

organize the work of the timber exporting complex overall in such a way that it is not the fulfillment of the plan by volume that counts, but rather, increasing the amount of currency being earned, improving the quality and range of the goods being delivered for export, and making them more competitive on world markets. It is necessary, in particular, to resolve the problem of bringing to the enterprises and the ministry as a whole, planned tasks which are for earnings of currency rather than quantities of goods produced.

Ideally, the revenue earned by timber exporting enterprises operating on the profit-and-loss system of accounting should not be predicated or built upon wholesale prices divorced from actual receipts of currency. Rather, it should depend on the amount of foreign currency being earned. Naturally, the enterprises would need to be informed about the prices for specific forest products and have the capability of effectively influencing foreign trading activity. For the difference in cost on the international market is at times very large. For example, in Britain, our assorted pine lumber measuring 19x175 mm in cross-section presently costs the equivalent of 50 roubles in foreign currency, which means that it is 35 per cent more expensive than the product with cross-section of 50x175 mm.

It is necessary to continue the work being done on perfecting a system of incentives to ensure that enterprises will produce for export the materials which are most advantageous for the country. Of all the incentives devised in the last years, there is only one which can now be considered effective: currency allocations. But even it is still in need of improvement. Enterprises must have the right of prompt and effective access to currency