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USSR Report

CONSUMER GOODS AND DOMESTIC TRADE

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21 May 1985

USSR REPORT

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

MOLDAVIAN TRADE MINISTER CALLS FOR BETTER QUALITY CONTROL

Moscow PRAVDA in Russian 18 Mar 85 p 3

[Article by M. Cholak, minister of trade of the MSSR: "In Order To Show Something to Good Effect: Industry, Trade and Buyer"]

[Text] The last days of January were emergency days. What is the result? A mass of nerves and efforts were expended, but the omissions were not repaired. To "stretch" the plan in this way proved to be impossible. True, in February the situation was corrected, but nevertheless the disruption is disappointing. All the more so because it took place against the background of a certain success: During the past year of 1984, an appreciable increase in retail commodity turnover was obtained and the plan was overfulfilled. Our work was marked with the first prize in the All-Union Competition.

And here is the disappointing disruption. But failure is usually connected with some kind of unexpected circumstances. There were such circumstances. January happened to be cold and brought lots of snow; because of this, many suppliers and transport workers let us down. What is more, during the days of frost there were fewer buyers. We should have foreseen the complications during the winter period, should have better prepared for it, and should have created a certain supply of commodities. Unfortunately, the scantiness of the deliveries of commodities in great demand does not allow us to do this. And the chain is no stronger than its weakest link.

In this connection I would like to support the statement in PRAVDA of 11 March by a group of deputies of the USSR Supreme Soviet, who raised a number of important questions concerning the production of commodities and the operation of trade. It must be acknowledged that thus far the demand of the population has been poorly studied, the industry is only slowly being rebuilt, and trade does not defend the interests of the buyer very well. And we must not only acknowledge this, but also draw the requisite conclusions.

Frequently the buyers leave the counter with empty hands, not only because the things they needed were not there. It happens that the selection is broad, and the people disappear, they do not know on what to concentrate their attention.

Not long ago, I was in the Komfort No 1 Store in Kishinev. I observed a lady buyer who in evident confusion was going back and forth from one rug to another.

There were about 500 varieties here. And how did the shop-assistant conduct herself? In this case correctly. She went up to the customer:

"May I help you?"

"Thank you, but it seems, there is nothing suitable. . ."

The shop-assistant (I found out later, this was Svetlana Solomonenko, a member of the raykom of the party, an udarnik [shock-worker] of communist labor) took an interest in what precisely was needed: For what room, with what wall-paper, and furniture, for the floor or for the wall. The "very one" was found, manufactured by the Kishinev Floare Experimental Association. It proved to be suitable in terms of quality, coloring, as well as price.

In their letter to PRAVDA, the deputies write correctly: People expect from trade that already today it should raise the quality of service. The service level of trade is a capacious concept. It includes progressive equipment, well-organized labor, and high professional training of the personnel. Well, and, of course, the presence of good, high-quality goods of wide assortment. To manage with any one element from this series is impossible. For this reason, in developing the material-technical base of our enterprises, we are devoting a great deal of attention also to the comprehensive training of personnel.

Among sales personnel with weak professional training, the losses of commodity turnover reach 25 percent. You see, not every buyer takes the chance of acquiring, let us say, a tape recorder, camera, or other complicated article if even the salesman is unable to handle it and cannot demonstrate how this is done.

The handling of complicated equipment, especially a novelty, must be taught to the salesman. But how? In place of the previous ineffective forms of studies, we are now making extensive use of the so-called trade training. It is something similar to actors' studies or rehearsals. The better performance of duties is also promoted by business-like games, exercises in the demonstration of goods, by the fast solution of "problem situations", including conflict situations.

The increase in the standard of service is frequently held up by shortage of the latest equipment. Old-fashioned two-plate scales have had their day, and pointer scales have also become obsolete. New electronic registers of mass and price have appeared. There are still not enough of them, they are expensive and require modernization. The precise supply of spare parts for the scales has not been arranged. Besides that, trade now needs not individual elements, but complexes of electronic apparatus which, with the help of electronic computers, would make it possible to simultaneously conduct calculations with customers and secure a calculation of the sale of goods, study the demand for them, etc.

There is also a shortage of electronic equipment for the creation of city information and dispatcher services--IDS. And without them, it is extremely difficult to arrange the uninterrupted supply of the stores with goods, especially daily necessities, which must always be in the trade halls. Up to now there is

not a single fully-equipped electronic information-dispatcher service in the republic, although premises for them have been prepared in Kishinev and Bel'tsy.

Labor productivity increases significantly with the introduction of packaging material and equipment. It is also not produced in sufficient supply, moreover it is frequently imperfect in construction, and does not meet today's aesthetic requirements.

With the broad introduction of packaging material and equipment, centralized small pre-packing of goods acquires special significance. Highly-efficient automatic and semi-automatic machines have been created. They frequently stand idle because of the shortage of packing materials--polyethylene film and bag paper. A graphic example of this is the shop for the packing of flour in the system of the Ministry of Procurement of the republic. The equipment here is utilized only to the extent of one-third of capacity.

The packing of products directly at the enterprises and manufacturers, besides the economy of time, leads also to their economy. The losses of granulated sugar are reduced two- to threefold, in the case of fats--they are completely excluded. Nevertheless, we receive from industry what is called a piled-up half of flour, 96 percent of groats, and 40 percent of confectionery. With an evident loss for the economy and the level of trade, we must package the goods ourselves, sometimes manually.

Particularly I will talk about the packaging of the food products which "spring up" suddenly in cans or boxes. Our Kishinev Bukuriya Experimental Confectionery Factory, for example, creates quite a few kinds of sweets. But in what wrappers does it send them out? Frequently it is shameful to offer caramel. The boxes with the sweets are too large and are deformed. Many kinds of biscuits, macaroni and other commodities of the Ministry of the Food Industry and cans of enterprises of the Ministry of the Fruit and Vegetable Industry of the republic do not look any better. Juices are poured primarily into unmarketable 3-liter cans, the labels on them are faded, crumpled, and torn labels. Very frequently, other commodities also arrive in primitive and unsightly packaging.

The workers of trade try to influence the suppliers. However, the scales of the sanctions for this are insignificant, industry simply does not feel them. Moreover, a new instruction from the USSR State Committee for Science and Technology, the State Committee for Standards, the Ministry of Finance, and the Central Statistical Administration leaves bad workmen the possibility to escape punishment altogether. Evidently, trade not returning the production to such suppliers must be allowed to reduce its price at their expense. Moreover, the fine must become heavier and must be exacted in an incontrovertible manner. I am convinced that part of the penalty should be transferred to trade in order for it to be able to make up for its losses and to defend the interests of the buyers more actively.

A high level of service is inseparable from the regularity of the supply of goods to the stores. However, to support a mandatory assortment is nevertheless difficult. More than 50 percent of the commodities come to us only in the third ten-day period. The time has come to make provisions in the statute on deliveries for the even arrival of goods during each ten-day period, and of some of

them--not only bread and milk--on a daily basis. Moreover, the material compensation of trade losses must be complete in the case of the violation of the schedule.

Some words about advertising--this necessary element in the high standard of trade. In our republic alone, about 2 million rubles a year are spent for it. But its effectiveness is not very great. In particular because the real connoisseurs of the qualities of the production--its manufacturers--have almost no part in the popularization of their products. Such a position is especially incorrect when we are talking about the realization of new products that are unfamiliar to the consumer. For example, in 1984 the output of excellent Al'-fa color televisions and Giochel deep-freezers were mastered in our republic. We must develop a demand for them. However, the manufacturing enterprises are not in any hurry with this. During the past years, goods made of new materials, new products, have appeared. But try to find out something about a suit or a shirt in regard to the label, with which the sewing factories supply their wares. You will not succeed in this. The long rows of numerical designations remain a riddle for the buyer. Even to try to understand the price designation on the grey, soft shred of paper is not a simple thing. Already during the stage of production one must think about how to show something to good effect.

The commodities on the shelves of the stores are becoming more plentiful, the income of families is growing, and the exactingness of the buyers is increasing. Today this is impossible not to take this into account. The solution of the problems raised will help trade to work more smoothly and to better satisfy the needs of the Soviet people.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

TECHNOLOGY UPGRADING NEEDED FOR EYEGLASS INDUSTRY

Moscow IZVESTIYA in Russian 14 Dec 84 p 2

[Article by V. Sisnyev, deputy chief of a section of the USSR People's Control Committee, and N. Makaryenko, Committee inspector: "Lack of Coordination . . .with Eyeglasses"]

[Text] At the last session of the USSR People's Control Committee, the question of the serious inadequacies in the implementation of the government's resolutions on the provision of eyeglasses to the population was examined. The review established that there are changes for the better in this matter. The Ministry of the Medical Industry has built large-scale visual optics plants. Annual rate of increase [the output of] frames totals two million. The popular demand for lenses is also being more fully satisfied. Public health services have opened an additional 400 optical stores and sections. The time required for the assembly of eyeglasses has been noticeably shortened. As a result of the measures adopted in the last year, almost 30 million pairs of eyeglasses were custom manufactured.

Even so, on the whole, the problem of visual optics and particularly the aspect of quality has not been fully solved. In the largest ministry enterprise, the Izyum Optical Mechanics Plant has more than 40 percent of finished products rejected on their first presentation. In only the last year and a half, 466,000 rubles in rejected opticals were returned to the plant.

The situation is no better at another plant--the Yelyets Medical Equipment Plant. In the batches of eyeglass frames made for dispatch to the trade network, 28 percent were found to be rejects. The basic reasons for this are crude violations of technical discipline, inadequate competence in technical leadership, and unexacting standards toward the quality of output.

Responsible for all this is the VPO (All-Union Industrial Association) "Soyuzmedinstrument," which governs the sub-branch unsatisfactorily. It is by its connivance with departmental enterprises that outdated frames are released in large quantities. It is not accidental that for this reason Ukrglavmedtekhnik rejected the receipt of 254,000 eyeglass frames and Kazglavmedtekhnik--50,000. In the storerooms of the Kharkov "Medtekhniki" at the time of the review, 260,000 rubles worth of unmarketable products had accumulated. These items were produced at the Izyum and Yelyets plants, where VPO "Soyuzmedinstrument" workers took 1,100 vacation days.

The second "boss" of visual optics is the USSR Ministry of Health and its local organs. As the review showed, there is not proper control here over the work of identifying persons who need prescription corrections or over the validity of the claims for eyeglasses. There is no contract between the Main Administration of Therapeutic and Prophylactic Aid and the All-Union Association "Soyuzmedtekhnika." Therefore, it is not accidental that the storeroom of the Vladimir Oblast pharmacy administration contains more than 84,000 unusable lenses of inadequate diameter. In the Moscow Scientific Production Collective "Optika," 600,000 superfluous eyeglass frames were found. Not all is well even with the quality of eyeglass assembly. According to the review, 15 percent of finished eyeglasses are rejected in Lipetsk Oblast and 17 percent in Kharkov Oblast.

