



# BANK OF FINLAND

## MONTHLY BULLETIN

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### THE FINNISH MARKET REVIEW.

#### THE MONEY MARKET.

The Finnish money market did not experience any change worth mentioning in July, but was characterised by the same quiet state as in the previous month.

Deposits in the *Joint Stock banks* in July increased by 16.9 million marks in comparison with 38.4 million in the previous year. The general falling off in deposits this year as compared with the two previous years is shown by the fact that the increase in deposits in the *Joint Stock banks* during January—July this year amounted to only 429.2 million marks as against 1,195.5 and 1,151.0 million respectively in 1938 and 1937. At the same time the demand for credit also fell appreciably short of the preceding years. In July credits only grew by 17.3 million marks as against 32.3 million in July, 1938. The increase during January—July this year amounted to 306.9 million marks as compared with 786.4 and 970.7 million for the same months in the two previous years. In this way the margin of deposits remained practically unchanged in July, and at 1,665.0 million marks on the last day of the month it was not much lower than a year ago, when the corresponding margin represented 1,830.7 million.

Thus the position of the *Joint Stock banks* still remained very easy. Nevertheless, the tendency towards a smaller supply of cash which set in last year, seems to continue to some extent. This is evidenced, e.g., by the reduced balances of the *Savings banks* with the *Joint Stock banks*, by slightly lower prices for bonds and a tightening of rates of interest.

The favourable balance of trade for July caused an appreciable improvement in the *foreign payment position of the Joint Stock banks*. As their foreign indebtedness only recorded slight changes, their net foreign balances grew from 224.8 million marks at the end of June to 412.6 million at the end of July. A year ago the corresponding net balances amounted to 323.0 million marks, but two years ago only to 81.1 million.

The position of the *Bank of Finland* was marked in July principally by declining credits, a seasonal phenomenon that is due to the repayment of exporters' credits. The total credits of the Bank were reduced by 92.9 million marks and during the first fortnight in August by a further 64.4 million. The credits granted by the central bank, which have been on a lower level than last year since February, amounted to 1,086.4 million marks on August 15th or

427.0 million less than a year ago. The Bank's reserve of foreign currency fell off in July by 44.3 million marks, but increased again during the first half of August by 18.6 million to 2,226.0 million. At the same time the Bank of Finland increased its gold reserve by 31.2 million marks to 1,159.3 million. The note circulation, which displays a downward tendency at this time of the year, was reduced less from week to week than last year and kept at a slightly higher level than at that time. The note reserve decreased in July by 13.2 million marks, but rose again during the first fortnight in August by 58.3 million to 1,424.9 million.

The *level of prices* displayed a slightly rising tendency. The index for goods in Finnish wholesale trade rose 1 point to 116 as against 112 points a year ago, but 124 points two years ago. The rise in price referred to all classes of goods excepting imported goods, but was only considerable in the case of timber. The index for articles of export rose 4 points to 124, while the index for articles of import dropped 1 point to 109.

#### TRADE AND INDUSTRY.

As usual during the summer months, exports were lively in July. Their value amounted to 1,012.4 million marks as against 932.1 million in June and 811.3 million in July, 1938. On the other hand imports in July, amounting to 715.0 million marks, were below the previous month, 769.0 million, but slightly larger than during the same month in 1938, when their value amounted to 702.6 million. The considerable increase in exports in comparison with July, 1938, was chiefly due to timber shipments increasing from 443.7 to 588.6 million marks. Besides, exports of paper and pulp products brought in 286.2 million marks as against 249.9 million last year and other goods 137.6 million as against 117.7 million in July, 1938.

Thus there was a surplus of exports for July amounting to 297.4 million marks as

compared with 108.7 and 259.4 million respectively in the two previous years. Thanks to the favourable balance of trade for July the trade statistics for the seven months from January to July recorded a surplus of exports of 47.6 million marks, whereas the balance of trade for the half-year from January to June was still adverse to a considerable degree. For the sake of comparison it is worth mentioning that the balance of trade for January—July in the two previous years recorded a fairly appreciable surplus of imports amounting to 473.8 and 442.5 million respectively.

The timber market presented no interest in July and the early part of August. The tendency of prices has, indeed, continued to be favourable, but contracts have only been made for limited quantities. It is calculated that altogether about 700,000 standards had been sold from Finland by the middle of August. Some doubt has arisen as to whether the Finnish sawmills are capable of supplying the total export contingent permitted by the ETEC agreement. The raising of the contingent by 8 per cent, agreed upon at the beginning of August, which raises Finland's quota to 884,000 standards, would thus be of no great importance for the moment.

As regards the market for paper and chemical pulp products the situation is governed by the summer quiescence that is usual in August. There has, however, been a slight improvement in the market for mechanical pulp: the demand has grown livelier and prices have an upward tendency.

#### THE LABOUR MARKET.

The state of the labour market is good. There is no longer any question of real unemployment. On the contrary, there is a labour shortage in many spheres. This refers principally to skilled workmen, but to some extent the demand for other kinds of labour is also larger than the supply.

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## STATISTICS.

## 1. — WEEKLY STATEMENT OF THE BANK OF FINLAND.

	1938	1939			
	Mill. mk	Mill. mk			
	15/8	22/7	31/7	8/8	15/8
<b>ASSETS.</b>					
I. Gold reserve .....	620.6	1 128.1	1 128.1	1 128.1	1 159.3
Foreign Correspondents .....	2 011.1	2 165.9	2 207.4	2 219.1	2 225.9
II. Foreign Bills .....	84.3	82.1	82.5	82.3	81.9
Foreign Bank Notes and Coupons .....	1.2	1.4	1.2	1.3	1.3
Inland Bills .....	1 342.1	1 049.8	1 031.7	994.3	972.8
III. Loans on Security .....	58.5	25.3	25.3	25.4	25.4
Advances on Cash Credit .....	50.4	61.6	56.1	56.3	50.4
Bonds in Foreign Currency .....	166.6	306.8	307.1	307.2	307.1
» » Finnish .....	236.4	332.9	332.9	331.4	331.5
Bank Premises and Furniture .....	12.3	12.2	12.2	12.2	12.2
Sundry Assets .....	376.0	260.0	273.2	256.6	277.2
<b>Total</b>	<b>4 959.5</b>	<b>5 426.1</b>	<b>5 457.7</b>	<b>5 414.2</b>	<b>5 445.0</b>
<b>LIABILITIES.</b>					
Notes in circulation .....	2 008.0	2 115.8	2 179.4	2 162.4	2 150.5
Other Liabilities payable on demand:					
Bank-Post-Bills .....	21.3	13.7	23.2	16.0	18.2
Balance of Current Accounts due to the Treasury .....	76.6	207.1	217.3	173.2	165.8
» » » » » Others .....	1 281.0	1 073.0	991.4	1 079.3	1 124.1
Foreign Correspondents .....	38.5	21.4	15.9	12.5	14.5
Foreign Clearing Accounts .....	32.6	49.9	39.9	29.0	25.3
Sundry Accounts .....	6.7	157.2	201.2	151.5	155.8
Capital .....	1 000.0	1 250.0	1 250.0	1 250.0	1 250.0
Reserve Fund .....	415.2	467.5	467.5	467.5	467.5
Bank Premises and Furniture .....	12.0	12.0	12.0	12.0	12.0
Earnings less Expenses .....	67.6	56.2	57.6	58.5	59.0
Undisposed Profits .....	—	2.3	2.3	2.3	2.3
<b>Total</b>	<b>4 959.5</b>	<b>5 426.1</b>	<b>5 457.7</b>	<b>5 414.2</b>	<b>5 445.0</b>

## 2. — NOTE ISSUE OF THE BANK OF FINLAND.

	1938	1939			
	15/8	22/7	31/7	8/8	15/8
	<b>RIGHT TO ISSUE NOTES:</b>				
Gold Reserve and Foreign Correspondents .....	2 631.7	3 294.0	3 335.5	3 347.2	3 385.2
Additional Right of Issue .....	1 200.0	1 800.0	1 800.0	1 800.0	1 800.0
<b>Total</b>	<b>3 831.7</b>	<b>5 094.0</b>	<b>5 135.5</b>	<b>5 147.2</b>	<b>5 185.2</b>
<b>USED AMOUNT OF ISSUE:</b>					
Notes in circulation .....	2 008.0	2 115.8	2 179.4	2 162.4	2 150.5
Other Liabilities payable on demand .....	1 456.7	1 522.3	1 488.9	1 461.5	1 503.7
Undrawn Amount of Advances on Cash Credit .....	101.4	95.0	100.6	100.2	106.1
<b>Total</b>	<b>3 566.1</b>	<b>3 733.1</b>	<b>3 768.9</b>	<b>3 724.1</b>	<b>3 760.3</b>
<b>NOTE RESERVE:</b>					
Immediately available .....	265.6	694.2	682.0	701.0	680.9
Dependent on increased supplementary Cover .....	—	666.7	684.6	722.1	744.0
<b>Total</b>	<b>265.6</b>	<b>1 360.9</b>	<b>1 366.6</b>	<b>1 423.1</b>	<b>1 424.9</b>
<b>Grand total</b>	<b>3 831.7</b>	<b>5 094.0</b>	<b>5 135.5</b>	<b>5 147.2</b>	<b>5 185.2</b>

**Bank Rate since December 3, 1934, 4%.**

(Former Rate 4 1/2 0/10).

## 3. — BANK OF FINLAND. NOTES IN CIRCULATION AND FOREIGN CORRESPONDENTS.

End of Month	Notes in circulation Mill. mk					Foreign Correspondents <sup>1)</sup> Mill. mk					End of Month
	1936	1937	1938	1939	Monthly Movement	1936	1937	1938	1939	Monthly Movement	
Jan.	[1 380.7]					[1 266.9]					
Jan.	1 341.5	1 600.0	2 015.1	1 974.9	-111.0	1 286.9	1 655.3	2 169.7	2 267.9	- 5.5	Jan.
Febr.	1 444.7	1 756.6	2 188.7	2 158.9	+184.0	1 263.3	1 746.7	2 272.1	2 214.5	- 53.4	Febr.
March	1 520.3	1 912.7	2 291.5	2 282.6	+123.7	1 328.3	1 764.2	2 320.9	2 235.3	+ 20.8	March
April	1 546.1	2 007.9	2 272.2	2 306.5	+ 23.9	1 354.5	1 789.2	2 379.0	2 096.0	-139.3	April
May	1 500.9	1 899.6	2 183.5	2 226.2	- 80.3	1 247.9	1 807.1	2 197.7	2 123.8	+ 27.8	May
June	1 465.0	1 859.1	2 104.8	2 199.8	- 26.4	1 114.4	1 948.7	2 081.1	2 251.7	+127.9	June
July	1 460.1	1 840.9	2 046.7	2 179.4	- 20.4	1 150.0	2 046.9	1 950.0	2 207.4	- 44.3	July
Aug.	1 502.8	1 898.2	2 050.0			1 147.4	2 159.1	2 058.4			Aug.
Sept.	1 551.4	2 004.8	2 166.5			1 118.1	2 048.7	2 062.8			Sept.
Oct.	1 560.8	2 019.6	2 067.9			1 254.6	2 029.0	2 111.6			Oct.
Nov.	1 565.3	1 995.8	2 042.5			1 353.3	2 050.2	2 122.8			Nov.
Dec.	1 630.1	2 051.8	2 085.9			1 491.6	2 056.2	2 273.4			Dec.

<sup>1)</sup> Credit balances with foreign correspondents.

## 4. — BANK OF FINLAND. ORDINARY COVER, NOTE RESERVE AND HOME LOANS.

End of Month	Ordinary Cover Percentage of Liabilities				Note Reserve Mill. mk				Home Loans <sup>1)</sup> Mill. mk				End of Month
	1937	1938	1939	Monthly Movement	1937	1938	1939	Monthly Movement	1937	1938	1939	Monthly Movement	
Jan.	[75.12]				[506.3]				[949.5]				
Jan.	75.04	78.15	91.68	- 2.13	448.9	425.0	1 491.9	- 83.8	976.0	1 156.8	1 214.9	+ 37.8	Jan.
Febr.	77.13	78.00	93.00	+ 1.32	503.2	389.2	1 548.6	+ 56.7	1 051.1	1 331.8	1 167.3	- 47.6	Febr.
March	75.61	75.43	92.68	- 0.32	436.5	247.7	1 534.5	- 14.1	1 085.2	1 456.2	1 226.0	+ 58.7	March
April	74.22	75.22	89.68	- 3.00	368.8	211.9	1 428.9	- 105.6	1 129.5	1 526.6	1 257.6	+ 31.6	April
May	73.03	74.30	87.49	- 2.19	309.9	225.4	1 335.0	- 93.9	1 134.5	1 585.4	1 293.1	+ 35.5	May
June	76.25	74.07	88.94	+ 1.45	405.2	254.3	1 379.8	+ 44.8	1 113.6	1 562.7	1 243.7	- 49.4	June
July	78.44	73.08	88.50	- 0.44	471.7	253.0	1 366.6	- 13.2	1 035.6	1 545.7	1 150.8	- 92.9	July
Aug.	78.56	72.92			446.3	205.0			985.6	1 507.8			Aug.
Sept.	78.19	75.28			460.5	318.7			1 013.7	1 515.0			Sept.
Oct.	80.87	77.37			577.6	400.8			1 015.7	1 376.9			Oct.
Nov.	80.36	78.75			551.6	459.6			1 019.5	1 247.2			Nov.
Dec.	78.42	93.81			468.3	1 575.7			1 079.7	1 177.1			Dec.

<sup>1)</sup> Inland Bills, Loans on Security and Advances on Cash Credit.

## 5. — BANK OF FINLAND. RE-DISCOUNTED BILLS AND BALANCES OF CURRENT ACCOUNTS.

End of Month	Re-discounted Bills <sup>1)</sup> Mill. mk				Balance of Current Accounts due to the Treasury Mill. mk				Balance of Current Accounts due to others than the Treasury Mill. mk				End of Month
	1933	1934-35	1936-38	1939	1937	1938	1939	Monthly Movement	1937	1938	1939	Monthly Movement	
Jan.	[301.1]				[376.5]				[571.3]				
Jan.	238.8	—	—	—	390.6	471.6	383.9	+140.2	713.9	827.7	862.4	+ 12.6	Jan.
Febr.	147.2	—	—	—	530.9	611.7	341.2	- 42.7	512.6	658.8	619.7	- 242.7	Febr.
March	95.5	—	—	—	466.6	428.2	122.4	- 218.8	483.4	884.9	745.7	+ 126.0	March
April	61.8	—	—	—	414.6	368.8	90.3	- 32.1	494.7	1 089.1	773.0	+ 27.3	April
May	44.1	—	—	—	396.2	291.9	67.6	- 22.7	671.1	1 050.2	959.4	+ 186.4	May
June	31.9	—	—	—	267.6	140.7	90.2	+ 22.6	864.0	1 096.3	1 088.4	+ 129.0	June
July	23.1	—	—	—	241.1	71.0	217.3	+127.1	991.4	1 177.6	991.4	- 97.0	July
Aug.	13.2	—	—	—	325.0	98.0			929.1	1 204.4			Aug.
Sept.	5.6	—	—	—	160.4	129.5			916.7	1 070.0			Sept.
Oct.	—	—	—	—	88.8	272.6			841.6	988.6			Oct.
Nov.	—	—	—	—	33.3	152.3			980.4	1 039.4			Nov.
Dec.	—	—	—	—	136.3	243.7			972.2	849.8			Dec.

