beginning of this, we started having serious problems, as there was a sudden sharp decline in the number of railcars sent to us for dispatch of our finished products. In December, we were 96 railcars short, in January, 139, and in February, 250 short out of 767 planned. In other words, almost a third down.

In our warehouses timber worth 2 749 000 rubles had mounted up. High-quality timber destined for export cannot be left to lie in the warehouse for too long without risk of deterioration, loss of saleability and marketability. We are bringing foreign currency into the country. Surely the national economy needs it? Why should we do such heavy work and destroy trees, if the end product of our work is simply going to rot in the warehouse? What normal businessman would run things in this senseless way?

Now we have started getting irregular wage payments (no sales means no resources in the enterprise's account). Because the warehouses are full to bursting we have had to slow down and severely reduce our productivity, which means that we are not fulfilling our production target. It is not our fault that we are breaching delivery agreements and having to pay fines. All of this creates tension amongst people and undermines their faith in economic reforms. We cannot afford to let this conflict get any worse.

Last February, I came to Moscow and met the top people in the USSR Ministry of Highways and Transport, Gossnab** and other organisations. The first deputy Minister for Highways and Transport, Mr. V.N. Gin'ko, saw me straight away and agreed that