The quality of glasses depends also on several trade ministries which must provide optical production with materials, equipment, and instruments. And, first and foremost, it depends on the Ministry of the Chemical Industry. Its associations "Soyuzplastpererobotka" and "Soyuzkhimplast," departmental factories, and scientific institutions are required to supply enterprises of Minmedprom with fine sheet granulated "etrol" for frames. But they are not fulfilling their plans for its delivery. The Vladimir Scientific Research Institute of Synthetic Resins in 14 years has not devised a technology for extracting the raw material for "estrol," although spending 800,000 rubles on it already. As a result, a difficult situation has been created in the Yelyets factory of Minmedprom, which for this reason is not able to employ unused productive capabilities.

Formerly, enterprises of the Ministry of Machine Building produced low quality celluloid for eyeglass frames. And, after all, about half of all eyeglass frames are made of this material. Plants producing the state procurements of lenses are not fully fulfilling their contractual obligations. Enterprises of the Ministry of the Machine Tool and Tool Building Industry have borrowed much technological equipment for the assembly of eyeglasses.

The USSR People's Control Committee issued a severe reprimand to the head of the VPO "Soyuzmedinstrument" of Ministry of the Medical Industry Yu. Logachev for unsatisfactory leadership of the sub-branch which produces visual optics, inappropriate measures for basic improvement of its quality, and unevenness of deliveries. He was warned that if he does not take measures for the elimination of these shortcomings he will be removed from his position.

The director of the Izyum Optical Mechanics Plant, N. Ostapenko, was reprimanded for the systematic production of low quality goods and the lack of proper control over the maintenance of technical discipline. He was fined to partially cover the material losses suffered by the state.

Deputy Minister of the Medical Industry V. Kerbunov was named for the serious deficiencies in visual optics production. Taken into account was his statement on strengthening leadership at the Yelyets Medical Equipment Factory and also on the elaboration by the ministry of a supplemental complex of measures directed at raising the quality of eyeglasses and their technological level, and the more complete satisfaction of the demands of the population in their

manufactures. Even the head of the USSR Ministry of Health's VPO "Soyuzmedtekhnika," V. Rusanov, was reprimanded.

The committee took note of the statement of Deputy Minister of the Chemical Industry Z. Polyakov that the ministry will provide quality "etrol" to enterprises which produce eyeglass lenses; of Deputy Minister of the Machine Tool and Tool Building Industry V. Voyevodin on delivery of 345 machine tools for the assembly of glasses before the end of the current year; of Deputy Minister of Machine Building L. Zabelin on supplementary measures for the further perfection of the technology of production and for improving the quality of celluloid for frames; of Deputy Minister of the Defense Industry I. Kornitskiy on the absolute fulfillment of contractual obligations.

There are reserves for the full satisfaction of popular demand for high quality visual optics, as the review showed. They are in the further improvement of the organization of work, the strengthening of discipline, and a regime of economy in the enterprises producing these manufactures.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

SCARCITY OF CHILDREN'S FUR COATS CAUSES CONCERN

Moscow IZVESTIYA in Russian 19 Jan 85 p 3

[Article by L. Ivchenko: "A Year Later, Where Is There a Child's Fur Coat?"]

[Text] We were patient. The editorial staff waited a whole year for a response from the USSR Ministry of Light Industry in regards to the article "A Child's Fur Coat. Where Can You Buy One?" (IZVESTIYA, No 349/350, 1983). We did not receive one, nevertheless we were calm--in the end, actions are more important than words--we decided to inquire what is happening now in the production of children's fur clothing.

"There were not any children's coats made from natural fur before, and there are not any now," they said in the USSR Ministry of Trade. "Out of our order for 3.8 million items in the past year light industry enterprises planned to produce 743,200, but they sewed, as usual, even less than that. For children, they provided 35,000 fewer than even the minimum planned..."

Even the Soyuzmekhprom (Fur and Sheepskin Industrial Union Association), the country's primary producer of fur products, did not fulfill the plans for children's products.

"But why are you interested specifically in children's fur coats?" asked the surprised head of the organization, V. Maslov. How do you respond to that? Explain the obvious--that a fur coat is warm and practical? That it is good in all time periods, independent of style, and that it does not need any of the special patterns or flowery compositions which the makers of children's clothing rack their brains over? That it is long-wearing, finally, and therefore advantageous--serving in turn all the children in the family or being passed on to neighbors--the parents having already made arrangements? And that precisely therefore people try to buy their child a fur coat, and not a topcoat, which is barely adequate for one season.

"But you must put yourself in our situation," says V. Maslov. "To sew that amount of fur coats ordered by the trade network would require almost 11.5 million sheepskins. But for our whole assortment last year we received

14.2 million.... Of these, more than half go into protective outer garments and special orders. It is true that this year, compared with 1983, the receipt of raw materials increased."

How much it increased we will find out from the Tsentrosoyuz and the USSR Ministry of the Meat and Dairy Industry (Minmyasomolprom).

"In the past year, we prepared 28 million sheepskins, 4 million more than in the previous year," says the director of Glavkoopzhivpushnina, G. Mesropov, "and roughly 3.5 million more rabbit skins. In all aspects, the plan for furs and leather goods was fulfilled.

Minmyasomolprom should not be "constrained": for the first time the plan for preparation of small leather goods was fulfilled, providing 17 million sheepskins. Then where does all this disappear to?

A designated quantity of high quality materials is divided among the enterprises of local industry and domestic services. In addition, not every prepared sheepskin is useful for fur articles. Even a "naked skin"--a hide shorn for the planned output of wool--is considered a sheepskin (although it does not enter the plan), and leather of a quality from which it is only possible to take a shread of wool is also processed as sheepskin. A "naked skin" in the best condition will make a liner, but a sheepskin after the removal of wool, naturally, is unusable by the furriers.

"A 'naked skin' is simply a scourge for our economy," says the assistant chief of administration for the delivery of raw materials in Minmyasomolprom, K. Asylkozhayev. "Judge for yourself: out of the whole number of sheepskins which go into a woman's topcoat at a price of 700-800 rubles, a 'naked skin' yields a maximum output of 100 rubles. Even the hairs from it go for only a half-a-kopek. Our enterprises receive more than a million such 'naked skins,' and, despite the fact that it is forbidden for farmers to kill sheep immediately after shearing, a full 2.6 million are received by consumer cooperative societies. And if you consider that approximately 8 million low-quality sheepskins generally go for hair removal, when some 11 million pieces of raw material are received, it is not productive for the fur industry. If even a half were to become high quality, the size of the problem would be reduced. Today, the question is not as much in the quantity of prepared sheepskins, which would be enough for the enterprises of light industry, as it is in the quality..."

The Ministry of Light Industry itself is doing its part, justly reproaching the USSR Minsel'khoz (Ministry of Agriculture) and the manufacturers for the low quality of raw materials. I quote the telegram of the deputy minister of the Kazakhstan meat and dairy industry, Ye. Utegenov, addressed to the union ministry.

"According to information from the meat-packing plants in Dzhabul and Semipalatinsk Oblasts, leather-processing plants are violating the terms for receipt of raw materials and are not providing for the safeguarding of its quality.... The Ural Leather-Processing Plant has not picked up 362,000 pieces of fur. The Semipalatinsk, 156,000 furs and 155,000 furry sheepskins.... In

order to avoid mass spoilage due to the change of weather conditions, by order of Kazlegpromsynd and of other recipients, we request... that you secure timely acceptance."

And here is the response of USSR Deputy Minister of Light Industry A. Biryukov to this S.O.S. from a Kazakh and Union ministry: "The delay in the acceptance of leather goods from meat-packing plants by the enterprises of Minlegprom of the RSFSR, of the KaSSR, and the KiSSR is explained by the significantly above-plan output. Minlegprom ... was given instructions on appropriate measures for acceleration of its acceptances."

From such information, a letter to the RSFSR and USSR minister of light industry is addressed on 11 November by the chief of administration at Rospotrebcyuz, V. Yermakov, citing a mass of examples of the rejection by leather and fur factories of receipt of pelts (specifically from which leather goods are made!) and furry sheepskins, obtained by the planning office according to the plan for the first quarter of the current year. Several cooperative organizations are having, for this reason, to restrain their purchases of raw materials in the kolkhozes and the private subsidiary economy of the population.

As to the surplus of raw materials, do we have a problem or is there not enough? We notice that such correspondence takes place constantly between the ministries and organizations. Despite the requests, appeals, and even proposals of Minmyasomolprom to create an inter-departmental commission, the situation with the receipt of raw materials has not changed.

"You can imagine what happens with the stripped hides after several months if they are lying under the open sky," says K. Asylkozhayev. "Even those that were of first grade become fourth! At meat-packing plants there are no accommodations for stripped hides, our business is meat, not fur coats.... The enterprises of light industry do not take even a small part of the hides from meat-packing plants and processing centers. For them, it is convenient to store at their own plants shipped lots of each type of sheepskin. Previously, they accepted everything, but now only that which the associations are specializing in. Now they store small lots of the sheepskins, then a truck is filled for dispatch to where a given type is being processed. It turns out that they are waiting up to the point of spoilage. The fact that the ministry bears the losses is still only half the problem, but what losses the state incurs!"

In the interests of business it is worthwhile to keep in mind those days when there was a single government purchaser--the All-Union association "Zagotzhivcyr'ye." Perhaps it would be expedient to return to it.

...Remember how it is put in the well-known riddle about the sheep? "Up hill and down dale goes the fur coat and the caftan." And the shashlik, we will add, and the mutton-chop. But, this is what is interesting: both the shashlik and the "caftan" are planned in the productive affairs of the economy, but is the fur coat?--no... Sheepskin does not figure into the plans of the livestock-raising economy. In the indices which evaluate the productive activity of the economy, there is meat, milk, wool, etc.; there are no targets for the processing of sheepskins. We have already written about this, but, unfortunately, nothing in this area has changed. What does this lead us to?

Not only to the fact that an exact accounting of resources is lacking, not only to the low quality of raw materials (farms have become interested first of all in the provision of meat, not worrying about the situation of animal hides, and even the "naked skin" appears right after they surrender the wool for the planned "caftan") but, in addition, that these same "caftans" at times are receiving more than is demanded. They are planning according to the increase attainable! And it turns out that now the state is lowering prices on several types of woolen products, for enterprises are overflowing with wool, but the sheep are all shorn for the "caftan..." The leather goods and fur coats as keenly needed by the population are, as usual, not there. Style changes, demand changes.... Only the conservatism of the planning organs remains immutable.

We are slowly working towards creating a situation, evidently, for our children to receive high quality fur clothing. The truth is that in Soyuzmekhprom the moods are optimistic: for the year 1985 they have projected the output of 500,000 children's fur coats--5 percent more than in the previous (unfulfilled) plan.

"We will increase the output of children's fur coats, we will," asserts V. Maslov. "According to the new price list, they have become non-deficient. And I became personally interested," he jokes, "when my grandson appeared."

Well, thank God, as they say. Now, maybe, even other grandchildren will be receiving....

