

determined. We have to pay much more for lengthened turnover time than the railroads pay for falling behind in car deliveries.

Let's now turn to some of the defects within the industry itself. The sharp drop in production from last year's high levels gives grounds for concern. This applies to logging, sawmill operations, and pulp and paper production. At this time last year, for example, timber extraction, cross-cutting, and commercial timber output volumes were 5.3 million, 5.2 million and 3.7 million cubic metres higher than at present. Although this trend is understandable it is nevertheless disturbing.

The explanation is a simple one: deteriorating forest resources, ever-increasing extraction distances, personnel problems, and an inadequate equipment base exacerbated by the shortage of spare parts. The severe consequences of natural disasters (fires, floods, etc.) also play a significant role. All this is true yet no one has made allowances for it. Industry workers are now eager to reach last year's production level at the very least. First of all they have to force production of commercial timber, the demand for which is increasing not day-by-day but hour-by-hour. The same holds true for commercial pulp, production of which fell 13.7 tonnes behind plan during the first six months of 1989. Newsprint production was also low - 5.2 million square metres below target.

I will not dwell on the technical and technological solutions to these problems. Our workers are well aware of them. But they are more worried about the economic aspects. This is not surprising: this is the second year (the third year for some) that our enterprises are operating in