<sup>1)</sup> Included in Home Loans, see table 4. Re-discounted Bills according to the monthly statements of the Bank of Finland. The figures in brackets [ ] indicate the position at the end of the previous year.

## 6. — RATES OF EXCHANGE QUOTED BY THE BANK OF FINLAND.

	Parity	Yearly average		Monthly average					
		1937	1938	1938			1939		
				May	June	July	May	June	July
New York	23: 45	46: 06	46: 62	45: 84	45: 93	46: 17	48: 60	48: 59	48: 60
London	193: 23	227: —	227: —	227: —	227: —	227: —	227: —	227: —	227: —
Stockholm	1 064: 07	1 171: —	1 171: —	1 171: —	1 171: —	1 171: —	1 171: —	1 171: —	1 171: —
Berlin	945: 84	1 848: 33	1 868: 65	1 836: 64	1 845: 74	1 851: 96	1 947: 83	1 947: 76	1 947: 58
Paris	155: 56	187: 09	135: 42	131: 17	129: 35	129: 23	129: 75	129: 75	129: 75
Brussels	397: 50	776: 10	787: 96	771: 92	778: 74	781: 42	828: 21	827: 40	826: 46
Amsterdam	1 596: —	2 531: 14	2 559: 18	2 533: 20	2 537: 26	2 538: 73	2 604: 17	2 584: 64	2 586: 62
Basle	766: 13	1 054: 86	1 065: 52	1 046: 44	1 050: 22	1 056: 46	1 093: 67	1 096: 08	1 096: 27
Oslo	1 064: 07	1 141: —	1 141: —	1 141: —	1 141: —	1 141: —	1 141: —	1 141: —	1 141: —
Copenhagen	1 064: 07	1 014: —	1 014: —	1 014: —	1 014: —	1 014: —	1 014: —	1 014: —	1 014: —
Rome	208: 98	243: 70	245: 60	241: 20	242: —	243: 12	256: —	256: —	256: —
Tallinn	1 064: 07	1 255: —	1 255: —	1 255: —	1 255: —	1 255: —	1 255: —	1 255: —	1 255: —
Riga	766: 13	911: 95	908: 30	905: 60	905: —	905: —	910: —	910: —	910: —
Madrid <sup>1)</sup>	766: 13	406: 48	350: —	350: —	350: —	350: —	540: —	540: —	540: —
Warsaw	445: 42	872: 77	880: 34	863: 92	866: 13	871: 23	916: 08	916: 56	917: —
Montreal	39: 70	46: 05	46: 34	45: 48	45: 43	45: 88	48: 40	48: 45	48: 48

<sup>1)</sup> Since September 11th, 1938, only a nominal rate is quoted.

## 7. — HOME DEPOSITS IN THE JOINT STOCK BANKS.

End of Month	Due to the Public				Due to other credit institutions		Total			Monthly Movement		End of Month
	Cheque accounts		Deposits		Mill. mk		Mill. mk					
	1938	1939	1938	1939	1938	1939	1937	1938	1939	1938	1939	
	[1 613.7]		[6 872.9]		[1 543.8]		[8 598.0]					
Jan.	1 755.3	1 892.2	6 980.3	7 610.1	1 412.0	1 301.6	8 768.7	10 147.6	10 803.9	+117.4	+ 49.1	Jan.
Febr.	1 648.5	1 785.7	7 067.8	7 646.9	1 565.0	1 272.9	8 839.6	10 281.3	10 705.5	+133.7	— 98.4	Febr.
March	1 714.7	1 796.2	7 250.4	7 743.2	1 656.9	1 402.3	9 078.7	10 622.0	10 941.7	+340.7	+ 236.2	March
April	1 863.1	1 826.8	7 332.0	7 769.0	1 666.2	1 345.8	9 373.5	10 861.3	10 941.6	+239.3	— 0.1	April
May	1 854.6	1 946.9	7 389.4	7 744.4	1 655.7	1 339.8	9 394.4	10 899.7	11 031.1	+ 38.4	+ 89.5	May
June	2 007.1	1 978.3	7 534.2	7 865.0	1 646.0	1 323.8	9 604.3	11 187.3	11 167.1	+287.6	+ 136.0	June
July	1 937.9	2 013.3	7 571.8	7 859.6	1 716.0	1 311.1	9 749.0	11 225.7	11 184.0	+ 38.4	+ 16.9	July
Aug.	2 059.6		7 552.8		1 572.1		9 778.6	11 184.5		— 41.2		Aug.
Sept.	1 982.3		7 493.5		1 361.7		9 804.2	10 837.5		—347.0		Sept.
Oct.	2 045.1		7 480.3		1 196.3		9 714.4	10 721.7		—115.8		Oct.
Nov.	1 977.3		7 475.7		1 144.8		9 807.7	10 597.3		—123.9		Nov.
Dec.	1 943.7		7 549.0		1 262.1		10 030.2	10 754.8		+157.0		Dec.

Tables 7—9 according to Finnish Official Statistics VII, D, Bank Statistics. Mortgage banks are not included.

## 8. — HOME LOANS GRANTED BY THE JOINT STOCK BANKS.

End of Month	To the Public				To other credit institutions		Total			Monthly Movement		End of Month
	Inland Bills		Other credits		Mill. mk		Mill. mk					
	1938	1939	1938	1939	1938	1939	1937	1938	1939	1938	1939	
	[1 692.0]		[6 603.3]		[313.3]		[7 372.8]					
Jan.	1 811.2	1 765.1	6 664.4	7 253.5	266.7	285.9	7 505.2	8 742.3	9 304.5	+133.7	+ 92.4	Jan.
Febr.	1 891.0	1 751.0	6 824.4	7 347.5	327.0	273.7	7 738.8	9 042.4	9 372.2	+300.1	+ 67.7	Febr.
March	1 969.8	1 787.5	6 810.8	7 392.6	344.2	300.2	7 923.5	9 124.8	9 480.3	+ 82.4	+108.1	March
April	2 031.7	1 799.8	6 974.2	7 509.6	341.7	263.0	8 246.5	9 347.6	9 572.4	+222.8	+ 92.1	April
May	2 029.8	1 821.7	6 999.1	7 455.6	341.3	260.8	8 366.9	9 370.2	9 538.1	+ 22.6	— 34.3	May
June	1 995.5	1 743.2	7 019.5	7 492.8	347.7	265.7	8 341.6	9 362.7	9 501.7	— 7.5	— 36.4	June
July	1 926.7	1 841.7	7 052.3	7 415.3	416.0	262.0	8 343.5	9 395.0	9 519.0	+ 32.3	+ 17.3	July
Aug.	1 884.5		6 992.0		357.0		8 266.7	9 233.5		—161.5		Aug.
Sept.	1 876.8		7 071.9		277.1		8 407.0	9 225.8		— 7.7		Sept.
Oct.	1 848.3		7 166.8		247.9		8 515.7	9 263.0		+ 37.2		Oct.
Nov.	1 768.6		7 141.4		212.7		8 525.1	9 122.7		—140.3		Nov.
Dec.	1 770.0		7 173.7		268.4		8 608.6	9 212.1		+ 89.4		Dec.

The figures in brackets [ ] indicate the position at the end of the previous year.

## 9. — POSITION OF THE JOINT STOCK BANKS TOWARDS FOREIGN COUNTRIES.

End of Month	Claims <sup>1)</sup> Mill. mk			Indebtedness <sup>2)</sup> Mill. mk			Net Claims (+) and Net Indebtedness (-) Mill. mk			Monthly Movement of net Claims		End of Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	1938	1939	
	[560.1]			[250.7]			[+309.4]					
Jan.	572.3	491.8	514.5	251.0	283.3	302.1	+ 321.3	+208.5	+212.4	+116.2	+ 67.2	Jan.
Febr.	583.5	581.2	722.0	252.6	274.7	318.1	+ 330.9	+306.5	+403.9	+ 98.0	+191.5	Febr.
March	546.1	582.8	701.9	272.0	307.6	308.4	+ 274.1	+275.2	+393.5	- 31.3	- 10.4	March
April	520.9	457.1	581.8	279.6	311.4	309.0	+ 241.3	+145.7	+272.8	-129.5	-120.7	April
May	424.2	479.3	525.9	301.3	308.4	317.7	+ 122.9	+170.9	+208.2	+ 25.2	- 64.6	May
June	357.6	574.5	534.0	337.3	299.2	309.2	+ 20.3	+275.3	+224.8	+104.4	+ 16.6	June
July	403.7	636.6	715.9	322.6	313.6	303.3	+ 81.1	+323.0	+412.6	+ 47.7	+187.8	July
Aug.	489.8	709.8		297.5	346.7		+ 192.3	+363.1		+ 40.1		Aug.
Sept.	507.8	588.3		282.4	308.4		+ 225.4	+279.9		- 83.2		Sept.
Oct.	376.8	522.3		269.1	343.3		+ 107.7	+179.0		-100.9		Oct.
Nov.	379.9	430.3		265.0	328.8		+ 114.9	+101.5		- 77.5		Nov.
Dec.	364.2	454.7		271.9	309.5		+ 92.3	+145.2		+ 43.7		Dec.

<sup>1)</sup> Credit balances with foreign correspondents and foreign bills. — <sup>2)</sup> Due to foreign correspondents.

10. — FOREIGN PAYMENT POSITION OF ALL BANKS.<sup>1)</sup>11. — CLEARING.<sup>2)</sup>

End of Month	Net Claims Mill. mk						Monthly Movement	1938		1939		Month
	1934	1935	1936	1937	1938	1939		Number	Amount Mill. mk	Number	Amount Mill. mk	
	[1 465.5]											
Jan.	1 564.5	1 881.7	1 637.3	1 946.9	2 371.6	2 503.9	+ 67.4	163 675	3 421.6	176 729	3 362.4	Jan.
Febr.	1 514.0	1 783.2	1 623.5	2 058.5	2 543.2	2 624.1	+120.2	143 752	3 085.4	150 552	2 828.7	Febr.
March	1 487.5	1 644.4	1 724.1	1 998.4	2 550.4	2 627.7	+ 3.6	165 896	3 160.4	174 548	3 189.2	March
April	1 386.1	1 668.2	1 695.6	1 944.0	2 454.5	2 350.9	-276.8	166 356	3 028.7	167 400	2 937.2	April
May	1 336.4	1 684.1	1 461.0	1 825.4	2 266.2	2 302.2	- 48.7	187 403	3 215.6	181 537	3 230.8	May
June	1 341.7	1 573.6	1 403.4	1 854.3	2 279.6	2 464.1	+161.9	165 737	3 051.3	184 144	3 284.3	June
July	1 340.9	1 619.5	1 554.5	2 024.4	2 289.2	2 646.6	+182.5	161 459	3 013.9	176 628	3 384.7	July
Aug.	1 570.4	1 497.5	1 652.6	2 277.3	2 450.1			153 671	2 851.4			Aug.
Sept.	1 601.0	1 526.0	1 671.3	2 189.5	2 383.5			165 132	3 047.1			Sept.
Oct.	1 479.0	1 443.8	1 698.6	2 030.3	2 354.1			182 029	3 564.6			Oct.
Nov.	1 669.8	1 342.9	1 785.4	2 068.0	2 268.5			175 603	3 163.0			Nov.
Dec.	1 805.8	1 504.9	1 793.8	2 122.7	2 436.5			186 404	3 585.3			Dec.
								2 017 117	38 188.3			Total

<sup>1)</sup> For the Bank of Finland the net result of the debit and credit accounts with foreign correspondents and of foreign clearing transactions as well as foreign bills are taken into account, and for the Joint Stock banks their net position is taken into account as in table 9 above.

<sup>2)</sup> Indicates the clearing operations participated in by the Joint Stock banks at the Head Office and six Branch Offices of the Bank of Finland.

## 12. — DEPOSITS IN THE SAVINGS BANKS.

End of Month	In the towns Mill. mk			In the country Mill. mk			Total Mill. mk			Monthly Movement		End of Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	1938	1939	
	[3 142.0]			[2 731.6]			[5 873.6]					
Jan.	3 185.9	3 699.5	4 136.8*	2 760.5	3 331.4	3 678.1*	5 946.4	7 090.9	7 814.9*	+ 96.6	+ 33.8*	Jan.
Febr.	3 217.4	3 756.1	4 163.9*	2 794.1	3 394.5	3 707.6*	6 011.5	7 150.6	7 871.5*	+119.7	+ 56.6*	Febr.
March	3 268.4	3 828.4	4 233.3*	2 852.8	3 457.0	3 758.6*	6 121.2	7 285.4	7 991.9*	+134.8	+120.4*	March
April	3 302.4	3 881.0	4 234.8*	2 906.8	3 501.8	3 779.1*	6 209.2	7 382.3	8 013.9*	+ 97.4	+ 22.0*	April
May	3 326.1	3 898.0	4 238.2*	2 955.0	3 556.3	3 810.6*	6 281.1	7 454.3	8 048.8*	+ 71.5	+ 34.9*	May
June	3 348.9	3 899.8	4 241.7*	2 992.9	3 568.5	3 810.3*	6 341.8	7 468.3	8 052.0*	+ 14.0	+ 3.2*	June
July	3 377.7	3 936.4	4 262.4*	3 010.2	3 580.8	3 824.6*	6 387.9	7 517.2	8 087.0*	+ 48.9	+ 35.0*	July
Aug.	3 402.4	3 955.4		3 047.1	3 584.3		6 449.5	7 539.7		+ 22.5		Aug.
Sept.	3 437.1	3 952.7		3 083.1	3 580.1		6 520.2	7 532.8		- 6.9		Sept.
Oct.	3 478.1	3 975.3		3 113.4	3 560.9		6 591.5	7 536.2		+ 3.4		Oct.
Nov.	3 520.6	3 985.0		3 160.5	3 572.2		6 681.1	7 557.2		+ 21.0		Nov.
Dec.	3 648.6	4 098.0		3 285.7	3 683.1		6 934.3	7 781.1		+223.9		Dec.

Deposits in the Savings Banks, including long-term deposits, current accounts and home correspondents, according to figures supplied by the Central Statistical Office.

<sup>1)</sup> Increased by 242.3 mill. mk interest for 1937. — <sup>2)</sup> Increased by 282.9 mill. mk interest for 1938.