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

OPEN LETTER TO PRAVDA AIRS SUPPLY, DEMAND PROBLEMS

Moscow PRAVDA in Russian 11 Mar 85 p 3

[Article by V. Dereeva, operator in a cattle-raising complex on the "Dzhetygenskiy" State Farm in the Alma-Ata District; T. Koroleva, seamstress at the Union Central Committee Novosibirsk Production Alliance; T. Kramskaya, tram driver of the Khar'kov Tramway-Trolley Board; and T. Minenkova, metal worker/fitter at the Schetmash plant in Kursk, under the rubric "Letter to PRAVDA;" "What Can We Buy With the Rubles We Earn?"]

[Text] The problem we wish to bring up touches every family and every person. We are talking about consumer goods and the way they are sold. The situation is not as it should be, as is particularly obvious to us women. An honest ruble is earned by hard work, so a person would like to spend it on something that will satisfy: something that is needed, attractive, and high in quality. This is not always possible to do.

We will be objective. If we look back at the difficult years just after the war, we see that striking changes have occurred. Back in those years we got by with the bare necessities. Today, anyone who works conscientiously has a wardrobe of good clothes and modern, comfortable furniture in his apartment. And look at all the machines of various kinds which help raise the standard of living--all the electronics.

The Party holds a steady course toward improving the welfare of the workers. Conscientious labor is being rewarded better and better as each year goes by: The real income of the population is rising. A nutrition program is being implemented. The development of the Multifaceted Program for Developing the Production of Consumer Goods and Their Sphere of Service is being completed. The Communist Party has the thanks of us workers for its fatherly care of the working people. It seems that what is needed is to make all those who are responsible for carrying out these plans completely aware of their responsibility for the part of the work with which they have been entrusted.

Sometimes when you walk into a section of a store and look around to see what is there and what is not, you come to the conclusion that industry is building its production and taking care of its own needs.

The trade sector is also taking care of its interests, and the actual consumer with his needs is hardly a great concern for them. How can you explain the fact that, for example, in Kursk you will not see size 38 or 39 street shoes with low or medium heels on the counters in the stores? This is a city with a large consolidated tanning and footwear industry. Can anyone claim a lack of raw materials? On the other hand, the shop windows have many shoes with spike heels, which are not much in demand. Why an excess of one and a shortage of the other?

We could cite many such facts. And the situation is not peculiar to the cities; it is the same out in the villages. The shortages of popular goods force people to travel to the cities to make their purchases. Examples like this show that the demands of the population are still not being studied well, that industry is slow to adjust to new circumstances, and that the trade sector is not doing much to promote the interests of the consumer. Central planning is lacking for most consumer goods, and the various ministries are clearly failing to coordinate their work. We are convinced that a lot could be accomplished, right now, to better meet the needs of the population in terms of consumer goods.

From time to time you will hear the objection that we might come down with "thingism" ["veshchizm"]. They say there are people for whom the desire to acquire some stylish clothes, a new bedroom suite, or the latest thing in tape recorders overshadows all else. These people have no other interests or moral restraints. Neglecting their work, they can stand around in lines to wait to fulfill this burning need or make criminal deals with speculators. Yes, this "illness" is real, and it must be cured by any means possible, including police power if laws are being broken. What we are concerned with, however, is a different matter.

It is not a rare event to be forced to spend a great deal of time and have your nerves shot in order to obtain something you need for your children, your husband, or yourself. You would like to be able to go into the store, make your purchase, enjoy it, and maybe forget your cares for a while. We think that if everything a person needed in his everyday life were available in the stores the "epidemic" of acquisition might be abated.

There is a lot of merchandise in the stores. There is enough clothing and footwear for the whole population. But if you are replacing something old with something new, this new item must be of the right type, of higher quality, or more stylish. Consumers' standards in terms of the quality of goods have risen in recent years, but the standards set for themselves by the people who manufacture these things and bring them to the consumer have dropped noticeably from time to time.

Would I buy this for myself? This is a question which one of us--a worker in light industry--always asks herself when some new product appears in a shop. And there was one case in which this worker knew for sure: Those heavy overcoats which she was obliged to sew she would

not herself buy. That these overcoats would find no market had been obvious to all the production engineers and to all the people involved in putting the coats on the production line. The "argument" advanced in defense of this production was said to be that we were doing this temporarily, in the interests of production. The purchaser, however, is not interested in the difficulties of the enterprise; he lays his money down only for good quality. Labor and materials were expended, and all was wasted. This waste is harmful to society. Why the silent consciences of those people, from the worker on up to the minister, who run into cases of this sort? We are giving our labor not for the sake of some account book but for the good of the Soviet people.

It is time to establish a reliable mechanism to prevent the manufacture of unmarketable goods. Less would be lost if, in cases of this sort, we simply stopped the production line, revised the technology, and quickly furnished the buyers with what they wanted.

Today, not only in the factories and plants of light industry but also in the enterprises of all other branches of the economy, there is increasing production of consumer goods. This trend is good, since it means that there will be a wider choice of goods. However, it is not enough to simply increase the quantity of goods; it is also important to saturate the market quickly with the popular articles that people need.

At the Khar'kov Aviation Plant imeni Lenin Komsomol, for example, they have begun to manufacture baby carriages. These carriages are light, elegant, attractive--just delightful to look at! However, if even these "nonspecialists" can master complicated production of this sort, then, say, ordinary sewing-machine needles would seem to be within the capabilities of our factories. A trivial matter? Perhaps, but the time hundreds of Khar'kov residents as well as the residents of many other cities spend haunting the stores in a search for this trivial item is precious time lost. Just how could we allow such a trivial matter to snowball into a serious problem?

The abundance of merchandise which the buyer ignores as he walks by it in a store, next to a line of people waiting for some other articles (which may be simple to manufacture), suggests that the economic mechanism which is supposed to link the trade sector with the industrial sector is still not working well. Demand dictates what it will, and its requirements do, now and then, reach the factories and the plants, as if by a damaged telephone. It is the duty of the experts to find out why this is so.

In our opinion, the starting point should be an agreement between trade and industry specifying the complete assortment of goods (models, sizes, quantity of production), including products which are not yet being manufactured. Only in this way will correct plans be put into effect for manufacturing the articles themselves and also the various materials which go into their manufacture. An agreement between trade and industry,

taking on the force of law, will improve the sense of responsibility of all the people collaborating to reach the main goal: meeting the needs of the people. It will then no longer be possible to conceal behind handsome figures the fact that the "huge wave of production" consists of house slippers instead of the children's shoes which are in short supply, caps of synthetic fur with a coarse top instead of the rabbit-fur caps which are in demand, and underwear made from synthetic fibers, while there is no cotton underwear for sale, despite the fact that cotton is simply irreplaceable for the working person under industrial conditions.

Each thing must be targeted at a definite user. One thing for youth, another for people of middle age, and another for the elderly. In addition to the prestigious and expensive goods, there must also be inexpensive goods. But they must be attractive and of high quality. It is their quality and stylishness which make certain imported goods so enticing today. Really, couldn't we attempt to make these things ourselves?

We have recently been hearing less of the reputation of a given factory. It would seem to be necessary to strengthen the direct, long-term links between trade and industry and to seek other forms of contact between the two. There is experience in this field. There are the close relations between the Moscow Central Department Store and dozens of enterprises. For many years there have been collaborations between the department stores Khar'kov and the Tinyakov Khar'kov Sewing Factory and between the Alma-Ata Central Department Stores and the consolidated fur enterprises. These relations give good results.

We would also like to raise the question of the service we get. Unfortunately, it is still not rare for the buyer to encounter a cold and indifferent attitude. A typical picture is a group of sales consultants standing around carrying on a lively conversation. Approach them with a question and you will be brushed aside. There are long lines waiting for the cashiers, but many of the machines are under dust covers.

What would high quality of service mean? High quality of service in a store would mean that everything the buyer is seeking is there, that visitors are not ignored, and that a first, second, third item is offered until the right one is found. And then there is the matter of novelties, and they are even talking of advertising as the engine of commerce.

And isn't it time to strike a decisive blow against waiting lines? The reasons for them are not important. What is to be done about items in short supply? It would seem necessary to expand such forms of service as organizing trade in the enterprises, accepting advance orders, and much else. It is impossible not to notice the "brokering" going on in the sales room: a sure sign of a low level of service. Take a look at the private markets. Where do these speculators get such quantities of scarce goods, which they offer at exorbitant prices and which bring them a comfortable living from unearned income? The mechanism is quite simple: While the working people are going about their labors, back

in the store articles are being "thrown out." There is no genuine workers' control over the distribution of popular items. Some imports fall into the hands of speculators. It is necessary once and for all to bring an end to the various breaches of trust, including short-changing and underweighing.

People expect from commerce what it could be and should be giving them even today: A sharply higher quality of service. Seek out the buyer; bring the goods to him in the workers' collectives or wherever the need arises for people to buy something; put more effort into delivering, packaging, and attractively wrapping purchases--only in this way can we get to the heart of the problem.

And the main need is for the trade sector to persistently promote the interests of the population in dealing with industry--not to be an indifferent middle-man but to be a fully empowered representative of the buyer.

The country is preparing for the Twenty-Seventh Congress of the Communist Party of the Soviet Union. The work which has been accomplished will be reviewed. In addition to the accomplishments, unresolved problems will be acknowledged. One of these problems is that about which we have written here. This problem also deserves to be discussed. Of particular importance here is the opinion of the working people and of the experts in industry and trade. It would be good if PRAVDA could find it possible to give everybody else with a suggestion a chance to be heard.

12881

CSO: 1827/129

RSFSR DOMESTIC SERVICES DEPUTY MINISTER ON SECTOR CHANGES

Moscow TRUD in Russian 17 Mar 85 p 2

[Article by Yu. Belevtsev, RSFSR deputy domestic services minister:
"Meeting the Customer Halfway"]

[Text] Have you ever tried to order a dress or a suit from a tailor at nine or ten o'clock at night? You say--that's not real. But don't be too quick with your answer. You can now make such an order at the "Bashtrikotazhbyt" [possibly, Bashkir ASSR State Knitted Wear Sales] Association, which is now operating on a schedule more convenient for its clients. And at the shoe repair shop at the "Univerbyt" store in Novokuznetsk, they will not only quickly repair your worn-out shoes, they will also try to make them look new and fashionable, and decorate them with appliques from different colored leather. If you want, you can even get your old felt boots back from the repair shop decorated with embroidery and appliques.

It's no exaggeration that the range of services rendered to the citizens of the eight krais, the oblasts and autonomous republics of the RSFSR, whose service enterprises began working under the conditions of the economic experiment last year, is expanding day by day. Nearly 700 enterprises have begun to implement economic and organizational measures to improve planning, to develop self-sufficiency, and chiefly--to increase the material interest of the collectives in their work. To make the service quick, convenient, and accessible to everyone--this is the main task of the experiment.

