

135,000 and increased labor productivity by 34%. Contracted deliveries were overfulfilled there by 100% and the 10-month plan was overfulfilled by 133%. The yield of special lumber was 7% higher than the planned yield. Without any additional outlays, eight thousand cubic metres of round timber were obtained. All this made it possible to increase earnings by 200,000 roubles.

For the coming year, the collective of the Mezhevaya logging enterprise has planned and consolidated this gain with an agreement to increase extraction volumes by 20,000 cubic metres, round timber output by 18,000 cubic metres and marketable output by 900,000 roubles against the control figures of the Five-Year-Plan. The agreement provides for an increase in labor productivity by 51.3% in comparison with 1985 and for the obtaining of 200,000 roubles in additional profit.

The leasing contract is essentially an improved second model of profit-and-loss accounting. We must lose no time in seeing to its universal introduction. The greater the number of enterprises that make the transition to this method of operation, the more quickly and effectively will perestroika take hold in our industry.

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(Article signed by N. Medvedev, Chief of the Main Economic  
Administration, USSR Ministry of the Timber Industry)

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### Perestroika: In Praise of Leasing Contract

Of the various forms of khozraschet (profit-and-loss accounting), the most effective is the leasing contract. Last year, every fourth enterprise of the USSR Ministry of the Timber Industry operated at a loss. The number of