The figures in brackets [ ] indicate the position at the end of the previous year.

<sup>3)</sup> Preliminary figures subject to minor alterations.

## 13. — DEPOSITS IN POST OFFICE SAVINGS BANK AND IN CO-OPERATIVE CREDIT SOCIETIES.

End of Month	Deposits in Post Office Savings Bank <sup>1)</sup>				Monthly Movement		Deposits in Co-operative Credit Societies <sup>2)</sup>				Monthly Movement		End of Month
	Mill. mk				1938	1939	Mill. mk				1938	1939	
	1936	1937	1938	1939			1936	1937	1938	1939			
	[376.3]						[615.7]						
Jan.	378.4	404.1	460.3	504.8*	+ 5.8	+2.8*	621.2	815.6	1 175.6	1 385.0	+28.9	+ 3.7	Jan.
Febr.	380.9	408.3	467.9	508.9*	+ 7.6	+4.1*	635.1	845.2	1 219.3	1 409.7	+43.7	+24.7	Febr.
March	383.8	413.7	474.8	512.8*	+ 6.9	+3.9*	655.9	887.8	1 267.8	1 443.2	+48.5	+33.5	March
April	384.1	415.3	476.2	510.7*	+ 1.4	-2.1*	667.9	928.2	1 309.9	1 468.3	+42.1	+25.1	April
May	382.5	415.8	476.6	507.5*	+ 0.4	-3.2*	674.9	954.6	1 335.9	1 482.9	+26.0	+14.6	May
June	382.5	418.5	478.1	507.8*	+ 1.5	+0.3*	693.8	989.6	1 362.9	1 513.7	+27.0	+30.8	June
July	384.6	423.8	481.4	511.4*	+ 3.3	+3.6*	703.1	1 002.6	1 373.4		+10.5		July
Aug.	386.4	428.6	485.1		+ 3.7		713.9	1 024.3	1 371.0		- 2.4		Aug.
Sept.	387.9	432.1	486.4		+ 1.3		725.0	1 049.1	1 360.9		-10.1		Sept.
Oct.	387.2	435.4	486.5		+ 0.1		741.6	1 078.3	1 356.2		- 4.7		Oct.
Nov.	387.8	438.3	487.6		+ 1.1		763.2	1 104.8	1 362.0		+ 5.8		Nov.
Dec.	<sup>3)</sup> 401.7	<sup>4)</sup> 454.5	<sup>5)</sup> 502.3		+14.7		793.9	1 146.7	1 381.3		+19.3		Dec.

<sup>1)</sup> According to Finnish Official Statistics VII, D, Bank Statistics. — <sup>2)</sup> Figures supplied by the Central Bank for Co-operative Agricultural Credit Societies. — <sup>3)</sup> Increased by 14.3 mill. mk interest for 1936. — <sup>4)</sup> Increased by 14.9 mill. mk interest for 1937. — <sup>5)</sup> Increased by 16.6 mill. mk interest for 1938.

## 14. — DEPOSITS IN CONSUMERS' CO-OPERATIVE SOCIETIES.

End of Month	Deposits on Savings Accounts			Monthly Movement	
	Mill. mk			1938	1939
	1937	1938	1939		
	[504.6]				
Jan.	515.6	642.9	707.7	+18.8	+ 7.3
Febr.	529.6	662.2	717.4	+19.3	+ 9.7
March	547.9	684.6	730.8	+22.4	+13.4
April	561.3	694.9	734.9	+10.3	+ 4.1
May	566.9	697.5	730.6	+ 2.6	- 4.3
June	579.9	706.4	738.8	+ 8.9	+ 8.2
July	586.3	707.0	737.9	+ 0.6	- 0.9
Aug.	590.8	703.9		- 3.1	
Sept.	598.2	700.0		- 3.9	
Oct.	606.3	697.0		- 3.0	
Nov.	615.2	697.1		+ 0.1	
Dec.	624.1	700.4		+ 3.3	

According to data supplied by the Finnish Co-operative Wholesale Society and the Co-operative Wholesale Association. Interest added to capital in June and December.

## 15. — INSURANCES IN LIFE ASSURANCE COMPANIES.

End of Month	New risks accepted					
	1937		1938		1939	
	Number	Amount Mill. mk	Number	Amount Mill. mk	Number	Amount Mill. mk
Jan.	6 875	84.6	7 223	93.4	6 903*	94.3*
Febr.	8 457	109.8	9 959	134.5	8 932*	120.4*
March	9 286	119.5	12 450	163.9	11 803*	163.0*
April	9 581	124.9	9 997	135.2	9 158*	127.3*
May	9 210	122.2	9 369	130.7	9 556*	138.2*
June	8 752	114.4	9 584	130.7	8 970*	129.7*
July	7 003	90.9	7 446	101.0	7 051*	95.4*
Aug.	8 228	109.4	8 764	118.4		
Sept.	10 011	131.6	9 975	139.6		
Oct.	11 399	149.3	11 049	149.7		
Nov.	12 492	163.4	12 409	162.9		
Dec.	15 440	223.6	14 492	216.4		
	116 734	1 543.6	122 717	1 676.4		
	59 164	766.3	66 028	889.4	62 373*	868.3*
						Total Jan.-July

According to information supplied by the Finnish Life Assurance Companies.

## 16. — CHANGES IN NUMBER AND CAPITAL OF LIMITED COMPANIES.

Year and Quarter	Companies founded		Increase of capital		Companies liquidated		Companies with reduced capital		Net increase (+) or reduction (-)		Year and Quarter
	Num-ber	Capital Mill. mk	Num-ber	Mill. mk	Num-ber	Capital Mill. mk	Num-ber	Reduction of capital Mill. mk	Num-ber	Capital Mill. mk	
	1936	679	246.5	218	356.6	117	58.3	21	37.3	+562	
1937	874	264.5	358	728.1	133	210.7	22	42.1	+741	+739.8	1937
1938	819	153.0	320	476.3	158	144.5	11	5.6	+661	+479.2	1938
1938											1938
Jan.—March	214	39.8	98	208.0	34	44.0	5	3.0	+180	+200.8	Jan.—March
April—June	215	44.9	89	166.1	48	14.3	4	1.0	+167	+195.7	April—June
July—Sept.	186	35.3	61	76.9	26	10.3	1	0.2	+160	+101.7	July—Sept.
Oct.—Dec.	204	33.0	72	25.3	50	75.9	1	1.4	+154	- 19.0	Oct.—Dec.
1939											1939
Jan.—March	257	59.1	99	132.5	45	25.6	3	8.0	+212	+158.0	Jan.—March
April—June	238	51.0	58	67.6	48	10.4	1	0.0	+190	+108.2	April—June
July—Sept.											July—Sept.
Oct.—Dec.											Oct.—Dec.

Figures supplied by the Central Statistical Office.

The figures in brackets [ ] indicate the position at the end of the previous year.

\* Preliminary figures subject to minor alterations.



## 17. — STOCK EXCHANGE. BANKRUPTCIES. PROTESTED BILLS.

Month	Turnover of Stock Exchange <sup>1)</sup> Mill. mk			Bankruptcies <sup>2)</sup> Number			Protested Bills <sup>3)</sup> Number							Month	
	1937	1938	1939	1937	1938	1939	1936	1937	1938	1939	Amount Mill. mk				
											1936	1937	1938		1939
January	70.3	18.5	17.7	47	35	73	313	155	151	242	1.1	0.7	0.4	1.1	January
February	83.5	22.4	23.9	61	43	70	320	144	158	236	0.8	0.4	0.9	1.2	February
March	90.9	24.2	39.8	39	39	58	240	182	162	253	1.0	0.4	0.6	1.2	March
April	81.8	17.7	20.9	70	51	74	241	172	182	286	0.9	0.8	1.0	1.2	April
May	36.1	17.7	22.3	63	33	60	245	181	200	288	1.1	0.5	0.7	1.2	May
June	22.4	15.1	20.3	27	45	40	242	171	253	332	1.1	0.6	1.0	1.3	June
July	21.9	21.4	8.6	20	35		261	180	222	319	0.9	0.5	0.5	1.3	July
August	25.0	13.7		37	33		257	156	221		0.8	0.4	0.8		August
September	34.4	22.8		57	43		262	135	222		1.1	0.4	0.7		September
October	50.2	21.0		68	55		281	160	206		1.2	0.8	0.8		October
November	43.4	15.4		42	57		172	141	221		0.5	0.7	0.7		November
December	27.9	15.9		52	77		149	168	235		0.5	0.8	0.9		December
Total	587.8	221.8		583	546		2 983	1 945	2 433		10.8	7.0	9.0		Total
Jan.-July	406.9	135.0	153.5				1 862	1 185	1 328	1 956	6.7	3.9	5.1	8.5	Jan.-July

<sup>1)</sup> According to data supplied by the Stock Exchange Committee. — <sup>2)</sup> Preliminary figures compiled by the Central Statistical Office from the reports sent in by the various Courts including all bankruptcy petitions, of which only about half will lead in due course to actual bankruptcy. — <sup>3)</sup> Preliminary figures published in the «Report of Bills Protested in Finland».

## 18. — STOCK EXCHANGE INDEX. 1935-100.

End of Month	Share prices												Bond prices				End of Month
	All kinds				Bank shares				Industrial shares				All kinds				
	1936	1937	1938	1939	1936	1937	1938	1939	1936	1937	1938	1939	1936	1937	1938	1939	
January	101	144	135	129	98	123	127	121	104	155	140	135	100	103	102	101	January
February	104	152	132	132	98	130	124	121	108	166	137	138	100	103	102	100	February
March	108	163	128	134	101	138	123	122	112	178	131	142	100	103	103	100	March
April	112	147	125	133	103	128	121	120	117	158	127	141	101	103	103	99	April
May	113	141	126	136	103	126	121	120	120	149	129	145	101	103	102	99	May
June	114	147	129	137	103	130	122	119	121	157	133	148	102	103	102	99	June
July	120	150	135	136	106	134	126	119	129	158	140	146	102	103	102	99	July
August	124	158	133		110	137	124		132	168	138		102	103	102		August
September	128	147	132		112	132	122		138	154	138		102	103	102		September
October	130	140	133		112	129	123		140	146	140		102	103	101		October
November	133	137	130		115	126	121		143	142	135		103	103	101		November
December	136	134	129		116	126	120		148	139	134		103	103	101		December
Whole year	119	147	131		106	130	123		126	156	135		102	103	102		Whole year

\*«Unitas» index based on the prices quoted for the shares of 3 banks and 10 industrial firms and for the bonds belonging to 14 State Municipal and other bond loans.

## 19. — PUBLIC DEBT.

End of Year and Month	According to the Finance Accounts Mill. mk <sup>1)</sup>									Mill. Swiss Frs. <sup>2)</sup> (former gold Frs.)		End of Year and Month
	Funded Debt			Short-term Credit			Total Public Debt			Total Public Debt	Yearly and Monthly Movement	
	Foreign	Internal	Total	Foreign	Internal	Total	Foreign	Internal	Total			
1936	1 128.7	1 852.7	2 981.4	56.5	81.3	137.8	1 185.2	1 934.0	3 119.2	252.2	— 16.6	1936
1937	921.3	2 355.3	3 276.6	—	175.9	175.9	921.3	2 531.2	3 452.5	257.3	+ 5.1	1937
1938	775.3	2 419.2	3 194.5	—	56.8	56.8	775.3	2 476.0	3 251.3	223.0	— 34.3	1938
1938												1938
July	822.6	2 281.3	3 103.9	—	200.7	200.7	822.6	2 482.0	3 304.6	244.1	— 1.6	July
1939												1939
May	1 051.1	2 798.6	3 849.7	—	70.0	70.0	1 051.1	2 868.6	3 908.1	265.1	+ 0.6	May
June	1 050.7	2 796.5	3 847.2	—	75.2	75.2	1 050.7	2 871.7	3 919.7	265.4	+ 0.3	June
July	1 050.7	2 816.6	3 867.3	—	238.4	238.4	1 050.7	3 055.0	4 105.7	276.9	+ 11.5	July

<sup>1)</sup> According to data supplied by the Treasury. Internal loans are given at their nominal value and foreign loans in Finnish currency according to the rates ruling on the dates of the issue of the loans. — <sup>2)</sup> Calculated as follows: the outstanding amounts of both internal and foreign loans have been converted into Swiss Francs at the monthly average rates of exchange of the respective currencies. From September, 1936, the amounts have been converted into Swiss Francs of former gold value, in order to eliminate the influence of fluctuating currencies.

\* Preliminary figures subject to minor alterations.

## 20. — STATE REVENUE AND EXPENDITURE.

Month	Total revenue	Current revenue <sup>1)</sup> derived from							Capital revenue	Expenditure			Month
		Income and Property taxes	Excise on spirits, wines, etc.	Stamp duty	Interest and Dividends	State Railways <sup>2)</sup>	Posts and Telegraphs <sup>3)</sup>	State Forests <sup>3)</sup>		Total	Current	Capital	
1938 Jan.-June	1 937.3	27.8	25.5	148.7	146.0	74.1	40.8	136.5	81.5	1 849.1	1 511.5	337.6	1938 Jan.-June
1939 Jan.-June	2 441.1	91.0	63.9	155.5	265.2	78.4	43.6	96.8	419.5	2 300.8	1 814.8	486.0	1939 Jan.-June
1939 Budget	5 211.3	960.0	164.0	281.0	287.3	210.9	58.8	152.1	709.1	5 209.8	3 475.9	1 733.9	1939 Budget

Tables 20—21 according to preliminary monthly accounts kept by the Treasury, the Customs and the Board of Excise Revenue.

<sup>1)</sup> The current revenue derived from Customs duty, and some other State receipts are specified in table 21 below. — <sup>2)</sup> The figures given refer to net revenue.

## 21. — COLLECTION OF CUSTOMS AND EXCISE DUES.

Month	Total Customs Receipts	Customs duty on		Fines, Light Dues, etc.	Total Excise Dues	Excise on				Month
		Imported goods incl. storage charges	Exported goods			Tobacco	Sweets	Cattlefood and Margarine	Motor car tyres	
1938 June	156 576	153 122	87	3 367	28 138	22 238	2 459	3 440	—	1938 June
July	151 157	146 782	307	4 068	28 376	22 608	2 278	3 490	—	July
Jan.-July	1 085 620	1 064 611	624	20 385	190 998	148 393	17 171	25 434	—	Jan.-July
1939 June	176 746*	172 629*	36*	4 081*	33 685	26 456	2 430	3 768	1 031	1939 June
July	158 443*	154 865*	39*	3 539*	36 067*	29 186*	2 515*	3 595*	771*	July
Jan.-July	1 023 318*	1 001 193*	449*	21 676*	229 936*	175 129*	19 053*	30 030*	5 724*	Jan.-July
1939 Budget	—	1 653 000	3 000	—	—	300 000	25 500	35 000	10 000	1939 Budget

Comprising the State receipts collected by the Customs and the Board of Excise Revenue and included in table 20 above.