Among the reasons for all the troubles in our service--and we admit that they were and still are many--were the lack of initiative and enterprise, the degree of restraint in the operations of the branch, and the excessive amount of regulation of its activities.

The experiment has made radical changes in this situation. A new economic mechanism has been set up which stimulates the activity of the domestic service enterprises. They have been granted a great deal of economic independence, and the number of planning indicators has been reduced. Many of them are now truly worked out from below, in the collectives. The indicator of the volume of services paid for by the populace has become the most important one, and the entire new economic mechanism of the experiment has become oriented on fulfilling it. The introduction of this new analytic indicator facilitates growth in services rendered directly to

individual clients. You know what it was like before. The studio would make some kind of article in small lots, and would make a profit. But now it's a different matter--the more orders directly from the populace the association fills, the higher its profits. And the formation of additional sums in the incentive funds, and increases in the size of the bonuses depend on this very indicator. At the present time, in order for a service worker to earn his pay, he not only has to fill the orders, but also seek out clients and try to attract them to his studio, shop, or House of Services. Just as, let's say, the workers do at the "Kuzbaskhimchistka" [Kuznets Basin Dry Cleaning] Association, who collect orders right at one's home.

There are also other methods of arousing the interest of the consumer services. Now they calculate the volume of profit themselves, and all their income, with the exception of a small portion deducted for the state budget, remains at their disposal. Just imagine what opportunities are presented for display of initiative and managerial enterprise! These assets can be used for expansion and reorganization of production, for construction of housing and social-cultural-domestic projects, and for formation of the wage fund and the incentive fund.

Thus, for the third quarter of the past year, the amount of funds earmarked for reconstruction and retooling increased by one million rubles in comparison with the third quarter of 1983.

The rights of the enterprises have been expanded for utilizing savings from the wage fund, when greater volume is produced by a smaller number of workers. Also planned is a change to the brigade labor method, where pay is based on end results, and wages are distributed collectively. Since the start of the experiment, the number of such brigades has increased about two-and-a-half times, and the advantage is clear to everyone: labor productivity increases, the quality of filling the orders increases, and equipment and work time are used more rationally. But the main thing is--the client is satisfied. Now, when he comes into the shop he does not hear, "Come back tomorrow, the receptionist is sick". They always find a substitute, because the wages of the entire collective depends on it. Thus, at the "Luch" clothing repair and sewing factory in Belovo, Kemerovo Oblast, a single composite brigade was formed on the basis of two backward brigades. Specialists on outer wear and light dresses and cutters combined their efforts--and things are looking up. The plan has been fulfilled over a period of six months, wages have increased significantly, and bonuses have increased almost threefold. There was an immediate drop in the number of complaints, and the periods for filling the orders were reduced. One can see the mutual benefits for oneself.

✓ Worker turnover and the shortage of workers used to be a serious problem. But the experiment has helped to overcome this difficulty as well. Now there are broad opportunities to hold more than one job, on a part-time basis. Workers, engineers and technical workers, and highly-skilled craftsmen are now concluding agreements for rendering services by contract, and students are coming to work at consumer services establishments on

their school vacations. Many women who have children can arrange for a shortened workday; and housewives and retired persons who can sew and knit take their work home with them.

The range of services is expanding and their quality is increasing as well, because of the fact that supply problems are being solved more efficiently and flexibly. The enterprises can now acquire materials, accessories, spare parts, instruments and equipment through the trade system.

Not a whole lot of time has passed since the start of the experiment, but one can already speak of its positive results. The plan for selling consumer services to the populace has been fulfilled by all the consumer services and administrations taking part in the experiment. Higher growth rates for sales volume of consumer services have been achieved; overall, the rate was 105.5 per cent, and 107 per cent in the rural areas, which is greater than the average for RSFSR Minbyt [Ministry of Consumer Services]. At the same time, the volume of consumer services paid for by the populace has increased at an even greater rate. As a result, incentive funds have increased by nearly 5.5 per cent.

The volume of consumer services rendered to the workers at their places of work--at the plants, factories and building projects; at institutions and organizations--has increased. Over a six-month period, services worth nearly 4 million rubles have been realized.

Under the conditions of the experiment, the consumer services administrations at the Altay Kray ispolkom and at the Ivanovo and Kemerovo Oblast ispolkoms have significantly improved their operations in the first half of 1984.

Officials have shown increased responsibility in their careful attitude toward expenditure of wage funds. Over a six-month period, savings have amounted to 1.1 million rubles, which permitted setting up various additions to wages.

The introduction of new and progressive kinds of services have also had an affect on the positive results.

There is unlimited demand for express services such as "in today, out today" and "in today out tomorrow". For example, the consumer services enterprises of the Astrakhan Oblast ispolkom, since the start of the experiment, have rendered 50 per cent more such services than for the preceding six months.

At the same time, at a number of associations and enterprises, they are still not introducing certain elements of the economic mechanism of the experiment with sufficient energy, and as a result the expected economic effect is reduced. The contract form of organizing and paying wages is being introduced slowly, and composite brigades are not being set up everywhere. Sales of accessory goods have not yet been organized at all studios, workshops and receiving stations. Our ministry and its territorial organs are taking measures to eliminate these shortcomings; but, unfortunately, problems still exist over which we have no control.

Questions have not yet been resolved on the use of funds earned by consumer services enterprises for construction of housing and social-cultural-domestic projects. Capital investments planned for us for 1985 by RSFSR and USSR Gosplan are for industrial construction only. But you see, funds are already available for improving the living conditions of our workers.

And there are unresolved problems on satisfying the needs of the branch for material and technical resources--especially for gasoline, transportation, and certain kinds of building materials and lumber, as well as spare parts for the repair of radio and TV equipment, electronic equipment, and repair of service machinery. All of this cannot help but have an effect on the amount of time it takes to fill orders, and cut back home services for both the urban and rural populace.

These problems must be solved faster; you see, since 1 January 1985 another 29 RSFSR ministries and administrations have joined the experiment, to include those in Moscow, Leningrad, and certain oblasts in the Ukraine, Belorussia and the Baltic littoral. It is also necessary to establish the conditions for stable and quality work, so that the service sector will in fact become a source of satisfaction to the people.

9006

CSO: 1827/121

CONSUMER SECTOR POLICY AND ECONOMICS

RESOLUTION ON HOUSING REPAIR, CONSTRUCTION SERVICES REPORTED

PML90924 Moscow PRAVDA in Russian 14 Apr 85 First Edition pp 1-2

[Unattributed report: "At the CPSU Central Committee and the USSR Council of Ministers"]

[Text] On 7 March 1985, the CPSU Central Committee and the USSR Council of Ministers adopted the resolution "On Measures to Develop Services for the Repair and Construction of Residences, Buildings for Horticultural Societies, Garages, and Other Structures in Accordance with Orders from the Population in 1986-1990 and in the Period Through the Year 2000," which is a constituent part of the comprehensive program for the development of consumer goods production and the services sphere in 1986-2000.

The resolution points out that as a result of the Soviet people's enhanced well-being there has been a considerable increase in public demand for services relating to the repair, construction, and improved finishing and equipping of residences (apartments, houses) and the construction of buildings for horticultural societies, garages and parking places for vehicles belonging to citizens, and other structures. At the same time, the need for these services is not being satisfied in full.

Union republic communist party central committees, party kraykoms, obkoms, gorkoms, and raykoms, union and autonomous republic councils of ministers, krayispolkoms, oblispolkoms, gorispolkoms, rayispolkoms, ministries, departments, enterprises, establishments, and organizations are entrusted with elaborating and implementing measures to improve the organization of and further develop work on the repair, construction, and improved finishing and equipping of residences (apartments, houses) and the construction of buildings for horticultural societies, garages and parking places for vehicles belonging to citizens, and other structures in accordance with orders from the population.

Union republic councils of ministers have been set targets for the fulfillment of services at citizens' expense in 1986-1990 relating to the repair of residences (apartments, houses) and the construction of private dwelling houses, cooperative and private garages (solid-construction, one- and two-story), and parking places for vehicles belonging to citizens.

For this period, USSR ministries and departments have been set volumes of services relating to the repair of residences (apartments, houses) of the departmental housing stock at citizens' expense.

The USSR Gosplan and the USSR Gosstnab must make provision in annual plans for the allocation of material and technical resources to union republic councils of ministers and USSR ministries and departments for the fulfillment of the targets provided in this resolution.

The USSR Ministry of the Construction Materials Industry, the USSR Ministry of the Timber, Pulp and Paper, and Wood Processing Industry, the USSR Ministry of the Chemical Industry, and other USSR ministries and departments which manufacture materials and products used in the fulfillment of repair and construction jobs and in the finishing and equipping of apartments (houses) are obliged to implement measures to expand the range and further improve the quality and the outward appearance of these materials and products and to ensure their production in the necessary quantities.

The USSR Gosstnab, USSR ministries and departments, and union republic councils of ministers are entrusted with ensuring, starting in 1986, the priority allocation and delivery of materials and products of enhanced quality for repair and construction work and work on the improved finishing and equipping of apartments (houses) at citizens' expense.

Territorial organs of the USSR Gosstnab must ensure the delivery of the complete range and assortment of the aforesaid materials and products, as well as monitoring their delivery by enterprises which manufacture products for organizations which carry out repair and construction work and work on the improved finishing and equipping of apartments (houses).

Union republic councils of ministers and USSR ministries and departments are obliged to draw up and approve in 1985 a list of the repair and construction services which must be carried out in accordance with citizens' orders and at their expense.

Union republic councils of ministers are entrusted with ensuring the construction of private dwelling houses, buildings for horticultural societies, and multi-story and underground cooperative garages at citizens' expense by the contract method in 1986-1990 in addition to the set targets.

The USSR Gosplan is entrusted with making provision for quotas of capital investments and construction and installation work and for the volumes of contract work for these purposes in the draft annual plans for union republic councils of ministers.

When drawing up draft plans union republic councils of ministers must ensure that the volumes of services rendered are agreed with USSR construction ministries and also with USSR ministries and departments which have construction-and-installation and repair-and-construction organizations, and they must submit corresponding proposals to the USSR Gosplan simultaneously with the draft plans.

Union and autonomous republic councils of ministers and local soviet ispolkoms are instructed to seek out the necessary material resources (including local construction materials) for the construction of multi-story and underground cooperative garages in addition to the materials allocated from centralized funds.

It is deemed expedient to carry out work on the repair and construction of residences and the construction of buildings for horticultural societies, garages and parking places for vehicles belonging to citizens, and other structures in accordance with citizens' orders, as a rule, by using the forces of specialized repair and construction organizations which have the necessary production base for this.

Union republic councils of ministers and USSR ministries and departments must ensure, where expedient, the creation of the aforesaid organizations to provide the repair and construction services envisaged by the resolution, as well as financially autonomous repair and construction sections.