## 22. — VALUE OF IMPORTS AND EXPORTS.

Month	Imports (c. i. f.)			Exports (f. o. b.)			Surplus of Imports (—) or Exports (+)			Month
	Mill. mk			Mill. mk			Mill. mk			
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	515.6	686.3	619.2*	484.8	522.2	500.0*	— 30.8	— 164.1	— 119.2*	January
February	504.8	578.1	486.6*	383.7	473.3	480.3*	— 121.1	— 104.8	— 6.3*	February
March	569.2	680.3	647.5*	483.8	545.4	530.2*	— 85.4	— 134.9	— 117.3*	March
April	754.2	687.6	641.1*	528.6	528.8	593.8*	— 225.6	— 158.8	— 47.3*	April
May	886.5	782.7	807.1*	620.6	636.3	684.3*	— 265.9	— 146.4	— 122.8*	May
June	897.8	700.0	769.0*	924.7	826.5	932.1*	+ 26.9	+ 126.5	+ 163.1*	June
July	873.0	702.6	715.0*	1 132.4	811.3	1 012.4*	+ 259.4	+ 108.7	+ 297.4*	July
August	840.6	731.6		1 053.4	833.9		+ 212.8	+ 102.3		August
September	844.6	744.7		1 058.3	789.0		+ 213.7	+ 44.3		September
October	944.0	760.0		999.1	877.5		+ 55.1	+ 117.5		October
November	875.2	777.0		901.4	773.1		+ 26.2	— 3.9		November
December	800.9	776.4		808.9	780.7		+ 8.0	+ 4.3		December
Total	9 306.4	8 607.3		9 379.7	8 398.0		+ 73.3	— 209.3		Total
Jan.-July	5 001.1	4 817.6	4 685.5*	4 558.6	4 343.8	4 733.1*	— 442.5	— 473.8	+ 47.6*	Jan.-July

Tables 22—28 according to Finnish Official Statistics I, A, Foreign Trade of Finland, Monthly Reports.

The term *imports* covers all imported goods which are placed on the market either immediately after importation or after storage. *Exports* covers all goods exported from the open market, including re-exports. Goods are declared to the Customs by their owner, who must at the same time state the value of the goods as calculated at the frontiers of the country.

\* Preliminary figures subject to minor alterations.

## 23. — VALUE OF IMPORTS AND EXPORTS IN DIFFERENT CLASSES OF GOODS.\*

No. of Class	Classes of Goods	Imports (c. i. f.) Mill. mk				Exports (f. o. b.) Mill. mk			
		July	June	May	January— July	July	June	May	January— July
		1939	1939	1939	1939	1939	1939	1939	1939
I	Live animals and animal products .....	4.0	4.0	3.3	25.5	63.4	55.7	71.1	426.4
II	Vegetable products .....	41.0	64.1	51.0	345.1	0.7	0.4	1.4	14.2
III	Fatty substances, greases and oils; products of their decomposition; prepared alimentary fats; animal and vegetable waxes ....	10.3	8.3	18.2	74.5	0.4	0.2	0.3	1.6
IV	Products of the food-preparing industries; cocoa; beverages; vinegars; tobacco	38.7	45.3	42.8	270.4	0.2	0.2	0.3	2.0
V	Mineral products .....	115.5	105.7	88.1	509.0	2.3	5.5	1.5	12.8
VI	Chemical and pharmaceutical products; colours and varnishes; perfumery; soap and candles and the like; glues and gelatines; explosives; fertilisers .....	61.2	63.6	66.0	378.9	5.2	6.2	7.2	41.5
VII	Hides, skins, leather and furs; manufactures of these materials .....	16.5	18.2	12.2	106.4	11.7	8.7	12.1	87.0
VIII	Rubber and rubber articles	5.2	8.0	14.6	65.9	0.4	0.5	0.5	2.5
IX	Wood and cork; wares of these materials; goods made of plaiting materials	11.2	11.6	13.5	57.9	588.7	499.1	203.2	1 734.9
X	Woodpulp, cardboard and paper; their applications .	7.1	6.8	6.6	40.8	286.6	308.6	327.8	2 047.3
XI	Textile materials and textile goods .....	78.3	74.2	103.2	656.4	9.0	7.1	7.5	61.6
XII	Footwear; hats; umbrellas and parasols; articles of fashion .....	1.8	1.3	3.0	20.2	1.0	0.3	0.7	5.3
XIII	Articles of stone and of other mineral materials; ceramic products; glass and glassware .....	9.7	9.4	10.6	55.4	6.2	8.1	7.8	51.8
XIV	Real pearls, precious stones, precious metals; articles of those materials; specie .	3.2	7.2	4.2	32.8	0.0	0.2	0.1	1.0
XV	Base metals; articles made therefrom .....	127.3	124.2	126.9	699.9	22.8	21.3	20.3	143.7
XVI	Machinery and apparatus; electrical material .....	112.2	111.7	116.1	658.1	7.3	6.1	3.5	39.9
XVII	Transport material .....	46.3	72.5	90.0	456.7	0.6	0.5	0.9	5.3
XVIII	Instruments; clocks, watches and clockwork; musical instruments .....	8.6	9.1	9.2	58.4	0.3	0.4	0.9	3.6
XIX	Arms and ammunition ...	2.0	1.8	1.9	8.9	4.6	1.7	16.1	39.9
XX	Articles not classified ...	14.8	21.9	25.6	162.8	1.0	1.3	1.0	9.2
XXI	Works of art; articles for collections .....	0.1	0.1	0.1	1.5	0.0	0.0	0.1	1.6
Total		715.0	769.0	807.1	4 685.5	1 012.4	932.1	684.3	4 733.1

\* Preliminary figures subject to minor alterations.

## 24. — IMPORTS OF THE MOST IMPORTANT ARTICLES.

Month	Rye Tons			Wheat Tons			Wheaten Flour and Grain of Wheat Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	10 347.2	148.7	10.5*	6 885.1	10 402.0	1 159.2*	2 356.3	4 501.8	955.1*	January
February	8 977.8	242.6	399.4*	7 193.7	2 677.1	1 014.0*	1 260.3	2 152.8	1 292.3*	February
March	1 142.3	5 309.9	80.0*	3 961.5	3 336.6	1 047.3*	1 143.1	1 938.6	1 224.4*	March
April	8 710.8	2 161.2	0.3*	5 477.4	4 082.5	241.6*	1 178.7	2 236.6	1 397.9*	April
May	13 083.3	250.5	456.1*	8 580.2	3 262.5	298.2*	2 366.0	2 491.7	1 636.0*	May
June	10 306.9	3 917.2	250.3*	6 374.0	3 589.8	5 996.2*	2 577.9	2 319.0	1 335.8*	June
July	3 435.8	2 678.7	2 435.3*	6 415.0	2 316.0	597.9*	3 071.6	3 121.4	1 851.7*	July
August	1 590.4	6 590.3		4 315.9	6 374.3		1 861.1	2 532.3		August
September	882.4	3 629.1		3 500.3	3 347.0		1 554.8	5 273.3		September
October	1 730.9	559.5		3 871.5	6 164.6		1 410.0	2 575.7		October
November	1 799.7	114.8		2 605.9	3 440.3		1 359.1	1 444.8		November
December	9 586.7	417.1		832.9	612.8		1 090.0	1 193.3		December
Total	71 594.2	26 019.6		60 013.4	49 605.5		21 228.9	31 781.3		Total
Jan.-July	56 004.1	14 708.8	3 631.9*	44 886.9	29 666.5	10 354.4*	13 953.9	18 761.9	9 693.2*	Jan.-July

Month	Rice and Grain of Rice Tons			Bran and Maize Tons			Raw Hides Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	1 677.3	1 224.8	2 207.5*	9 787.7	9 262.4	80.0*	654.2	671.2	734.4*	January
February	1 174.4	827.4	658.3*	16 156.0	11 279.8	1 323.9*	561.6	615.1	676.3*	February
March	957.7	879.7	1 070.4*	16 468.4	9 472.2	1 552.5*	945.8	693.7	619.9*	March
April	1 055.4	898.0	359.9*	15 850.3	5 744.2	460.9*	711.7	600.8	466.5*	April
May	2 468.2	1 153.6	1 959.2*	5 056.0	4 708.3	102.1*	993.1	657.1	475.6*	May
June	794.2	2 109.7	4 477.3*	4 900.3	6 679.2	554.8*	891.1	578.1	1 205.1*	June
July	1 894.4	5 265.9	2 111.1*	6 344.5	6 462.5	1 303.2*	1 002.1	753.0	634.7*	July
August	1 173.7	1 017.3		4 490.8	6 206.4		703.2	915.7		August
September	1 595.1	943.8		7 743.9	7 637.4		909.9	813.7		September
October	1 755.3	1 159.8		8 570.3	7 397.6		896.1	745.2		October
November	1 187.6	290.3		10 736.1	15 452.6		860.5	591.1		November
December	1 388.6	184.8		11 343.3	14 871.8		682.9	770.4		December
Total	17 121.9	15 955.1		117 447.6	105 174.4		9 812.2	8 405.1		Total
Jan.-July	10 021.6	12 359.1	12 843.7*	74 563.2	53 608.6	5 377.4*	5 759.6	4 569.0	4 812.5*	Jan.-July

Month	Coffee Tons			Sugar Refined and Unrefined Tons			Raw Tobacco Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	2 697.2	3 680.3	2 459.9*	5 412.4	10 746.6	7 559.6*	300.6	333.5	450.9*	January
February	1 651.8	1 986.1	1 701.4*	3 917.2	6 731.4	5 033.2*	278.7	329.5	321.4*	February
March	1 720.5	2 029.9	2 113.0*	5 812.9	8 819.5	8 653.0*	256.8	347.5	310.4*	March
April	1 623.2	1 971.3	1 946.0*	7 106.8	11 253.4	11 674.0*	329.4	315.9	230.3*	April
May	1 850.8	2 170.9	2 295.4*	9 420.7	11 469.3	13 058.6*	298.4	342.9	292.6*	May
June	1 806.1	1 978.8	2 495.4*	11 075.4	10 744.1	11 813.0*	349.2	299.3	320.1*	June
July	1 709.1	1 938.4	1 832.3*	9 630.8	10 677.8	10 092.0*	194.5	190.1	182.3*	July
August	1 752.9	2 185.4		9 346.6	14 547.8		334.4	386.9		August
September	1 767.6	2 475.2		10 295.9	10 741.6		329.8	409.6		September
October	1 682.0	2 221.3		6 870.1	8 360.6		319.4	400.1		October
November	1 425.8	1 869.7		4 819.3	5 899.3		330.3	391.6		November
December	1 000.8	1 715.3		3 091.1	7 570.7		186.4	155.8		December
Total	20 687.8	26 222.6		86 799.2	117 562.1		3 507.9	3 902.7		Total
Jan.-July	13 058.7	15 755.7	14 843.4*	52 376.2	70 442.1	67 883.4*	2 007.6	2 158.7	2 108.0*	Jan.-July

\* Preliminary figures subject to minor alterations.

## 24. — IMPORTS OF THE MOST IMPORTANT ARTICLES. — Continued.

Month	Pig Iron Tons			Hot rolled and Sheet Iron and Steel Tons			Coal and Coke Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	2 342.0	1 799.9	1 710.5*	13 598.8	7 914.4	12 122.5*	69 423.8	78 120.1	149 995.8*	January
February	848.1	326.0	361.4*	5 829.3	4 351.2	6 974.0*	26 065.8	42 838.3	53 661.5*	February
March	683.1	236.8	420.4*	9 545.6	4 444.1	6 740.0*	20 608.9	20 547.3	26 471.1*	March
April	2 219.6	191.5	1 369.0*	16 191.6	4 799.2	8 281.8*	57 489.4	70 775.0	46 481.9*	April
May	5 307.3	855.1	10 072.2*	24 797.0	10 586.4	14 656.9*	182 328.0	148 341.5	138 283.4*	May
June	1 460.7	3 468.2	5 276.3*	24 458.9	8 191.2	14 272.6*	297 726.4	201 699.0	194 414.5*	June
July	8 052.0	3 947.0	7 414.6*	25 083.5	8 287.5	17 290.6*	289 761.7	180 888.3	197 685.1*	July
August	6 978.4	3 766.7		17 916.0	9 566.1		291 464.1	273 643.2		August
September	6 347.1	3 037.4		13 951.4	11 632.3		325 365.8	192 167.3		September
October	3 471.5	2 733.5		12 016.4	15 400.8		303 221.5	190 950.9		October
November	1 452.5	3 309.8		10 332.7	15 266.7		220 119.3	207 340.6		November
December	902.5	5 335.3		8 033.0	18 359.5		148 694.4	170 462.5		December
Total	40 064.8	29 007.2		181 754.0	118 799.4		2 232 269.1	1 777 774.0		Total
Jan.-July	20 912.8	10 824.5	26 624.4*	119 504.5	48 574.0	80 338.4*	943 404.0	743 209.5	806 993.3*	Jan.-July

Month	Raw Cotton Tons			Wool Tons			Petrol Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	993.1	1 407.1	1 233.2*	241.5	209.8	226.9*	7 696.5	9 466.8	9 057.8*	January
February	878.7	653.7	1 266.7*	260.0	253.1	199.0*	6 823.6	7 553.3	9 922.1*	February
March	770.6	699.9	1 333.9*	232.7	222.7	273.7*	7 958.0	8 783.8	10 341.9*	March
April	1 066.0	510.8	1 195.1*	295.7	256.6	408.9*	7 715.9	9 614.4	12 354.1*	April
May	508.9	1 394.8	1 596.0*	293.5	190.5	190.5*	11 819.7	11 449.3	15 086.8*	May
June	1 569.0	867.4	754.0*	264.4	180.3	145.8*	11 238.8	15 102.1	15 310.9*	June
July	859.4	722.8	1 181.7*	230.2	206.7	198.3*	11 791.9	12 277.8	18 811.7*	July
August	1 089.1	1 012.5		250.8	187.9		11 403.7	12 956.7		August
September	775.4	1 117.8		191.3	195.6		11 040.2	13 285.2		September
October	1 319.0	939.3		223.0	392.5		10 562.7	12 036.8		October
November	1 754.8	1 371.2		234.0	130.0		9 560.4	11 912.7		November
December	3 498.1	3 380.7		176.8	229.2		9 397.7	12 215.4		December
Total	15 082.1	14 078.0		2 893.8	2 654.9		117 009.1	136 654.3		Total
Jan.-July	6 645.7	6 256.5	8 560.6*	1 818.0	1 519.7	1 669.8*	65 044.4	74 247.5	90 885.3*	Jan.-July

## 25. — EXPORTS OF THE MOST IMPORTANT ARTICLES.

Month	Meat All kinds Tons			Butter Tons			Cheese Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	619.8	606.9	1 033.6*	1 345.8	950.5	1 051.2*	319.2	490.6	432.0*	January
February	631.7	698.7	992.7*	1 114.3	1 202.4	1 101.7*	565.9	456.7	496.5*	February
March	615.1	637.1	767.4*	1 226.4	1 638.5	1 507.6*	418.2	483.8	511.8*	March
April	415.6	332.6	411.2*	1 377.2	1 669.0	1 697.6*	500.5	521.0	600.0*	April
May	238.6	212.0	303.3*	1 490.1	1 925.6	1 916.3*	597.1	465.1	411.9*	May
June	206.1	196.0	254.2*	1 840.6	1 688.3	1 429.7*	528.0	545.8	314.5*	June
July	206.5	243.8	370.2*	1 414.2	1 779.5	1 854.3*	587.5	566.1	409.9*	July
August	203.2	230.1		756.6	1 663.1		458.2	465.9		August
September	319.6	328.3		955.0	1 358.2		729.2	632.4		September
October	650.2	472.7		859.2	1 342.8		682.4	682.0		October
November	712.8	741.1		799.0	977.9		505.5	795.5		November
December	901.3	917.9		761.6	932.9		539.1	666.6		December
Total	5 720.5	5 617.2		13 940.0	17 128.7		6 610.8	6 771.5		Total
Jan.-July	2 933.4	2 927.1	4 132.6*	9 808.6	10 853.8	10 558.4*	3 516.4	3 529.1	3 176.6*	Jan.-July

\* Preliminary figures subject to minor alterations.