The USSR Gosstroy is obliged to draw up within a 6-month period jointly with union republic councils of ministers and to approve by agreement with the USSR Gosplan and the USSR Gosstroi normative standards for equipping specialized repair and construction organizations carrying out work in accordance with the population's orders with construction machinery, mechanisms, equipment, tools, and vehicles, as well as with domestic and production site buildings (inventarnyye zdaniya) to provide normal production and sanitary-domestic conditions for the workers of these organizations.

Union republic councils of ministers and USSR ministries and departments are entrusted with making provision in annual plans for the allocation of the aforesaid construction equipment, tools, vehicles, and site buildings to specialized repair and construction organizations in accordance with the approved normatives.

Union republic councils of ministers and USSR ministries and departments must ensure an increase in the volume of work on the improved finishing and equipping of apartments (houses) in accordance with citizens' orders and at their expense, with a view to increasing the volume of this work by 1990 to 20-25 percent of the total area of dwelling houses being constructed and commissioned out of state capital investments.

The USSR Gosstroy and union republic councils of ministers are obliged to draw up in 1985-1986 standard plans for the construction of garages and parking places for vehicles belonging to citizens at the citizens' expense.

The USSR Gosstroy is entrusted with drawing up with the participation of union republic councils of ministers and approving before 1 July 1986 normative times for carrying out repair work on residences, as well as norms for the duration of the construction of the objects envisaged by this resolution in accordance with orders from the population.

Union republic councils of ministers and USSR ministries and departments are instructed to ensure the further development of services relating to the repair and construction of residences and other structures at citizens' expense, with a view to:

--increasing the volume of services relating to the repair of residences (apartments, houses) at least fourfold by the year 2000 compared with 1985, and 3.5 times with regard to private housing construction; constructing buildings for horticultural societies in the volume necessary for equipping horticultural plots; and commissioning cooperative garages and parking places for 6 million vehicles during these years.

The USSR Gosplan is entrusted with making provision for the aforesaid targets for union republic councils of ministers and USSR ministries and departments in the draft plans for the USSR's economic and social development for the corresponding years.

The USSR Ministry of Finance and the USSR State Prices Committee, with the participation of interested USSR ministries and departments, are obliged to draw up and approve within a 6-month period, by agreement with the USSR Gosplan and the USSR Gosstroy, a statute on charges to the population for repair and construction services with payment for the materials and equipment used to provide these services at retail prices.

It is established that:

--Services relating to the repair of residences (apartments, houses) and the construction of private dwelling houses, buildings for horticultural societies, garages and parking places for vehicles belonging to citizens, and other structures at the citizens' expense, rendered by construction-and-installation and repair-and-construction organizations, regardless of their departmental jurisdiction, are planned and accounted for in the volume of sales of consumer services to the population excluding the cost of materials and equipment;

--The activity of repair and construction reorganizations rendering services relating to the repair of residences and the construction of private dwelling houses, buildings for horticultural societies, garages and parking places for vehicles belonging to citizens, and other structures at the citizens' expense, if the volume of these services constitute 75 percent or more of the total volume of construction and installation work carried out by them, is evaluated on the results of fulfilling the volume of sales of consumer services to the population when summing up work and socialist competition.

Union republic councils of ministers, the USSR State Prices Committee, the USSR Gosstroy, and the USSR Ministry of Finance are instructed to examine the question of putting in order the existing price lists for repair and construction services at the population's expense and, where necessary, drawing up new ones, with a view to making provision in these price lists for lowering prime costs and ensuring the profitability of the work being fulfilled.

The USSR Gosstroy, in conjunction with the USSR Ministry of the Timber, Pulp and Paper, and Wood Processing Industry, is entrusted with organizing in 1985-1986 the experimental construction of apartment blocks with flexible layout of the apartments on the basis of using prefabricated cabinet partitions made of fully factory-ready elements paid for by the population.

The Ministry of Construction, Road, and Municipal Machine Building is entrusted with responsibility for producing--and meeting the needs of organizations carrying out repair and construction work in accordance with the population's orders for--electrical and pneumatic hand tools and means for the comprehensive mechanization of jobs.

The USSR Gossnab is entrusted with making provision in annual material and technical supply plans for the allocation to union republic councils of ministers and USSR ministries and departments of the necessary quantity of the aforesaid means of comprehensive mechanization and special-purpose tools for the fulfillment of targets relating to the repair, construction, and improved finishing and equipping of residences (apartments, houses) and the construction of buildings for horticultural societies, garages, and other structures in accordance with orders from the population.

The Ministry of Construction, Road, and Municipal Machine Building is obliged to develop and start up in 1985-1986 the series production of engineering equipment, primarily for the completion [komplektovaniye] of private dwelling houses being constructed in accordance with orders from the population.

Enterprises and organizations of construction ministries and departments are permitted to manufacture and deliver concrete, ferroconcrete, carpentry, metal, and other products, heaters, dry mixtures, compounds, and solutions in accordance with requests from repair and construction organizations rendering the services to the population envisaged in this resolution.

For the purpose of assisting the population in the repair and construction of residences, union and autonomous republic councils of ministers and local soviet ispolkoms are entrusted with examining and resolving questions of organizing in existing equipment-hire centers and workshops the hiring out to the population of small-scale means of mechanization and tools used in the repair and construction of residences, as well as consultations with specialists on carrying out these jobs, and setting up centers to provide such services under repair and construction organizations.

CSO: 1827/140

PERSONAL INCOME AND SAVINGS

COMPARATIVE ANALYSIS OF CONSUMER INSURANCE BENEFITS

Moscow FINANCY SSR in Russian No 2, Feb 85 pp 46-51

[Article by S. B. Pryanichnikov, graduate student of the MFI [Moscow Finance Institute]: "Analysis of the Population's Insurance Benefits"; for earlier article on subject see JPRS USSR REPORT: CONSUMER GOODS AND DOMESTIC TRADE, No JPRS-UCG-85-001, 16 Jan 85 pp 37-41]

[Text] The need to study insurance benefits of the population is prompted, first of all, by the high saturation of the insurance field. Thus, by the beginning of 1984 life insurance coverage in the RSFSR exceeded 63 percent, and personal insurance coverage as a whole has reached nearly 92 percent. The insurance benefit of the greatest part of the population has gained practical realization upon signing of contracts with the Gosstrakh [Main Administration of State Insurance]. The remaining are those who have a passive attitude toward signing of contracts, and drawing them into the insurance sphere requires positive actions.

The study of insurance benefits of the population is complex and labor-consuming work, since the currently existing statistical accounting does not provide complete and exhaustive information so that they can be fully analyzed. Selective sociological surveying of the insured persons acquires a special significance in this connection.

With the aim of studying insurance benefits of the population and working out measures on this basis for further development of state insurance, the RSFSR Main Administration of State Insurance together with the Finance Department of the Moscow Finance Institute had conducted in 1983 a selective sociological survey of persons who have contracts for life and accident insurance, children insurance, matrimony insurance and domestic property and vehicle insurance. The survey was conducted in individual inspectorates of Moscow and Leningrad, Moscow, Rostov, Kaluga, Volgograd, Pskov, Belgorod and Kemerovo oblasts, Khabarovsk Kray and the Bashkir ASSR.

The obtained data has made it possible to confirm previously discovered patterns in the manifestation of the population's interest in insurance as well as to substantially expand and deepen the notion of them.

Since the tasks of the survey included a study of a whole series of characteristics of the insured, the most expedient in this case was a multistage

primary position is occupied by persons with secondary specialized education, at a time when the greatest part of the population in the country as a whole has secondary education.

Classification of insured by profession and occupation has revealed an interesting picture. Workers of industrial enterprises account for the greatest relative share (21.2 percent), followed by employees of state institutions (16 percent) and ITR [engineering and technical personnel] in the sphere of physical production are in third place. Moreover, whereas in the group of men, as is the case with all insured, the first place is occupied by workers in industrial enterprises (10 percent), among women it is occupied by employees of state institutions (13 percent). In the second place among men are workers in transport, communications and other sectors of physical production (5.7 percent), among women are workers in industrial enterprises (11 percent), in the third place among men are construction workers (4.7 percent) and among women are engineering and technical personnel in the sphere of physical production. Therefore, it is necessary to note that the average insured among men is a person primarily engaged in physical labor and among women in mental work.

Groups of population such as scientific workers and VUZ teachers, servicemen and militia workers, artists, painters, literary and art workers, housewives and pensioners are poorly covered by insurance. Their relative share in the overall number of insured is approximately 10 percent. This is a great reserve for insurance organizations.

Classification with respect to family status indicates that basically the insured are married couples (83.4 percent) who have one-two children (66 percent), with the greatest relative share accounting for families with two children (35.5 percent). There are only 11 percent of single persons (unmarried and widowed) among insured, at a time when in the Union as a whole single males total 26 percent and single women 35 percent (1979). Incomplete families (mother or father with child) are also insignificantly covered with insurance (5.4 percent); mainly (4.96 percent) they are single mothers with children. The low level of insurance coverage here is explained, in our opinion, by the fact that single persons, as a rule, have a much higher average per capita income and therefore can realize insurance protection by means of personal savings, and in incomplete families is explained by low average per capita income. Families, which consist of more than five persons (7 percent), also manifest a less active interest in insurance.

The survey results have confirmed once more the previously reached conclusion that insurance is being used primarily by persons whose average per capita income is lower than in the country as a whole. According to our data, the average per capita income of a family of an insured amounted to R98 per month, at a time when it amounted to a more considerable sum in the country as a whole. Compared to a similar all-union indicator, the combined monetary income of a family of an insured is also lower. Moreover, the amount of average monthly wages received by an insured is also somewhat lower, they amounted to an average of R168 at a time when this indicator in the USSR as a whole amounted to R182 in 1983. Here we must note that classification according to the level of average monthly wages of the insured indicates that 12 percent of them

survey: selected from the overall sum total were large units, followed by smaller ones and down to the necessary stage. A goal-directed selection was used at each stage on the basis of the insurance field coverage indicators. During direct rounds of the insured in agent sectors, families with the greatest number of contracts for personal and property insurance were selected.

A check of the obtained representative data has shown its sufficient reliability, which is being confirmed in many respects also by those results that were obtained by Prof L. I. Reytman (in 10 RSFSR oblasts) as well as by the state insurance sector of the NIFI [Scientific Research Institute of Finance] (in Taganrog City) under the supervision of senior scientific associate E. T. Kagalovskaya.

A total of 6,044 families, which have personal and property insurance contracts, were polled. The average number of families surveyed in every oblast totaled 365, but Moscow, Rostov, Pskov and Kirov oblasts were covered more broadly where the number exceeded 600.

First of all, the survey results have confirmed a stronger manifestation of interest in insurance among women than among men: among the insured 37.6 percent are men and 62.4 percent are women, with the male population in the country totaling 47 percent and the female population 53 percent.

The distribution by age groups shows that more than 70 percent of all insured are persons up to 45 years of age. The growth in interest begins from age 18, the peak is reached at age 26-35 and the interest in insurance subsides after age 55. The peak age curve can shift to 36-45 years age interval. This, in particular, has been observed in Volgograd, Belgorod and Pskov oblasts, Moscow and Leningrad and the Bashkir ASSR.