## 25. — EXPORTS OF THE MOST IMPORTANT ARTICLES. — Continued.

Month	Raw Hides Tons			Round Timber (All kinds excl. fuel) 1 000 m <sup>3</sup>			Sawn Timber All kinds 1 000 standards			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	484.7	395.8	638.7*	27.4	23.6	18.0*	28.2	21.7	29.8*	January
February	470.0	346.9	662.8*	2.5	11.9	10.3*	8.1	7.3	10.9*	February
March	473.4	465.3	533.7*	5.3	12.0	27.1*	7.1	12.3	23.8*	March
April	500.6	557.6	559.5*	23.5	47.2	44.3*	16.0	31.2	25.2*	April
May	384.0	586.6	524.9*	234.4	323.1	259.9*	41.7	37.5	35.7*	May
June	291.4	415.9	427.8*	607.8	496.1	457.4*	125.0	108.4	142.1*	June
July	322.1	428.9	404.6*	790.1	580.7	473.7*	190.0	106.9	164.8*	July
August	337.5	566.6		863.8	466.1		150.0	110.2		August
September	339.7	399.8		598.5	360.7		146.2	106.6		September
October	360.7	733.0		498.2	309.2		125.6	119.2		October
November	406.3	562.6		266.0	197.1		114.8	112.7		November
December	373.2	456.3		133.0	111.4		74.2	90.6		December
Total	4 743.6	5 915.3		4 050.5	2 939.1		1 026.9	864.6		Total
Jan.-July	2 926.2	3 197.0	3 752.0*	1 691.0	1 494.6	1 290.7*	416.1	325.3	432.3*	Jan.-July

1 standard sawn timber = 4.672 m<sup>3</sup>.

Month	Plywood 1 000 m <sup>3</sup>			Matches Tons			Bobbins Tons			Month
	1937 <sup>1)</sup>	1938 <sup>1)</sup>	1939	1937	1938	1939	1937	1938	1939	
January	17.2	18.4	17.7*	275.2	66.6	148.6*	486.3	374.1	375.2*	January
February	16.7	20.1	20.1*	273.4	109.7	141.0*	395.2	468.3	320.0*	February
March	21.9	18.9	26.2*	291.5	136.1	202.4*	684.3	552.3	480.6*	March
April	22.5	19.3	20.9*	283.2	117.4	147.9*	596.2	417.8	454.9*	April
May	20.9	17.1	21.1*	218.3	115.5	179.8*	493.8	387.3	404.3*	May
June	20.6	16.5	24.1*	234.6	144.6	149.8*	577.8	314.8	530.4*	June
July	20.8	17.5	23.5*	157.8	192.0	141.9*	517.7	387.9	472.3*	July
August	21.4	18.0		150.4	158.1		412.6	436.3		August
September	21.6	21.0		127.0	209.3		687.8	374.7		September
October	24.6	20.3		81.6	254.0		513.8	395.0		October
November	22.3	20.7		75.6	228.5		431.8	446.4		November
December	23.2	22.4		193.7	161.2		571.7	399.5		December
Total	253.7	230.2		2 362.3	1 893.0		6 374.0	4 954.4		Total
Jan.-July	140.6	127.8	153.6*	1 734.5	881.9	1 111.4*	3 751.3	2 902.5	3 037.7*	Jan.-July

<sup>1)</sup> Revised figures.

Month	Mechanical Pulp <sup>1)</sup> Tons			Sulphite Cellulose Tons			Sulphate Cellulose Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	20 004.2	23 228.1	17 239.8*	59 161.1	57 092.6	43 345.9*	26 236.1	37 122.6	22 408.1*	January
February	16 998.3	17 099.0	22 096.4*	49 108.3	57 158.6	47 677.4*	16 081.7	31 391.3	31 665.1*	February
March	20 041.0	17 441.0	21 557.3*	67 296.2	55 415.7	44 136.7*	32 510.7	40 779.2	23 472.7*	March
April	23 818.5	14 644.4	20 779.3*	73 435.3	48 558.3	65 438.5*	32 915.1	23 318.7	34 641.2*	April
May	23 228.1	12 583.2	18 133.9*	70 874.2	52 153.5	70 486.7*	26 700.5	28 492.1	34 366.9*	May
June	28 363.7	14 522.5	17 411.8*	75 963.1	51 280.3	63 942.4*	31 826.5	21 308.0	29 853.4*	June
July	31 323.5	14 778.7	20 161.8*	68 699.6	45 461.7	57 188.8*	31 349.2	24 618.2	31 370.6*	July
August	28 754.0	20 424.1		72 468.0	52 642.2		27 584.0	27 149.5		August
September	20 151.4	21 920.5		67 018.0	51 729.2		32 675.4	22 344.4		September
October	34 047.8	15 838.8		74 049.9	69 027.3		30 544.0	33 154.2		October
November	20 484.1	25 483.3		71 068.0	60 761.0		33 658.8	26 133.6		November
December	23 370.2	26 593.4		74 504.9	68 424.6		33 608.8	35 897.4		December
Total	290 584.8	224 557.0		823 646.6	669 705.0		355 690.8	351 709.3		Total
Jan.-July	163 777.3	114 296.9	137 380.3*	464 537.8	367 120.7	392 216.4*	197 619.8	207 030.1	207 778.0*	Jan.-July

<sup>1)</sup> Dry weight.

\* Preliminary figures subject to minor alterations.

## 25. — EXPORTS OF THE MOST IMPORTANT ARTICLES. — Continued.

Month	Cardboard All Kinds Tons			Paper All Kinds Tons			Newsprint (Included in previous column) Tons			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	
January	8 720.1	7 954.7	8 272.9*	41 334.7	34 448.1	48 564.0*	31 457.6	20 690.0	39 483.7*	January
February	7 021.4	8 131.2	9 278.8*	34 921.5	33 310.6	44 574.1*	26 404.6	22 410.7	36 331.4*	February
March	11 277.7	8 535.4	10 607.4*	44 261.4	40 698.7	49 169.8*	32 467.6	32 663.7	39 230.6*	March
April	10 956.2	7 642.7	11 113.8*	44 966.1	33 076.0	54 186.6*	34 721.2	26 306.8	42 528.3*	April
May	10 063.2	6 821.1	10 987.4*	42 204.7	38 508.4	52 846.6*	30 735.3	32 190.2	42 246.2*	May
June	9 968.8	7 878.9	10 540.2*	44 682.8	33 348.3	52 571.9*	33 428.8	26 295.5	40 724.2*	June
July	10 579.6	6 923.5	11 758.7*	43 673.8	36 564.1	46 448.6*	30 858.5	29 267.9	35 590.4*	July
August	10 889.0	8 090.3		42 770.4	40 352.8		32 162.4	31 546.6		August
September	9 997.5	8 956.3		44 964.8	42 879.9		33 177.8	33 990.2		September
October	10 434.0	10 602.5		45 295.9	43 355.1		34 309.1	32 487.7		October
November	10 166.7	9 797.0		42 086.4	41 511.7		29 284.8	32 284.7		November
December	10 229.2	9 410.3		46 889.1	45 518.8		33 377.7	37 296.4		December
Total	120 303.4	100 743.9		518 051.6	463 572.5		382 385.4	357 930.4		Total
Jan.-July	68 587.0	53 887.5	72 559.2*	296 045.0	249 954.2	348 361.6*	220 073.6	189 824.8	276 134.8*	Jan.-July

## 26. — FOREIGN TRADE WITH VARIOUS COUNTRIES.

Country	Imports (c. i. f.)						Exports (f. o. b.)				
	January—July			Whole Year			January—July			Whole Year	
	1939	1938		1938	1937		1939	1938	1938	1937	
	Mill. mk	%	%	%	%	Mill. mk	%	%	%	%	
Europe:											
Belgium .....	314.5	6.7	4.6	5.2	5.6	142.7	3.0	2.8	3.1	4.5	
Denmark .....	189.9	4.1	4.8	4.5	4.9	158.1	3.3	3.2	3.2	2.6	
Estonia .....	65.6	1.4	0.9	0.9	1.0	30.3	0.6	0.8	0.8	1.0	
France .....	136.9	2.9	2.0	2.2	2.5	115.9	2.4	3.7	3.3	4.8	
Germany .....	943.5	20.1	19.6	20.0	19.5	731.4	15.5	17.0	15.2	13.1	
Great Britain .....	964.5	20.6	22.0	21.6	22.2	1 953.0	41.3	42.7	43.9	44.7	
Holland .....	208.5	4.5	3.8	4.3	4.4	231.1	4.9	3.7	4.4	3.7	
Italy .....	52.3	1.1	1.2	1.2	0.9	64.7	1.4	2.6	1.9	1.5	
Latvia .....	9.0	0.2	0.2	0.2	0.2	12.3	0.3	0.2	0.2	0.2	
Norway .....	70.8	1.5	1.4	1.9	2.1	47.9	1.0	1.0	1.1	2.1	
Poland (and Danzig) .....	94.5	2.0	2.3	2.7	2.4	14.7	0.3	0.7	0.5	0.2	
Russia .....	38.9	0.8	1.3	1.3	1.5	19.7	0.4	0.4	0.5	0.6	
Sweden .....	690.0	14.7	13.5	13.0	12.0	245.2	5.2	4.4	4.8	4.9	
Switzerland .....	81.9	1.8	1.7	1.8	1.2	7.5	0.2	0.2	0.2	0.2	
Spain .....	0.9	0.0	0.0	0.0	0.1	2.4	0.1	0.0	0.0	0.1	
Other European countries ..	98.6	2.1	5.0	4.2	4.9	80.4	1.7	1.7	1.7	1.6	
Total Europe	3 960.3	84.5	84.3	85.0	85.4	3 857.3	81.6	85.1	84.8	85.8	
Asia .....	64.3	1.4	1.7	1.5	1.3	90.2	1.9	1.4	1.4	1.7	
Africa .....	10.7	0.2	0.2	0.2	0.2	96.1	2.0	1.3	2.2	2.6	
United States .....	489.2	10.5	9.3	9.0	8.4	550.4	11.6	9.5	9.2	7.9	
Other States of North Ame- rica .....	22.4	0.5	0.9	0.8	0.6	10.2	0.2	0.1	0.1	0.1	
South America .....	124.1	2.6	3.3	3.3	4.0	113.0	2.4	2.0	1.9	1.6	
Australia .....	14.5	0.3	0.3	0.2	0.1	15.9	0.3	0.6	0.4	0.3	
Grand Total	4 685.5	100.0	100.0	100.0	100.0	4 733.1	100.0	100.0	100.0	100.0	

The country of import indicates the land in which goods were purchased, the country of export the land to which goods were sold.  
\* Preliminary figures subject to minor alterations.

## 27. — VALUE INDEX OF IMPORTS AND EXPORTS. 1935-100.

Year and Month	Total Imports	Groups of Imported Goods				Total Exports	Principal Exported Goods						Year and Month
		Raw materials	Machinery	Food-stuffs	Other consumption goods		Butter	Cheese	Sawn Timber	Mechanical pulp	Chemical pulp	Paper	
1936	103	104	106	100	99	104	99	106	109	102	101	99	1936
1937	121	128	112	120	104	127	108	105	152	117	117	103	1937
1938	113	115	121	111	101	131	113	108	138	146	125	128	1938
1938													1938
Jan.-May	116	116	118	120	107	128	113	108	152	135	131	128	Jan.-May
Jan.-June	117	117	120	119	105	131	112	108	148	136	130	128	Jan.-June
Jan.-July	116	117	119	118	104	133	112	108	145	140	130	128	Jan.-July
Jan.-Aug.	115	117	118	117	103	134	112	108	143	147	128	128	Jan.-Aug.
Jan.-Sept.	115	116	117	116	103	133	112	108	141	150	127	128	Jan.-Sept.
Jan.-Oct.	114	116	118	113	102	133	112	108	139	149	126	128	Jan.-Oct.
Jan.-Nov.	114	115	120	112	102	132	112	108	138	148	125	128	Jan.-Nov.
Jan.-Dec.	113	115	121	111	101	131	113	108	138	146	125	128	Jan.-Dec.
1939													1939
January	104	100	132	101	99	121	123	108	131	128	116	124	January
Jan.-Febr.	106	101	133	102	105	118	124	110	133	126	114	124	Jan.-Febr.
Jan.-March	106	101	130	100	107	117	121	110	135	125	113	123	Jan.-March
Jan.-April	104	97	129	100	106	116	118	110	137	126	112	122	Jan.-April
Jan.-May	105	100	126	100	104	117	115	110	139	129	112	122	Jan.-May
Jan.-June	105	101	123	102	102	120	114	111	142	131	111	121	Jan.-June
Jan.-July	106	102	122	103	101	124	113	110	145	131	110	121	Jan.-July

Calculated by the Statistical Dept. of the Board of Customs. For details concerning the calculation of the indices see article in this Bulletin No. 4, 1939.

## 28. — VOLUME INDEX OF IMPORTS AND EXPORTS. 1935-100.

Year and Month	Total Imports	Groups of Imported Goods				Total Exports	Principal Exported Goods						Year and Month
		Raw materials	Machinery	Food-stuffs	Other consumption goods		Butter	Cheese	Sawn Timber	Mechanical pulp	Chemical pulp	Paper	
1936	121	124	109	121	119	111	137	119	106	90	113	121	1936
1937	144	145	168	120	165	117	134	165	100	97	126	132	1937
1938	138	132	151	131	167	102	167	160	83	77	109	120	1938
1938													1938
Jan.-May	156	137	133	154	189	119	150	147	89	96	124	114	Jan.-May
Jan.-June	148	135	168	146	180	111	156	147	83	83	119	113	Jan.-June
Jan.-July	145	134	163	140	175	103	160	152	73	81	114	115	Jan.-July
Jan.-Aug.	144	135	161	139	172	100	167	148	73	77	112	116	Jan.-Aug.
Jan.-Sept.	143	133	158	139	171	98	170	149	73	77	110	118	Jan.-Sept.
Jan.-Oct.	140	131	153	136	170	99	171	150	76	75	111	118	Jan.-Oct.
Jan.-Nov.	137	130	151	131	167	100	170	155	80	76	110	118	Jan.-Nov.
Jan.-Dec.	138	132	151	131	167	102	167	160	83	77	109	120	Jan.-Dec.
1939													1939
January	158	169	148	143	157	114	119	131	88	84	95	181	January
Jan.-Febr.	152	159	148	136	168	123	124	140	89	121	110	177	Jan.-Febr.
Jan.-March	152	150	162	138	168	132	135	153	117	129	108	175	Jan.-March
Jan.-April	148	148	158	135	157	134	138	161	118	121	115	175	Jan.-April
Jan.-May	143	141	151	131	153	130	146	153	97	103	120	177	Jan.-May
Jan.-June	141	139	150	131	151	124	149	138	98	91	122	177	Jan.-June
Jan.-July	140	139	155	125	149	117	155	138	94	89	121	174	Jan.-July

Calculated by the Statistical Dept. of the Board of Customs. For details concerning the calculation of the indices see article in this Bulletin No. 4, 1939.



29. — TOTAL SALES OF SOME WHOLESALE FIRMS.

Month	Total sales Mill. mk										Month
	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	
January	206.2	152.9	143.8	176.0	220.1	235.1	265.0	337.9	388.2	336.6*	January
February	214.9	151.2	141.0	176.8	212.4	230.7	259.4	350.9	346.1	300.1*	February
March	264.9	205.3	183.4	222.6	258.8	282.2	302.5	364.1	398.9	411.1*	March
April	298.6	227.4	220.6	239.9	267.7	290.0	321.6	441.8	431.6	434.6*	April
May	277.7	220.7	219.2	249.7	258.7	297.6	328.9	330.2	404.8	437.1*	May
June	234.9	203.0	210.3	230.1	258.4	265.7	292.1	351.5	372.2	400.3*	June
July	243.2	202.6	227.3	234.1	241.0	283.0	307.3	367.9	389.8	429.0*	July
August	257.1	200.4	241.0	246.1	272.7	301.4	334.5	393.4	430.6		August
September	250.7	204.4	227.4	241.2	253.0	309.8	338.0	415.5	475.7		September
October	247.8	265.9	218.5	231.3	254.3	340.7	351.8	423.7	457.8		October
November	247.2	236.7	213.7	221.1	234.8	285.5	309.2	404.0	408.6		November
December	185.2	193.3	180.7	199.7	212.4	222.4	302.3	348.4	370.5		December
Total	2 928.4	2 463.8	2 426.9	2 668.6	2 944.3	3 344.1	3 712.6	4 579.3	4 874.8		Total
Jan.-July	1 740.4	1 363.1	1 345.6	1 529.2	1 717.1	1 884.3	2 076.8	2 594.3	2 731.6	2 748.3*	Jan.-July

According to data supplied by nine wholesale firms — either co-operative or limited liability companies — the total sales of which represent about 1/3 of the whole turnover of all wholesalers in Finland.

30. — VOLUME INDEX OF INDUSTRIAL PRODUCTION. 1935=100.

Month	Total				Home industries				Exporting industries				Month
	1936	1937	1938	1939	1936	1937	1938	1939	1936	1937	1938	1939	
January	110	126	127*	132*	110	134	133*	148*	110	114	118*	111*	January
February	109	129	129*	132*	106	140	134*	145*	112	115	121*	115*	February
March	105	116	132*	135*	102	118	137*	148*	110	114	126*	116*	March
April	105	128	126*	128*	102	127	136*	146*	109	130	113*	104*	April
May	108	115	124*	125*	107	111	133*	136*	109	121	112*	109*	May
June	99	114	108*	122*	102	116	126*	145*	96	111	83*	90*	June
July	114	125	112*		119	127	128*		107	122	90*		July
August	110	126	124*		115	129	142*		104	122	98*		August
September	114	129	121*		117	131	138*		110	127	98*		September
October	110	118	119*		118	122	130*		100	113	103*		October
November	111	125	126*		114	137	144*		106	108	102*		November
December	114	120	118*		117	126	128*		110	111	103*		December
Whole year	109	122	122*		111	126	134*		107	117	105*		Whole year

\*Unitas index based on seasonally adjusted monthly figures.

31. — BUILDING ACTIVITY.

Month	Consumption of cement in Finland <sup>1)</sup> 1 000 tons						Plans approved in the Capital <sup>2)</sup> All buildings <sup>3)</sup> 1 000 m <sup>3</sup>						Month
	1934	1935	1936	1937	1938	1939	1934	1935	1936	1937	1938	1939	
January	4.4	7.6	8.7	14.5	10.5	17.9	23.8	32.3	27.3	67.4	57.3	49.2	January
February	6.4	9.0	9.0	16.6	15.5	19.4	35.1	142.5	70.5	172.4	111.1	82.1	February
March	8.2	11.6	11.6	14.7	18.0	28.2	58.5	75.8	121.6	152.7	406.6	177.3	March
April	15.8	17.5	20.2	36.5	31.2	44.4	119.2	47.3	160.4	126.1	82.1	115.1	April
May	23.8	33.7	37.9	52.8	56.8	75.5	55.7	146.4	54.2	158.2	210.5	312.1	May
June	28.4	34.0	40.5	60.1	57.7	80.6	114.3	61.5	188.8	139.3	178.7	309.0	June
July	26.8	36.3	43.3	63.4	59.9	80.0	43.7	107.6	127.8	174.3	107.2	366.5	July
August	25.2	35.6	43.2	49.7	62.2		208.1	68.0	72.4	146.5	121.2		August
September	27.2	30.9	43.7	46.0	55.2		6.2	99.6	52.7	128.5	199.4		September
October	24.8	25.0	34.7	45.0	47.8		121.2	74.2	93.7	295.4	328.6		October
November	16.3	19.3	24.4	35.4	36.4		13.1	52.8	215.0	177.2	259.8		November
December	9.4	11.5	19.0	37.9	24.3		22.3	65.0	151.0	111.4	180.1		December
Total	216.7	272.0	336.2	472.6	475.5		821.2	973.0	1 335.4	1 849.4	2 242.6		Total
Jan.-July	113.8	149.7	171.2	258.6	249.6	346.0	450.3	613.4	750.6	990.4	1 153.5	1 411.3	Jan.-July

<sup>1)</sup> Comprising the total quantity of cement delivered by the country's 2 cement concerns and including the quantity imported which is, however, only an insignificant part of the total consumption.

<sup>2)</sup> According to data compiled by the Municipal Building Surveyor's Office in Helsinki (Helsingfors).

<sup>3)</sup> Preliminary figures subject to minor alterations.

## 32. — FOREIGN SHIPPING.

Month	Arrivals					Sailings					Month
	Number of vessels		Net reg. tons			Number of vessels		Net reg. tons			
	Total	of which Finnish	Total	of which		Total	of which Finnish	Total	of which		
				With Cargo	In Ballast				With Cargo	In Ballast	
1939											1939
Jan.	328	196	296 391	235 684	60 707	320	176	305 868	250 054	55 814	Jan.
Febr.	262	159	239 977	166 191	73 786	252	153	236 509	229 288	7 221	Febr.
March	314	164	261 183	173 742	87 441	326	174	264 075	254 757	9 318	March
April	444	218	331 966	222 720	109 246	462	253	327 532	306 469	21 063	April
May	778	356	501 421	309 464	191 957	729	379	445 838	339 771	56 067	May
June	1 123	456	695 089	363 900	331 189	1 116	459	659 089	612 048	47 041	June
July	1 119	490	709 667	387 822	321 845	1 108	479	713 599	673 710	39 889	July
Aug.											Aug.
Sept.											Sept.
Oct.											Oct.
Nov.											Nov.
Dec.											Dec.
Jan.-July 1938	4 368	2 039	3 035 694	1 859 523	1 176 171	4 313	2 073	2 952 510	2 716 097	236 413	Jan.-July 1938
Jan.-July 1939	4 240	1 823	2 891 592	1 905 101	986 491	4 200	1 859	2 861 479	2 607 757	253 722	Jan.-July 1939

Figures supplied by the Statistical Office of the Shipping Board.

## 33. — FOREIGN TRAVEL.

Month	Persons arrived					Persons left					Month		
	1937		1938		1939		1937		1938			1939	
	Total	Of whom Foreigners	Total	Of whom Foreigners	Total	Of whom Foreigners	Total	Of whom Foreigners	Total	Of whom Foreigners		Total	Of whom Foreigners
Jan.	3 141	3 577	2 136	3 981	2 345	3 290	3 336	1 865	3 923	2 199	Jan.		
Febr.	2 689	3 643	2 352	3 840	2 468	3 086	3 393	2 064	4 004	2 361	Febr.		
March	3 966	4 253	2 388	4 925	2 735	3 761	4 456	2 666	5 069	2 840	March		
April	3 971	4 961	2 749	5 237	3 127	4 532	5 641	2 722	5 926	2 917	April		
May	10 231	10 078	5 478	12 835	6 005	10 232	9 770	4 836	12 986	5 569	May		
June	22 795	29 537	19 537	25 296	16 504	19 781	25 894	14 505	21 673	11 792	June		
July	34 847	35 151	26 572	35 460	25 920	32 358	32 361	24 886	32 102	22 925	July		
Aug.	24 764	26 479	18 460			27 700	29 125	22 614			Aug.		
Sept.	7 948	9 186	5 527			9 562	10 199	6 691			Sept.		
Oct.	5 370	5 596	3 542			5 740	6 045	3 776			Oct.		
Nov.	4 031	4 409	2 830			3 843	4 374	2 808			Nov.		
Dec.	3 813	4 373	2 417			3 556	4 250	2 680			Dec.		
Total	127 566	141 243	93 938			127 441	138 844	92 113			Total		
Jan.-July	81 640	91 200	61 212	91 574	59 104	77 040	84 851	53 544	85 683	50 603	Jan.-July		

Figures supplied by the Central Statistical Office.

## 34. — STATE RAILWAYS.

Month	Weight of Goods Transported 1 000 Tons			Axle-kilometres of Goods-trucks Mill. km			Revenue (less Re-imburements) Mill. mk			Regular Expenditure Mill. mk			Month
	1937	1938	1939	1937	1938	1939	1937	1938	1939	1937	1938	1939	
	Jan.	1 075.6	1 161.1*	967.5*	59.8	72.5	58.8	74.0	86.8*	85.9*	55.1	68.1*	
Febr.	1 203.8	1 272.8*	978.6*	68.3	72.6	58.4	78.9	85.6*	80.7*	61.6	75.1*	72.0*	Febr.
March	1 247.2	1 127.7*	1 091.7*	77.9	67.4	66.3	90.6	90.9*	90.3*	70.7	78.7*	77.9*	March
April	1 315.2	970.0*	989.2*	77.8	57.7	59.8	89.6	88.7*	90.7*	62.8	70.7*	70.0*	April
May	1 299.6	1 044.8*	1 128.2*	67.0	60.5	64.7	83.3	85.6*	94.9*	76.6	87.9*	88.7*	May
June	1 470.3	1 130.5*	1 232.1*	67.5	59.7	69.7	93.3	103.6*	104.3*	76.6	85.4*	88.5*	June
July	1 496.4	1 216.4*		71.2	66.5		99.7	102.3*		62.7	70.6*		July
Aug.	1 362.8	1 140.0*		67.7	63.8		92.9	99.4*		63.9	71.2*		Aug.
Sept.	1 340.9	1 093.5*		64.9	62.9		87.3	93.7*		71.8	78.6*		Sept.
Oct.	1 357.9	1 105.5*		68.7	63.4		90.4	93.4*		64.2	70.7*		Oct.
Nov.	1 331.3	1 089.7*		67.9	61.0		85.9	88.3*		66.1	73.1*		Nov.
Dec.	1 208.6	999.5*		65.3	53.4		100.1	95.0*		85.7	93.0*		Dec.
Total	15 709.6	13 351.5*		824.0	761.4		1 066.0	1 113.3*		817.8	923.1*		Total
Jan.-June	7 611.7	6 706.9*	6 387.3*	418.3	390.4	377.7	509.7	541.2*	546.8*	403.4	465.9*	465.9*	Jan.-June

According to Monthly Statistics of the Finnish State Railways.

\* Preliminary figures subject to minor alterations.

**35. — WHOLESALE PRICE INDEX. 1935=100.**

Month	Index for goods in Finnish wholesale trade													Articles of import (c. i. f.)		Articles of export (f. o. b.)		Month	
	Total index				Finnish goods						Imported goods								
					Total		Products of agriculture		Products of forestry					Products of industry					
	1936	1937	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939			
Jan.	101	112	119	113	124	118	120	118	160	145	114	109	110	103	119	109	145	111	Jan.
Febr.	101	116	118	113	123	117	118	119	160	140	112	109	108	103	117	108	137	113	Febr.
March	101	120	116	113	121	118	115	115	155	145	112	110	106	103	114	108	130	114	March
April	101	122	115	113	119	118	115	114	150	149	111	110	105	103	112	108	125	115	April
May	101	122	113	114	118	119	117	114	145	152	110	110	104	104	111	110	119	117	May
June	102	122	112	115	117	120	115	114	144	157	110	110	102	104	109	110	114	120	June
July	103	124	112	116	117	122	117	115	141	165	109	111	103	104	110	109	112	124	July
Aug.	104	125	111		116		119		134		109		102		108		111		Aug.
Sept.	104	126	111		115		118		132		108		102		108		111		Sept.
Oct.	106	125	111		115		117		132		109		104		109		110		Oct.
Nov.	107	123	112		117		119		141		108		104		109		110		Nov.
Dec.	109	122	113		118		120		146		109		104		110		109		Dec.
Whole year	103	122	114		118		117		145		110		104		111		119		Whole year

Calculated by the Central Statistical Office. For details concerning the calculation of the index see article in this Bulletin No. 4, 1939.