The survey as a whole has confirmed the conclusion that interest in insurance is mainly manifested by persons of able-bodied, more active age.

More than 70 percent of all insured are city dwellers, approximately 17 percent live in the rural area and 13 percent in city-type settlements. This is explained by the organization of insurance work itself as well as by the manifestation of interest in insurance.

Classification of the insured according to the level of education indicates that the largest relative share (more than 34 percent) accounts for persons who have secondary specialized education, with 22 percent of them being graduates of technical schools and 12 percent of vocational and technical schools. In the USSR as a whole, persons of such educational qualification total approximately 18 percent of the population. In the second place (25 percent) are those with incomplete secondary education and 48 percent of the insured have secondary (complete and incomplete) education, at a time when persons with secondary (complete and incomplete) education total 68 percent in the country as a whole. The relative share of insured with higher (complete and incomplete) education--17 percent--is also somewhat higher than the all-union share. Therefore, it can be noted that compared with the entire population of the country, the level of education of the insured is higher, and at that the

receive less than R100, and if taken into account that minimum wages amount to R70 per month, then it must be noted that this is the lowest paid part of the population. The greatest percentage (33.6 percent) consists of persons with average monthly wages from R101 to R150 and 31.5 percent in the amounts from R151 to R200. Thus, the level of average monthly wages of 82 percent of the insured does not exceed R200, and there are only 7.3 percent of persons who receive more than R250 per month.

Classification according to a family combined income indicates that the largest group among the insured are families with a combined income from R250 to R300 per month (20 percent), and approximately half of the insured have monthly income of up to R300. Moreover, it is characteristic that the main mass (69 percent) has a combined monthly income whose level ranges from R200 to R400.

According to the survey data, it is clear that the relative share of insured families which have an average per capita monthly income of up to R100 amounts to nearly 56 percent, and approximately 87 percent of the insured have income of up to R150 as a whole. The relative share of persons with a much higher average per capita income, that is of more than R200, amounts to only 3.7 percent. It is interesting to note here that the greatest average per capita income is of insured in Khabarovsk Kray--R124, the insured in Moscow City are in the second place with R115 and the insured in Moscow Oblast with R108 are in the third place. The average per capita income of the insured in the remaining 10 oblasts and krays which were surveyed is less than R100, with the lowest (R80) being in Belgorod Oblast.

It is significant that according to the data of E. T. Kagalovskaya the amount of average per capita income of the surveyed residents in Taganrog is R109, that is much lower than the average union indicator. The results obtained in Taganrog also correspond to many other indicators of our study.

Moreover, the obtained data has made it possible to make more precise the stability of the previously estimated correlation between wages, average per capita income and the amount of insurance payment for the planning of insurance operations. The relative share of insurance payments on all types of insurance amounts in the average monthly wages of an insured to 2.75 percent, with the share on life insurance being higher (4.27 percent). The share of insurance payment in the average monthly combined income of a family of an insured amounts to only 1.34 percent (on all types of insurance) and increases to 2.25 percent with life insurance. The calculation of the relative share of an average insurance payment in the average per capita monthly income of an insured takes into account the demographic features of an insured and therefore provides a more realistic idea of his actual expenditures in making insurance payments. As a whole the relative share of an average insurance payment amounts in the average per capita monthly income of an insured to 4.71 percent, but to 7.32 percent on life insurance. It is necessary to note here that the given percentage for persons with much higher income declines to 5-4 percent and in the main depends only on the level of income.

Classification of insurance contracts according to kind indicates that personal insurance accounts for the greatest relative share (69 percent), with life and

and accident insurance (36.5 percent) being the most popular. The predominant position in property insurance is being occupied by domestic property insurance (23 percent). Five and 3 percent respectively account for motor vehicle and motorcycle insurance. It is useful to note that the relative share of contracts signed by men and women coincides as a whole (taking into account the greater number of insured-women).

Practically all of the insured have life and accident insurance contracts (1.18 per one insured), and some of them even two and three. Nearly 70 percent of the insured have both the children and domestic property insurance contracts, on the whole there are 3.24 kinds of contracts per insured.

Classification according to average insurance amount per one contract is of special interest. In life and accident insurance the average insurance amount is equal to R636, with it being somewhat higher for insured men than for women and amounting to R660. The most prevalent amounts in this kind of insurance are for R300, R500 and R1,000. This indicates the possibility of standardizing insurance amounts, which would considerably facilitate accounting and computer processing of insurance information.

The average insurance amounts are somewhat higher in children and matrimony insurance: R762 and R765 respectively. Moreover, a trend is also being observed here toward preference of an increased insurance amount among men.

The insurance amounts in insuring property coincide among women and men, since the basic role here is played by the value of property. The average insurance amount for motor vehicle insurance, which equals to R3,753, is close to the average insurance amount for domestic property insurance. However, as we see, there is an "underinsurance" here, since the value of a motor vehicle is R5,000-15,000. Consequently, the majority do not insure the whole motor vehicle, but only a part of it (basically the body, which is precisely worth R3,000-4,000). It is seldom that a whole motor vehicle is damaged in case of an accident, basically it is the body that is damaged, and quite often in one place alone. An insured does not see any sense in insuring a motor vehicle fully. More than 30 percent of persons surveyed have indicated that the degree of probable damage is the reason for selecting the insurance amount. In insuring motorcycles, motor scooters and boats, the insurance amount almost coincides with their value, since, in all probability, such means of transportation are completely or almost completely destroyed in case of an accident.

A conclusion comes to mind about the expediency of reorganizing insurance rates, establishing much higher rates ranging from R2,000 to R4,000 and increasing the minimum insurance amount for motor vehicle insurance to R1,500-2,000.

The survey data indicate that the average insurance payment for life and accident insurance is equal to R11.02, which is twice as high as the level of payments for children and matrimony insurance, since the insurance periods for them are much longer. If, for example, in life and accident insurance the basic mass (97.3 percent) of contracts is signed for a 5-year period, then more than 50 percent of all children and matrimony insurance is signed for a period of more than 15 years. Moreover, the distribution by periods indicates

a continuous growth from the shortest to the longest periods. Standing out sharply against this background is a "splash" of the 10-year insurance period, which corresponds to a child's reaching the age of 8, that is the time of enrolling or beginning of studies in school. Parents sign a contract for this period mostly with the aim of receiving a necessary amount by the school competition period, that is in a period when expenditures may arise owing to the send-off to the army, and possibly also owing to a wedding.

Classification of the insured with respect to family relationship to an insured child indicates that mothers (55.14 percent) are predominantly policy holders of children insurance, but in matrimony insurance their relative share declines to 43 percent. The relative share of fathers also declines, but the relative share of grandmothers and grandfathers increases considerably: from 10 percent in children insurance to 26 percent in matrimony insurance. The share of other relatives (brothers, sisters, uncles, aunts and others) in the overall number of insured is insignificant--only 0.95 percent for children insurance and 1.9 percent for matrimony insurance. Thus, it is mainly the parents who are policy holders of children insurance, and grandmothers and grandfathers of matrimony insurance. Here there is a possibility of increasing the number of the latter among the insured, since conditions of the given kind of insurance are mostly acceptable by this group of population. It is probably necessary to find ways here for somewhat reducing the rates, for example, by excluding from the conditions of the responsibility for long-lasting health disorder.

The survey has also indicated that the main mass of the insured (75 percent) renew life and accident insurance contracts no more than twice, and nearly 20 percent no more than 3 times. For children and matrimony insurance the insured limit signing a contract to one time (92 percent for each kind). Domestic property and vehicle insurance contracts are basically renewed three times, with 18.5 percent of persons renewing domestic property insurance contracts more than six times.

The materials of this survey make it possible to judge the most prevalent methods of making insurance fee payments. The noncash method is the most widespread (76 percent). More than 25 percent of the insured pay an insurance agent in cash and nearly 3 percent use pay books. The relative share of cash payments, which is still quite considerable, speaks of the possibility in further developing noncash payments, especially in using pay books to pay for insurance fees. This would substantially facilitate the work of insurance organs and improve services for the insured.

Interesting results were obtained through classification of the insured according to existing deposits in savings banks. As expected, the basic mass (nearly 69 percent) have savings bank deposits along with an insurance contract. Moreover, in the main (58 percent) they are short notice deposits and only 11 percent are fixed period deposits. The classification being examined fully corresponds to the distribution of insured according to the level of average per capita family income, which was revealed by the survey. As has already been mentioned, those who get insurance are basically people with an average per capita income of R98, up to 40 years of age and with a family consisting of 4-5 people, that is during a family formation and development

period. Consequently, they cannot deposit large amounts in a savings bank for a long period. Therefore, the deposits of these insured persons are mainly of a consumer nature and are made for the purpose of acquiring items of long-term use or organizing rest, which is also testified to by the average length of money saved in a savings bank by the basic mass of insured persons (63 percent)--1 Year. A third of the insured have no deposits at all and, therefore, can realize their savings interest only in combination with insurance by signing a contract and paying small amounts in fees.

A role of no small importance in studying the population's interest in insurance is played by ascertaining the reasons which prompt people to sign an insurance contract. The survey results testify that approximately 60 percent of all insured persons, who have life insurance contracts, have signed them, first of all, in pursuing the goal of savings, 27 percent see in this a convenient combination of insurance in case of death and accident with saving money and 21 percent of insured persons have signed contracts without any definite goal on the recommendation of an insurance agent. However, even this part of the population, obviously, was guided mainly by reasons of savings, since insurance agents basically use this argument in their propaganda work. Eleven percent of insured persons found it necessary to sign an insurance contract owing to their dangerous profession and 5 percent signed an insurance contract without having a definite goal beforehand, but owing to a feeling of solidarity when insurance was conducted among associates. Only 0.71 percent of insured persons have signed a life insurance contract for other reasons.

The first place (78 percent) in property insurance is a wish to guarantee compensation for damage in case of destruction or damage of property by fire, accident or other disasters. Some of the insured (24 percent), mainly owners of vehicles, sign contracts for the purpose of obtaining compensation for damage caused by their property being driven away or stolen. The percentage of contracts signed only due to the influence of an insurance agent (15 percent) is somewhat lower compared with life insurance, but is still quite large.

Classification of insured persons according to reasons for selecting an insurance amount also provides interesting material. It turns out that the main reason for selecting an insurance amount in life insurance is the amount of a monthly fee to be paid in connection with material possibilities of a family (83 percent). The role of an insurance agent is also felt, on whose recommendation 31 percent of insured persons have selected the insurance amount. In property insurance, as previously noted, people are guided in selecting an insurance amount, as a rule, by the value of property (91 percent) or probable extent of damage (31 percent).

Studying the particular purpose of insurance amounts paid to recipients is of great significance for propagandizing state insurance. This information is also necessary for planning monetary circulation in the country. The survey materials indicate that 66 percent of paid out amounts are deposited in savings banks. Twenty-eight percent of the insured put money aside for children (a wedding gift and so forth); 23 percent for an unforeseen event, that is these amounts will again provide insurance protection, but in a form of personal savings; and 12 percent of the insured put money aside to provide for their

old age, which indicates a need to introduce supplementary pension insurance. Approximately 36 percent of the insured intend to use an insurance amount for the purchase of items of long-term use and 21 percent for organization of rest.

For further development of state insurance it is important not only to ascertain insurance requirements of the population, but also to work out practical measures aimed at development of long-term directions and improvement of existing conditions. The survey data indicates that 34 percent of all insured persons polled would like to have life and accident insurance. Moreover, 13 percent of them would like to have a domestic property insurance in conjunction with partial payment of an insurance amount upon reaching a stipulated period. Nearly 13 percent would insure vehicles in conjunction with accident insurance and 8 percent would insure domestic property, vehicles and themselves against accidents in a single contract. Some insured persons (25.6 percent) were for including in the existing conditions of domestic property insurance the payment of insurance compensation for repairs of an apartment after a fire or some other disaster, and 14 percent for luggage insurance when an insured person is traveling. Some insured persons (12.4 percent) see a need for introducing indefinite period contracts of voluntary insurance of life, against accidents and of property with monthly payment of fees. In this case the contracts will be in force as long as fees are paid, that is the question is one of subscription contracts. Approximately 7 percent were for introducing group insurance. In our opinion, the low level of response here is explained by the fact that insured persons are still unfamiliar with this form of insurance and owing to this do not realize all advantages of group insurance, even though it is one of the promising directions.

The Finance Department of the Moscow Finance Institute has also conducted a selective survey of citizens with the goal of studying the reasons for refusal to sign insurance contracts. A total of 603 persons were polled in Moscow and Moscow Oblast, including 375 persons in connection with their refusal of life insurance and 28 persons of domestic property insurance.

The analysis of reasons for refusing life insurance has indicated that 38 percent of those polled have refused because they regard saving money in savings banks more convenient and 32.4 percent of them are attracted by the possibility of withdrawing money at any time, and 5.6 percent by the payment of interest on deposits. Approximately 22 percent of persons who refused to sign a life insurance contract believe that the insurance period is too long. More than 22 percent of the persons polled have explained their refusal by saying that the amount of fees being paid is greater than the insurance amount paid out at the end of the insurance period. The reason for refusal by 24 percent of those polled was the burdensome nature of monthly insurance fees for the family budget. Nearly 25 percent of the persons polled have refused to sign an insurance contract for other reasons: poor service, poor explanation by an insurance agent of insurance conditions, possibility of providing insurance protection through own means and so forth.

The main reason for refusing domestic property insurance was absence of valuable items (32.2 percent), approximately 27 percent of those who refused are sure that nothing will happen to their property, 17.6 percent have their property

protection guaranteed by a contract with the militia and more than 10 percent are either unsatisfied with individual insurance conditions, the amount of insurance compensation paid earlier or the difficulty in receiving money and so forth.

The cited data testifies, first of all, to the necessity of improving mass explanatory work among insured persons on the basis of raising professional skill of insurance agents as well as further improvement of insurance conditions and the order of conducting it.

It is necessary to note in conclusion that studying insurance benefits of the population on the basis of systematic selective surveys of the insured will make it possible to reveal more fully the mechanism of their action and on this basis to raise the effectiveness of state insurance at the contemporary stage.

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UZBEKISTAN DEVELOPS FACILITIES TO MARKET FRESH FISH

Moscow TRUD in Russian 17 Mar 85 p2

[Article by G. Kryuk, TRUD correspondent, Uzbek SSR: "Live Fish Are Always for Sale"]

[Text] In Uzbekistan, a republic with little water, they've solved the problem of supplying the populace with fresh fish year-round in short order.

"After work I went out to buy some fresh fish for supper, but I couldn't find a thing in our store except an Amur carp, swimming around in a tank. What's happened to the wild carp and the Eurasian carp, Comrade Trade Workers?"

With these lines, borrowed from the "Complaints and Suggestions" book at one of Tashkent's "gastronomes", we began our conversation with E.T. Nikolaev, first deputy chairman of the Uzbek SSR State Committee for the Fishing Industry.

"You realize," he admitted, "that for me, a commercial fisherman, such a complaint improves my disposition. You see, people aren't upset that they can't buy just any kind of live fish in our 'arid' republic--and notice I said 'live'; but they're upset because the choice is poor. If you can choose, in the month of March, which of the fish swimming around in the "gastronome" aquarium suits you best, that means that things aren't so bad. Wouldn't you agree?"

People who come to Tashkent are amazed: Where did all those fish come from? They're not from the sea, but from fresh water! Schools of fish swim around all day long in the "Okean" store; live fish are always for sale in the city's 140 food shops and their branches, situated on the territory of the industrial enterprises; sales of prepared foods made from local fish are expanding from year to year within the network of specialized stores; there is a wide choice of dishes in the fish cafes which are being opened here and there; and there are many baked fish stands under the open sky, selling hot fish at trade fairs, bus stations, and kolkhoz markets; nourishing fresh fish dishes are on the menu at workers' and institutional dining halls, in kindergartens, and at hospitals, sanatoria and rest homes... Such is the situation in Urgench, Andizhan, Gulistan, Fergana, and in other cities and settlements in our republic. It's as if a continuously-flowing and practically inexhaustible source of fish was discovered in Uzbekistan.

And there really is such a thing. Many years ago, I had written an article for TRUD which told of the critical situation caused by the severe drop in the level of the Aral Sea, which had deprived Uzbekistan of its principal reservoir and fishery. I'd described how a new branch of the national economy was created in a short time, starting from practically zero--pond pisciculture. Today fish farms--which have placed production of live silver on an industrial basis--are in operation in all 12 oblasts in the republic and in Karakalpak ASSR.

But Uzbekistanians have taken a step further. They've put to work the numerous lakes and pools of the rivers Amu Darya, Syr Darya and Seravshan, which were on the whole unproductive. The 260,000 hectares of sky-blue virgin lands which were taken under control have been put through a carefully planned course of enrichment in accordance with recommendations from scientists--including land reclamation and hydro-technical measures, and an intensive program to eradicate predators and trash fish while at the same time stocking the reservoirs with fast-maturing plant-eating fish. Lake-product farms have sprung up on the shores of the lakes and reservoirs.

Last Fall I paid a visit to the most profitable and prominent of them--the Arnasayskiy, situated in Dzhizak Oblast. The Arnasayskiy fishermen bore little resemblance to the "wild" and practically uncontrolled producers of the past, who could watch out for themselves in any kind of weather and who were not especially interested in the difficulties and problems of the state fish stores. Today they are firmly tied in with the plans of the republic's state fishing industry, and they are materially interested in increasing the riches which nature provides in the reservoirs. They have 70 fishing boats, among which two are refrigerated--a whole flotilla; and a settlement of 5,000 people is being built for them, along with a fish-smoking plant. Their lives are well-established, and their labor is promising. And last year's yield proves it--350,000 tons of Eurasian carp, Caspian roach, pike-perch, and Amur carp, which is twice as much as it was not very long ago.

Once again Uzbekistan has its own fish rather than the imported kind. This year man-made ponds and acculturated reservoirs will provide 28,000 tons of live silver--more than the Aral Sea, which is presently drying up, ever provided the republic in its best years.

But after all, one also has to be able to manage wealth. Live fish is a difficult product--both for those who raise them and supply them to the cities, and for those who then sell them. There's not enough space in the newspaper to tell of it. But the Uzbekistan experience is interesting because they've managed to overcome departmental differences among the fishermen on the one hand, and trade as well as public catering, on the other. They've begun to listen to, to understand, and to help one another.

Through the efforts of the republic's trade unions, live fish and fish products have been made more readily available to those who work shifts and do not always have enough free time to go to the store. Year in and year out the number of special fish sections and fish stores, and branches at the industrial enterprises, are increasing. The trade unions have taken over

supervision of alleviating the difficult labor of those employed at distribution of the fresh fish at subsidiary food production shops and public catering enterprises, providing these subunits with small appliances, special clothing, and rubber boots. The labor and wage commissions of the trade union committees have conceived and introduced a system of worker incentives for the fish shops. The system is working successfully at, for example, the food department of the Chilanzar Central Department Store in Tashkent, where the sales clerks in the meat and fish sections have been brought together, with special work regimens which permit the workers to periodically change places and at the same time have an equal opportunity to occupy class positions in socialist competition and, as a result to receive material incentives.

Having relieved their first hunger, the shoppers of Uzbekistan have become more discriminating. It has become more difficult to sell Amur carp, which is today the main inhabitant of the artificial ponds. What should be done? Reduce wholesale purchases, and rewrite the contracts with the suppliers? Tell them: It's your problem? But would it not be better, they decided in the republic, to get together and and make a serious and well-reasoned effort to advertise this product, which is not only tasty, but also nourishing and at the same time inexpensive? To organize, with the aid of the newspapers and TV, sales exhibits of prepared food made from Amur carp, and to offer fish dishes to the republic for taste tests?

The fish kitchen at the dietetic dining room of the Kirovskiy dining hall and restuarant trust enjoys great popularity in the city. Skeptics predicted an inglorious life for the "Neptun" fish complex, founded through the persistent efforts of enthusiasts from the Frunze restaurant and dining hall trust in one of the central stores in Tashkent. Tell me, said the unbelievers, what kind of strange person would come to dine at a fish restaurant here in Asia? We are to a man--meat eaters... And they came anyway! Because "Neptun" is unusually cozy and comfortable. But the main thing is they put on a marvelous feed here.

I'd already completed working on this material for the paper, when I placed a call to the republic's state fishing industry, to ask if there was any late news.

"We've just sent some live fish to Moscow by rail," reported M.B. Zagal'skiy, chief of the production and technical department.

Uzbekistan--a national supplier of fish? And why shouldn't it be?

9006
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FOOD PROCESSING AND DISTRIBUTION

FAULTY PACKAGING OF FOOD COMMODITIES ILLUSTRATED

Problems Discussed

Moscow SOVETSKAYA ROSSIYA In Russian 1 Dec 84 pp 1-2

[Article by a team of reporters for SOVETSKAYA ROSSIYA: V. Kondakov, in Vladivostok; B. Lazarev, in Novgorod; V. Ovcharov, in Saransk; and V. Sungorkin, in Moscow: "A Bottleneck in Trade"]

[Text] The self-service store is a progressive form of trade which recommends itself chiefly in the fact that people spend a lot less time, with less wear and tear on their nerves, to make their purchases; moreover, it is a relief to the sales clerks as well. But there are still few self-service food stores in the Russian Federation. Why is this? One of the chief reasons is, there's nowhere to get packaged goods, when even the supermarkets don't have enough!..