**36. — COST OF LIVING INDEX.**

Month	1914=100		1935=100										Month	
	Total index		Total index			Foodstuffs		Clothing		Rent		Taxes		
	1938	1939	1937	1938	1939	1938	1939	1938	1939	1938	1939	1938		1939
Jan.	1 079	1 090	102	108	109	109	110	107	105	109	115	90	94	Jan.
Febr.	1 075	1 088	104	108	109	108	110	.	.	.	.	.	.	Febr.
March	1 072	1 083	104	107	109	108	109	.	.	.	.	.	.	March
April	1 065	1 084	104	107	109	106	108	105	104	109	115	90	94	April
May	1 061	1 079	104	106	108	106	108	.	.	.	.	.	.	May
June	1 058	1 080	104	106	108	105	108	.	.	.	.	.	.	June
July	1 061	1 083	106	106	109	106	108	105	104	109	115	90	94	July
Aug.	1 077		108	108		109		.	.	.	.	.	.	Aug.
Sept.	1 076		108	108		109		.	.	.	.	.	.	Sept.
Oct.	1 086		109	109		110		105		115		90		Oct.
Nov.	1 089		109	109		110		.	.	.	.	.	.	Nov.
Dec.	1 088		109	109		110		.	.	.	.	.	.	Dec.
Whole year	1 074		105	108		108		106		111		90		Whole year

Calculated by the Research Office of the Ministry for Social Affairs according to monthly reports from 36 different centres. For details concerning the calculation of the cost of living index see article in this Bulletin No. 6, 1937.

**37. — BANK OF FINLAND CONSUMPTION PRICE INDEX. JULY 1931=100.**

Month	Total index			Index of sensitive prices						Index of rarely changing prices			Month
				All kinds			Foodstuffs						
	1937	1938	1939	1937	1938	1939	1937	1938	1939	1937	1938	1939	
Jan.	101.3	107.7	108.8	108.1	116.0	116.0	112.5	122.7	123.2	87.2	89.0	92.5	Jan.
Febr.	103.0	106.9	108.8	110.9	115.0	115.9	116.5	121.5	122.8	86.9	89.0	92.5	Febr.
March	103.6	106.4	107.7	111.9	114.0	114.3	117.7	119.8	119.9	86.8	89.2	92.5	March
April	103.4	106.2	107.9	111.6	113.6	114.6	116.6	119.2	120.6	86.8	89.2	92.5	April
May	103.0	106.2	107.8	110.8	113.4	114.1	114.7	119.0	119.6	86.8	89.3	92.6	May
June	103.3	105.8	107.2	111.1	112.6	113.3	115.1	117.7	118.3	87.2	89.5	92.9	June
July	104.7	106.0	108.2	113.1	112.9	114.6	118.6	118.3	120.5	87.2	89.4	92.9	July
Aug.	106.2	106.9		115.6	114.2		122.2	120.6		87.2	89.5		Aug.
Sept.	106.8	107.5		116.4	115.2		123.2	122.3		87.5	89.6		Sept.
Oct.	108.4	108.2		118.1	115.5		125.5	122.5		88.7	91.3		Oct.
Nov.	108.1	109.1		116.9	116.3		123.8	123.6		89.0	92.4		Nov.
Dec.	108.5	109.1		117.3	116.3		124.8	123.6		89.0	92.4		Dec.
Whole year	105.0	107.2		113.5	114.6		119.2	120.9		87.5	90.0		Whole year
19. VIII	105.9	106.8	108.8	115.2	114.1	115.6	121.4	120.3	122.0	87.2	89.4	92.9	19. VIII

For details concerning the calculation of the consumption price index see article in this Bulletin No. 10, 1936.

## 38. — INDEX OF WORKING HOURS IN INDUSTRY.

Quarter	Branch of Industry								Total <i>All Industries</i>	Of which		Quarter
	Metal	Glass, Stone, etc	Chemicals	Foodstuffs and luxuries	Leather	Textile	Paper	Timber		Home Industries	Exporting Industries	
1938												1938
Jan.-Mch.	117.6	119.0	113.4	101.3	111.8	107.1	111.5	103.9	109.7	111.0	107.6	Jan.-Mch.
Apl.-June	104.7	111.8	114.7	105.4	89.6	98.5	105.6	95.0	101.5	102.6	99.9	Apl.-June
July-Sept.	101.3	104.6	104.6	105.8	80.8	97.8	93.3	82.1	94.7	100.3	87.2	July-Sept.
Oct.-Dec.	98.6	100.6	103.1	106.4	90.3	93.4	93.1	88.2	94.4	97.2	90.3	Oct.-Dec.
1939												1939
Jan.-Mch.	90.6	95.6	101.2	106.5	89.0	94.7	93.8	90.4	93.3	94.9	92.1	Jan.-Mch.
Apl.-June	93.8	93.2	87.5	103.5	90.6	95.9	91.1	94.3	94.0	95.1	92.7	Apl.-June
July-Sept.	100.4	99.6	89.9	106.7	98.3	96.2	96.7	102.7	98.9	98.0	99.9	July-Sept.
Oct.-Dec.												Oct.-Dec.

The index, which is based on the number of working hours during the corresponding quarters in the previous year, is calculated by the Research Office of the Ministry for Social Affairs.

## 39. — NUMBER OF UNEMPLOYED.

End of Month	Registered at the Municipal Labour Exchanges <sup>1)</sup>					Registered at the Unemployment Boards <sup>2)</sup>					End of Month
	1935	1936	1937	1938	1939	1934	1935	1936	1937-38	1939	
January	12 479	10 117	6 805	4 579	5 006	43 172	22 026	19 912	.	[13 629]	January
February	11 280	8 257	5 383	4 544	4 412	42 913	22 590	20 591	.	21 502	February
March	9 780	6 687	4 432	3 635	4 331	39 723	22 193	18 665	.	25 261	March
April	8 369	5 836	3 554	3 462	3 509	32 178	18 076	13 323	.	20 311	April
May	5 804	2 795	3 126	2 963	2 985	23 695	12 698	8 182	.	12 327	May
June	3 948	1 877	2 076	2 414	2 091	15 979	6 205	2 409	.	5 270	June
July	3 122	2 129	2 089	2 186	2 072	10 988	3 732	1 647	.	2 165	July
August	4 003	2 431	2 794	2 747		11 041	4 684	996	.		August
September	4 755	3 036	3 450	3 192		12 420	5 786	1 702	.		September
October	6 446	4 594	3 705	4 041		15 712	9 739	3 097	.		October
November	8 538	5 348	3 924	5 172		18 598	14 841	.	.		November
December	7 427	4 398	3 770	4 294		19 208	17 778	.	.		December

Figures provided by the Research Office of the Ministry for Social Affairs, comprising <sup>1)</sup> regular statistics from the Municipal Labour Exchanges in the majority of towns and urban districts only; <sup>2)</sup> statistics covering the whole country, temporarily compiled by the Unemployment Boards.

## 40. — CESSATION OF WORK.

Month	Initiated			Continued from previous month			Total			Month
	number	affecting		number	affecting		number	affecting		
		employers	work-people		employers	work-people		employers	work-people	
1938										1938
July	3	22	293	8	.	1 836	11	.	2 129	July
August	1	21	124	10	.	2 096	11	.	2 220	August
September	1	1	15	3	7	161	4	8	176	September
October	—	—	—	2	3	45	2	3	45	October
November	1	1	125	1	2	30	2	3	155	November
December	—	—	—	1	1	125	1	1	125	December
1939										1939
January	3	.	172	1	1	125	4	.	297	January
February	1	1	12	2	2	47	3	3	59	February
March	4	9	666	1	1	6	5	10	672	March
April	3	6	2 271	2	7	580	5	13	2 851	April
May	9	.	1 133	4	9	2 239	13	.	3 372	May
June	4	67	740	8	21	2 393	12	88	3 133	June
July	2	6	655	6	75	2 689	8	81	3 344	July

The above particulars which are of a preliminary nature, are compiled by the Research Office of the Ministry for Social Affairs. The figures in brackets [ . ] indicate the position at the end of the previous year.

## CERTAIN PARTICULARS ABOUT FINLAND.

### 1. FORM OF GOVERNMENT.

Finland formed a part of the kingdom of Sweden from 1154 to 1809; from 1809 it was an autonomous Grand Duchy connected with Russia up to December 6th, 1917, when Finland declared its independence, which was acknowledged by all the Powers including Soviet Russia. It became a republic in 1919. The legislative power of the country is vested in the Diet and the President. The highest executive power is held by the President chosen for a period of 6 years. The present President *Kyösti Kallio* is elected for the term March 1st, 1937, to March 1st, 1943.

The Diet, composed of 200 members, is elected by universal suffrage. The proportions of the different parties in the Diet elected in 1939 are as follows:

	Number
Social-Democratic party .....	85
Agrarian party .....	56
Unionist party .....	25
Swedish party .....	18
Patriotic National Movement's party .....	8
Progressive party .....	6
Small farmers' party .....	2

### 2. LAND.

THE AREA (excluding lake Laatokka) is 382,801 square kilometres = 147,761 square miles (Great Britain's area is 89,047 sq. m. and Italy's area 117,982 sq. m.). Of the total area 9.0 % are inland waters. On an average 11.8 % of the land in the South of Finland is cultivated, 1.1 % in the North, 6.6 % of the whole land. Of the land area 25.3 mill. ha (62.5 mill. acres) or 78.6 % are covered by forests.

THE AVERAGE TEMPERATURE in the coldest month is in S. Finland  $-3^{\circ}$  to  $-8^{\circ}$  C., in Lapland  $-12^{\circ}$  to  $-14^{\circ}$  C. and in the warmest month  $+16^{\circ}$  to  $+17^{\circ}$  and  $+12^{\circ}$  to  $+14^{\circ}$  C. resp. The average temperature in Helsinki (Helsingfors) is  $+4.6^{\circ}$  (in Oslo  $+5.4^{\circ}$ , in Montreal  $+5.4^{\circ}$ , in Moscow  $+3.6^{\circ}$ ). The ground is covered by snow in the South for about 110 days, in Central Finland for about 150 days, in Lapland about 200 days.

### 3. POPULATION.

NUMBER OF INHABITANTS (1937): 3.8 millions (of whom 0.2 million emigrants). Sweden (1937) 6.2, Switzerland (1937) 4.2, Denmark (1937) 3.7 and Norway (1937) 2.9 millions.

DENSITY OF POPULATION (1937): In South-Finland 18.8, in North-Finland 2.7 and in the whole country an average of 11.0 inhabitants to the square kilometre.

DISTRIBUTION (1937): 78.5 % of the population inhabit the country, 21.5 % the towns and urban districts. The largest towns are (1937): Helsinki (Helsingfors), the capital, 293,237 inhabitants, Tampere (Tammerfors) 74,736, Viipuri (Viborg) 73,917, Turku (Åbo) 72,981.

OCCUPATION (1930): agriculture 59.6 %, industry and manual labour 16.8 %, commerce 4.3 %, transport 3.8 %, other occupations 15.5 %.

LANGUAGE (1930): Finnish speaking 89.4 %, Swedish speaking 10.1 %, others 0.5 %.

RELIGION (1937): Lutheran 96.0 %, Greek-Orthodox 1.8 %, others 2.2 %.

EDUCATION (1930): Amongst persons over 15 years of age only 0.9 % are illiterate. There are three universities founded in 1640, 1917 and 1920.

INCREASE OF POPULATION (1937): Births 18.9 ‰, deaths 12.3 ‰ (in France in 1936 15.3 ‰ and in England in 1936 12.1 ‰), natural increase 6.6 ‰.

### 4. TRADE AND COMMUNICATIONS.

FOREST RESOURCES. The growing stock of the forests is 1,620 million  $m^3$  (57,214 million cubic feet). The merchantable tim-

ber (measuring 20 cm at breast height = 6 in. at a height of 18 ft.) amounts to 1,557 million trees. Of this number pine is represented by 60.7 %, spruce by 28.1 %, the conifers thus constituting 88.8 % or 1,383 million trees; leaf-trees, mostly birch, 11.2 % or 174 million trees. The annual increment is 44.4 million  $m^3$  (1,568 million cub.ft.). The annual fellings according to earlier calculations are 40 million  $m^3$  (1,413 million cub. ft.).

AGRICULTURE (1937): Cultivated land 2.2 million hectares, divided as follows: area under cultivation 0.3—10 hectares 33.4 %, 10—50 ha 52.1 %, 50—100 ha 8.4 %, over 100 ha 6.1 %. Cultivated land is divided between the different kinds of crops as follows: 51.7 % hay, 17.7 % oats, 9.4 % rye, 4.7 % barley, 3.4 % potatoes, 13.1 % other. The number of dairies in 1937 amounted to 588.

OWNERSHIP OF LAND (1928): The land area is distributed among different classes of owners approximately as follows: private 52.1 %, State 39.7 %, Joint Stock Companies 6.5 %, communities 1.7 %.

INDUSTRY (1937): Number of industrial concerns 4,246, workpeople 207,506, gross value of products of industry 21,076 million marks.

LENGTH OF RAILWAYS (1937): 5,907 km, of which 5,651 km State railways and 256 km private. The gauge is in general 1,524 m.

MERCHANT FLEET (1938): Steamships 558 (304,738 reg. tons net), motor vessels 182 (21,577 reg. tons net), sailing ships 110 (34,288 reg. tons net). Total 850 (360,603 reg. tons net).

### 5. FINANCE AND BANKING.

CURRENCY. Since 1860 Finland has its own monetary system. From 1877 up to the Great War the currency maintained its stable gold value and after the disturbances caused by the war Finland has again from January 1st, 1926, a gold standard. The unit of currency is the mark (Finnish 'markka' = 100 pennä). According to the monetary law of December 21st, 1925, a gold coin of 100 marks' value shall contain  $3\frac{1}{2}$  grams of fine gold. Since October 12th, 1931, the redemption of bank notes in gold is, however, suspended.

STATE FINANCES. According to the finance accounts for 1938 the State revenue was 5,534.7 million marks of which 4,862.0 million marks were current revenue, and State expenditure 5,432.8 million marks, of which 3,487.8 million marks were current expenditure. The principal sources of revenue were as follows: State property and undertakings (net) 549.7, direct taxes 1,090.4, indirect taxes 2,308.8, stamp duty 264.5, charges 110.8, interest and dividends 359.5 and capital revenue 672.7. The value of State property in 1922 was estimated at 11,150.6 million marks. For Public Debt see table 19 in this issue.

MUNICIPAL FINANCES. According to the Budget for 1938 expenditure amounted to 1,808.4 million marks. Income from taxation was calculated at 608.1 million marks, taxed income at 7,968.9 million marks. The municipal income tax (non-progressive) averaged 7.7 % of the ratepayers' income.

THE BANK OF ISSUE. The Bank of Finland (founded in 1811) is a State Bank. Its head-office is in Helsinki (Helsingfors) with branches in Turku (Åbo), Pori (Björneborg), Vaasa (Vasa), Oulu (Uleåborg), Kuopio, Joensuu, Sortavala, Viipuri (Viborg), Mikkeli (St Michel), Tampere (Tammerfors), Hämeenlinna (Tavastehus), Jyväskylä and Kotka.