Packaging in a Utility Section

For example, let's drop in on the largest supermarket in Vladivostok on Russkaya St. Huge crowds of people are trying to get into the store after work. But even during the very busiest hours, there are no crowds at the cash registers: progress is progress. But on the other hand there is a terrifically long line on the opposite end of the room: people are standing in line for cheese, which three store clerks are cutting, wrapping and weighing behind a clear glass partition. Next to them the picture is the same; the only difference is, here the line is waiting for them to finish wrapping and weighing prepared fish products.

"Yes," affirms G. Khimich, manager of the supermarket, "we're still not receiving many goods ready for sale. We must weigh out and wrap two-thirds of the products with our own hands. To do this, we have 42 clerks on the staff, but that's not enough".

We went down to the workshop with the manager. Lyubov Solomatina, who has been working here for six years already, complains: "It's hard manual labor. Every day each of us has to dig through a ton of food products, and sometimes even more. And that's why you can't keep people".

Let's get acquainted with the clerk who weighs out candy: Alla Konovalova is a bookkeeper. It turns out that literally every worker at the store has to take a turn at packaging and wrapping work. But what else can you do? After all, you can't let the city go without food.

While we were there, they brought in some pelmeni from the Vladivostok Fish Combine; they dumped them out in a pile, just like potatoes, and the sales clerks, dropping whatever they were doing, rushed to "sack up" the pelmeni in plastic baggies. As if by design, right after that the very same combine brought in prepared fish products, packed in cardboard boxes which were just right for the pelmeni. "What a system"! We lifted our hands in exasperation.

Now let's go to Novgorod. There, it turns out, in every one of the 36 stores which deal in dairy products, they have to retain a special clerk to measure out sour cream in jars belonging to the shoppers, and cottage cheese in paper sacks. The city dairy plant supplies these products exclusively in milk cans. Why? Let's go to the plant, to find out.

"We have automatic machinery for weighing out and packaging the cottage cheese and processed cheeses," explains R. Dautov, chief engineer. "But we can't use it; there are no operators".

"And does this call for a lot of workers"?

"Four people".

"And that's all"?..

"But that's not my problem," the chief engineer lifts his hands. "You have to ask the personnel department".

My conversation with the General Manager of the "Molprom" [Dairy Industry] Production Association, A. Roshchupkin, did not add anything important: he cited the lack of people, equipment, and production space.

Are the city administrators aware of the state of affairs at the city dairy plant? It turns out that they are aware.

"For a number of years we've been talking about the fact that the plant should be producing packaged products for trade--specifically, sour cream, cottage cheese, and processed cheeses," explained A. Buzin, deputy chairman of the Novgorod Gorispolkom.

Now let's acquaint ourselves with the work of the "Botevgrad" supermarket in Saransk.

"I like our super market," said A. Kurmashova, a steady customer who works at the "Svetotekhnika" Association. "It's nice that the goods are on view, and are packaged. Only it's a shame that all of the packages are done up in an off-hand manner, sloppily, and without taste"...

"And they've started to sell certain goods without wrapping," interjected another shopper, L. Teyushkina. "Take a look at the chickens here. When the supermarket was first opened, they were put out on the counter in cellophane. It was a sight to behold! But now, to look at some of the goods, it's not so nice"!

"The customers are right: because of the wrapping we are ashamed to sell some products," said E. Potapova, manager of the supermarket, commenting on our conversation in the sales area. "Of course, we try to put things right somehow through our own efforts. But we can't improve on the plant packaging".

Still another example; this time from a ministry. Minrybkhov [Ministry of the Fishing Industry] provides more than half of the herrings and sardines to trade in 50-kg kegs. As is well-known, this is a delicacy item, and is not stored up for future use. Moreover, the fish spoil quickly in the open keg.

And another example. Today trade packages five times more creamery butter than the creameries themselves. However, significant losses are inevitable in packaging this product in the stores. And this is taking place in a situation in which we do not have enough creamery butter.

Losses are especially high when shipping confectionary goods in bulk. Incidentally, today the manufacturer packages only one-fifth of its output. Even certain kinds of chocolate candy are still produced without wrappers, and this is not only unprofitable, but also unhygienic. Sugar fares no better, even though the plants which produce it operate only a few months a year in all, and the rest of the time the workers have nothing to do. Here they could be packaging their products. However, in spite of the numerous protests from trade, sugar is for the most part delivered to the stores in sacks, and is it any surprise that a lot of it seeps out, or gets damp? And then there is the infamous spillage and shrinkage of groats, flour and confectionary articles, of which so many satirical articles have been written!

What the Customer Loses

Packaging has become a stumbling block which is impossible to avoid in developing progressive forms of trade which are convenient to the customers. Wherever we visited, there were not enough packaged goods even for the supermarkets which are already open. In that case how can new ones be built?

We have a right to demand that we receive proper service in the stores. But this is hardly possible under present circumstances, where every fifth trade worker in the RSFSR is not behind the counter, but is hard at work in a utility shed or in the basement, trying to put mountains of carelessly-dumped food products received from the enterprises into saleable condition. Let's release these people from hard labor--and let all these sales clerks work in the store itself, where the shortage of clerks is so keenly felt by all the shoppers standing in line. We don't want to say that this will solve the personnel problem in trade right away, but it will certainly reduce its severity, and will undoubtedly improve the level of services.

Finally, on aesthetics in trade. Ideally, a trip to the store should be a happy occasion for a customer. But it can hardly give rise to positive feelings, if you have to bring an empty jar with you to the store for sour

cream, or a can for your milk, or a bottle for your vegetable oil. Incidentally, this is not only an aesthetic category, but an economic one as well, of which special mention is proper.

What the State Loses

There is an opinion among the trade workers that industry is saving quite a bit on packaging. But you see, there are different kinds of savings. In the given situation by saving a kopek we are losing a ruble. And not only one ruble, but millions.

At RSFSR Mintorg [Ministry of Trade] they cited to us significant loss figures for a wide variety of food products, caused by the fact that industry is doing an extremely poor job of packaging. It hurts to hear such things. And it's an offense to the customers, who for this reason cannot always find the goods they need in the store. But it's an even greater offense to those who work in the fields and on the farms, whose labor sometimes goes for naught. And after all, the workers at the food enterprises, at the fish packing plants, state procurement officials, and the staff supervisors of these branches, one must think, have considered what they can and must do in order to carry out the Food Program. And we have no doubts that good and proper decisions have been taken. But now it's time to ask: why is the situation with weighing out, packaging and wrapping not improving? It's not enough to raise the crops; the harvest must be preserved. And here, packaging is just as critical a sector as is the work in the fields and on the farms. Unfortunately, not all the administrators in the food industry have yet grasped this fact.

One must also say something about another matter. The actual losses incurred by the national economy are much greater than the direct losses of the foods. It has been calculated that when goods are packaged in the trade system labor productivity is 1/5 that than in the industrial enterprises and the need for packaging materials is greater by a factor of 1.5 to 2.0. Additionally, a large number of workers are being diverted for this purpose. In a word, the manual labor in utility sheds and in the basement of the stores is from the point of view of the state unprofitable in all respects.

An Invitation to a Business Club

Yes, the sales appearance of a product is a question of not only the standard of trade, but also of the state economy. However, how can industry be convinced--or more precisely, forced to increase the proportion of packaged goods? After all, there are on this account strict and authoritative regulations--but as we see they are not being carried out well. It's as if everyone is "for" the idea, but as soon as one gets down to practical execution, right away a whole series of hitches begins. Let's say the food industry is ready to wrap, but there are no machines. That's already a matter for a different department. Or there are no packaging materials; and that's a matter for Gosnab [State Committee for Material and Technical Supply], Mintsvetmet [Ministry of Nonferrous Metallurgy] and Minchernmet [Ministry of Ferrous Metallurgy], and so on and so forth.

We don't want to underestimate the complexity of the problems, but solved they must be--and without delay. Therefore, we are adopting the suggestion of one of our readers, A. Kostyukov of Moscow, who writes: "Because of the fact that industry wraps only 20 per cent of the goods, millions of customers suffer. So why doesn't your newspaper invite to your place the administrators of the ministries on which these matters depend, sit them down at a 'round table', and ask them to describe what they plan to do to put things right?"

We hope that the participants of the forthcoming session of our business club come to the editors not only armed with all the facts, but also with some concrete proposals. In any case, the first suggestion has already been received from RSFSR Mintorg. As Deputy Minister A.N. Sergienko informed us, an effective measure in his opinion would be to introduce a system of bonuses and penalties for delivery or nondelivery of packaged products to the stores...

And so, the bank of ideas and suggestions is open. All of our readers may contribute to it. We will bring their opinions to the attention of those taking part in the forthcoming session of our business club.

Ministries Respond

Moscow SOVETSKAYA ROSSIYA In Russian 3 Mar 85 p 3

[Letters from: N. Bandurkin, first deputy minister, RSFSR Ministry of the Meat and Dairy Industry; and V. Ivanov, first deputy minister, RSFSR Food Industry: "The Opinion of the Ministries"]

[Text] The RSFSR Ministry of the Meat and Dairy Industry has examined the article, "A Bottleneck in Trade", published in SOVETSKAYA ROSSIYA 1 December 1984.

A plan has been worked out jointly with Minlegpishchemash [USSR Ministry of Machine Building for Light and Food Industry and Household Appliances] for organizational-technical measures on further increasing the output of meat and dairy products in a packaged form, and for increasing the quality of packaging prior to 1990. It's being planned, starting next year, to begin serial production and introduction to industry of lines for bottling milk in rectangular cartons, lines for production and packaging pelmeni and other equipment.

The USSR Council of Ministers has commissioned Minlesbumprom [Ministry of the Timber, Pulp and Paper, and Wood Processing Industry] to organize, starting in 1986, production of cardboard for manufacture of milk cartons; and has commissioned Minkhimprom [Ministry of the Chemical Industry] to significantly increase production of double-thickness films for coating milk cartons.

By the end of the next five-year plan these and other measures will permit increasing output of whole-milk products in a packaged form over that of 1984.

* * *

The RSFSR Ministry of the Food Industry has examined the article, "Sometimes Empty, Sometimes Full", published 18 January 1985 in SOVETSKAYA ROSSIYA. As noted in the article, it is true that the ratio of packaged food products to the total volume of sales is still not large enough, does not satisfy the populace, and is holding back the development of progressive forms of trade.

The explanation for this situation lies in the low level of technical equipment at the enterprises, and insufficient supply of certain kinds of packaging and wrapping materials. After 20-30 years of operation, much of the equipment at the enterprises of many branches of industry is obsolescent, and has had a great deal of physical wear and tear. Over a number of years, annual orders for them have been filled by only 50-60 per cent. Many kinds of machinery, especially for the confectionary branch, is practically not manufactured at all by our native machine-building industry.

This year, in comparison with 1984, it is planned to increase packaging at our ministry's enterprises of refined sugar by 19.2 per cent; powdered sugar in packages by 55.7 per cent; confectionary items by 7.0 per cent; macaroni items by 10.5 per cent; and vegetable oil by 32 per cent.

The ministry is constantly monitoring the manufacture of the basic food-stuffs in a packaged form.

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