THE JOINT STOCK BANKS (1939): Number 9, possess 478 offices, where all kinds of banking business is transacted. There is one banking establishment per 7,410 inhabitants.

The largest banks are: Kansallis-Osake-Pankki, Oy. Pohjoismaiden Yhdyspankki—Ab. Nordiska Föreningsbanken and Helsingfors Aktiebank, all with head offices in the capital.

OTHER BANKS (1939): Mortgage banks 5, Savings banks 484, Co-operative Credit Societies 1,119 and a Central Bank for the latter.

## STRUCTURAL CHANGES AND CYCLICAL MOVEMENTS IN FINNISH STATE TAXATION.

BY

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### CLASSIFICATION OF FINNISH STATE TAXES.

A correct idea of the changes that have occurred in the system of State taxation in Finland in recent years cannot be obtained from the summary classification of taxes in the State budget, where they are grouped according to the manner in which they are levied. They are classified in three main classes: direct, indirect and miscellaneous taxes. The direct taxes consist of the income and property tax

and the tax on dispensing chemists. Indirect taxes are composed of Customs duties and excise on certain articles, while miscellaneous taxes include all forms of the stamp tax. Besides, certain kinds of revenue which actually should be characterised as taxes are to be found outside the budget group of taxation revenue. A clearer conception of the system of State taxation is obtained by dividing the revenue from taxation into five main classes according to the economic point of view: taxes

### *State taxation revenue in 1938.*

Tax classification	Amount of taxes		Of which				
			Customs	Excise	Stamp duties	Direct taxes	Other taxes
	1 000 marks	% of total	1 000 marks	1 000 marks	1 000 marks	1 000 marks	1 000 marks
Taxes on consumption and taxes administratively inseparable from them .....	2 751 990	70.6	1 831 175	476 502	81 755	—	362 558
Tax on alcohol .....	535 091	13.7	48 325	124 208	—	—	362 558
Taxes on motor vehicles and their fuel ..	326 640	8.4	270 128	—	56 512	—	—
Tax on tobacco .....	375 134	9.8	100 269	274 865	—	—	—
Import duty on coffee .....	196 669	5.0	196 669	—	—	—	—
Tax on entertainments and playing cards	25 243	0.7	—	—	25 243	—	—
Excise on sweets .....	29 525	0.8	—	29 525	—	—	—
Import duties on delicacies, silk, and certain other articles chiefly used by wealthy people .....	158 140	4.1	158 140	—	—	—	—
Import duty on sugar .....	405 865	10.4	405 865	—	—	—	—
Import duty on grain .....	156 413	4.0	156 413	—	—	—	—
Other import duties .....	495 366	12.7	495 366	—	—	—	—
Excise on cattlefood and margarine .....	47 904	1.2	—	47 904	—	—	—
Income and property taxes .....	943 690	24.2	—	—	—	943 690	—
Tax on inheritance and gifts .....	46 973	1.2	—	—	46 973	—	—
Stamp duties on business transactions and certain other stamps inseparable from them	135 820	3.5	—	—	135 820	—	—
Other tax revenue .....	17 924	0.5	1 107	—	—	—	16 817
<b>Total</b>	<b>3 896 397</b>	<b>100</b>	<b>1 832 282</b>	<b>476 502</b>	<b>264 548</b>	<b>943 690</b>	<b>379 375</b>
% of all State taxes	—	100	47.0	12.2	6.8	24.2	9.8

on consumption, taxes on income and property, the tax on inheritance and gifts, stamp duties on business transactions, and other revenue from taxation. The taxes on consumption may be suitably subdivided according to the principal object of each category. It is immaterial to the present investigation, what method is employed for collecting the different kinds of taxes. The table on the previous page of State taxation revenue for 1938, however, shows, in addition to the main classes, what proportion of this revenue was levied in the form of Customs duty, excise, stamp duty, direct taxes, and other forms of taxation.

In the State finance accounts the taxation revenue for 1938 amounts to 3,663,694,000 marks. The total amount in the above table is larger, because the following items have been added: surplus from the State Alcohol Monopoly Company (215,886,000), the share of the State in the surplus of the „State lottery” (16,697,000), the share of the State in betting on horse-racing (120,000). „Income and property taxes” include the progressive tax on income and property with the exception of the part of this tax that is derived from the State Alcohol Monopoly Company. In addition, the tax on dispensing chemists is included.

#### STRUCTURAL CHANGES IN STATE TAXATION.

Considerable changes were made in the system of Finnish State taxation already in the 1920's, but still more striking changes have occurred in the 1930's in comparison with the end of the previous decade. The trend is evident, if the yield of the taxes is compared with the national income. So far calculations of the national income of Finland have been made for 1924 and for 1928—1936. The estimated size of the national income in those years and the proportion between the taxes levied and the national income are seen in the following table. The total taxes levied in 1937 and 1938 are included in the table.

	National income	Taxes levied	
	Million marks	Mill on marks	% of national income
1924 .....	14,500	1,897	13.1
1928 .....	19,600	2,491	12.7
1929 .....	18,300	2,356	12.9
1939 .....	16,600	2,444	14.7
1931 .....	13,800	2,063	14.9
1932 .....	13,900	1,959	14.1
1933 .....	15,200	2,216	14.6
1934 .....	17,900	2,579	14.4
1935 .....	18,800	2,782	14.8
1936 .....	20,500	2,993	14.6
1937 .....	.	3,383	.
1938 .....	.	3,896	.

The most important change in the system of taxation during the 1920's occurred at the beginning of 1925, when the income and property tax was reduced. In the taxes on consumption a considerable reduction was made in 1928. The State taxation as a whole seems to have been considerably lighter at the end of the 1920's than in the first years of that decade, but during the 1930's it has again grown heavier than before. During the depression some taxes on consumption that were important from a fiscal point of view were raised, only to be lowered again in 1936 and 1938. Of the taxes on articles of consumption only the increased tobacco excise remained permanent, with the exception of the tax on alcoholic beverages which is dealt with later. The stamp tax on business transactions was also lowered from 1930 until some increases came into force in the spring of 1937. At the beginning of 1936 the lowest limit for taxable incomes was raised, which tended to decrease the yield of the income and property tax. Subsequently this tax was raised, but the increase only came into force in 1938. In spite of these taxes being lowered the total amount of taxation, which was below 13 per cent in 1928—1929 in proportion to the national income, appears to have remained constantly in the neighbourhood of 14—15 per cent in the 1930's. This result was due to two quite particular factors which caused a structural change of a permanent nature in the Finnish system of State taxation.

During the period of prohibition the taxing of alcohol was of very slight fiscal importance.

On April 5th, 1932, new regulations concerning alcoholic beverages came into force and since then intoxicating beverages are taxed with Customs duty, excise on manufacture and, above all, the monopoly tax (by means of the surplus of the monopoly and the „income and property tax” on it). Prior to the depression the tax on motor vehicles was also of little fiscal importance. Motor traffic was comparatively small and the tax was light. During the depression taxation was increased appreciably, and as traffic has grown with extreme rapidity, this form of taxation has become a very considerable source of revenue to the State. As in Finland the tax on alcohol exists mainly for the purpose of controlling consumption, the raising of this tax does not imply an increase in the burden of taxation in the ordinary sense. The tax on motor vehicles is a benefit tax. State expenditure on maintaining and building roads grows along with this revenue. An increase in the yield of it is therefore not regarded as increasing the burden of taxation in the ordinary sense. Consequently it might be interesting to examine the question as to how other State taxes, apart from the taxes on alcohol and motor vehicles, have developed in comparison to the national income. This is seen from the figures in the table below.

If the taxes on alcohol and motor vehicles are left out of account, it will be seen that the

proportion of the rest of the State taxes (II + III) to the national income was even lower after the depression than during the last years in the 1920's. Calculations of the national income for 1937 and 1938 are not yet available. Provided the total taxation did not increase appreciably in these years in proportion to the national income, which does not seem to have been the case, the trend should have proceeded in the same direction as up to 1936. Especially taking into consideration the fact that in 1937 and 1938 the ratio of the taxes on alcohol and motor vehicles to the total taxation increased, it seems probable that the proportion of the other taxes to the national income did not increase in these years. The following table illustrates the structural change in the State taxation caused by the taxes on alcohol and motor vehicles.

	1927 %	1928 %	1929 %	1936 %	1937 %	1938 %
Taxes on alcohol and motor vehicles .....	2.7	4.8	6.7	20.4	21.9	22.1
Other taxes on consumption ..	63.4	60.9	62.3	56.2	52.3	48.5
Other State taxes	33.9	34.3	31.0	23.4	25.8	29.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

While the taxes on alcohol and motor vehicles have attained a great importance, the proportion of all other taxes has become considerably lower in recent years than it was at the end of the 1920's.

*Main classes of taxes in proportion to national income.*

Year	I Taxes on alcohol and motor vehicles		II Other taxes on consumption		III Other State taxes		II+III % of national income
	1 000 marks	% of national income	1 000 marks	% of national income	1 000 marks	% of national income	
1924 .....	43 648	0.3	1 193 033	8.2	660 503	4.6	12.8
1928 .....	144 873	0.7	1 517 219	7.7	829 294	4.3	12.0
1929 .....	157 233	0.9	1 468 562	8.0	730 185	4.0	12.0
1930 .....	192 032	1.1	1 488 080	9.0	764 041	4.6	13.6
1931 .....	166 939	1.2	1 243 874	9.0	652 041	4.7	13.7
1932 .....	244 078	1.7	1 119 488	8.1	595 702	4.3	12.4
1933 .....	355 366	2.3	1 289 338	8.5	570 898	3.8	12.3
1934 .....	478 009	2.7	1 509 240	8.4	592 131	3.3	11.7
1935 .....	595 914	3.2	1 532 894	8.1	653 120	3.5	11.6
1936 .....	608 449	3.0	1 684 525	8.2	699 688	3.4	11.6
1937 .....	743 397	.	1 765 348	.	874 174	.	.
1938 .....	861 731	.	1 890 259	.	1 144 407	.	.



THE SHARE OF DIFFERENT TAXES IN THE  
TOTAL TAXATION IN 1927—1938.

The above remarks have given an idea of the principal changes that occurred in the Finnish system of State taxation in the 1920's and 1930's. A closer study of the trend since 1927, for which period the necessary statistical details are available, will reveal the development of the various taxes separately. In this connection the absolute figures for the yield will not be examined, but only their share as expressed in percentages in the total taxation and the changes that have occurred during the years reviewed. The table below shows the development in 1927—1938.

The yield of the income and property tax decreased more abruptly during the depression than the total yield of taxation, its proportionate share falling off. This tax is collected later than the corresponding revenue actually occurs, so that the trend of its yield always lags slightly behind the actual cyclical trend. Thus its share, which was 22.6 per cent in 1928 and had fallen to 19.2 per cent in 1933, dropped still further to 17.6 per cent in 1934, although the latter year was clearly a period of improved trade conditions. In 1935 the ratio rose to 18.3 per cent, but fell again in 1936 and represented only 17.9 per cent of the total taxes.

This latter reduction was solely due to the changes made in the income and property tax, principally to the lowest limit of taxable incomes being raised. In 1937 the ratio increased again and there was a particularly sharp rise in 1938, when the income and property tax represented 24.2 per cent of all State taxes. The fact that 1937 had been the peak year of the trade cycle was partly responsible for the considerable increase in the yield of the income and property tax in 1938. In addition, this tax was raised 20 per cent for financing the expenditure on defence, the increase coming into force in 1938.

The class „Stamp duties on business transactions and certain other stamps inseparable from them” includes a considerable quantity of fees levied by official institutions, so that the figures do not give a correct idea of the duties on business transactions by themselves. The main features of their trend are shown, however, by the figures for the whole class, the comparatively large share of which in 1927 and 1928 was due to some special regulations for stamp duties on issues of shares. The very considerable reduction in 1930 was caused, on the other hand, partly by the falling off in trade and partly by the duties and fees being lowered. In 1935 the share of these taxes in

Share of different taxes in the system of State taxation in 1927—1938.

	Percentage of total taxation											
	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
Taxes on consumption and taxes administratively inseparable from them .....	68.1	66.7	69.0	68.7	68.4	69.6	74.2	77.0	76.5	76.6	74.2	70.6
Tax on alcohol .....	2.3	1.6	1.1	0.8	1.7	6.1	8.7	11.2	13.7	13.0	13.3	13.7
Taxes on motor vehicles and their fuel .....	2.4	4.2	5.6	7.0	6.5	6.3	7.3	7.3	7.7	7.4	8.6	8.4
Tax on tobacco .....	10.5	9.6	10.6	10.9	11.0	11.5	10.6	10.1	9.6	10.2	10.4	9.6
Excise on matches .....	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.5	0.5	0.5	—
Import duty on coffee .....	7.7	5.9	6.1	7.5	8.2	8.8	8.6	7.9	7.4	6.6	5.1	5.0
Tax on entertainments and playing cards .....	1.2	1.3	1.3	1.1	0.8	0.7	0.5	0.5	0.6	0.6	0.7	0.7
Excise on sweets .....	0.8	1.0	1.0	0.8	0.8	0.7	0.5	0.6	0.6	0.6	0.7	0.8
Import duties on delicacies, silk, and certain other articles chiefly used by wealthy people .....	5.2	5.5	5.0	4.1	4.0	3.1	3.0	3.1	3.4	3.5	4.1	4.1
Import duty on sugar .....	10.7	9.3	9.8	13.1	13.1	13.5	15.7	13.7	13.4	13.3	9.6	10.4
Import duty on grain .....	9.6	11.1	12.4	10.5	11.8	13.4	12.3	10.5	7.6	8.1	5.5	4.0
Other import duties .....	16.7	16.5	15.4	12.2	9.8	5.9	6.4	11.5	10.8	12.3	14.9	12.7
Excise on cattlefood and margarine .....	—	—	—	—	—	—	—	0.0	1.2	0.5	0.3	1.2
Income and property taxes .....	22.1	22.6	23.1	24.7	23.9	22.5	19.2	17.6	18.3	17.9	19.4	24.2
Tax on inheritance and gifts .....	1.9	2.0	2.0	2.1	3.6	1.9	1.8	1.4	1.5	1.7	1.6	1.2
Stamp duties on business transactions and certain other stamps inseparable from them .....	7.4	8.3	5.4	3.9	3.5	5.4	4.3	3.5	3.1	3.2	4.3	3.5
Other tax revenue .....	0.5	0.4	0.5	0.6	0.6	0.6	0.5	0.5	0.6	0.6	0.5	0.5
All State taxes	100	100	100	100	100	100	100	100	100	100	100	100

the total taxation was 3.1 per cent and in 1936 3.2 per cent, but in 1937 it increased to 4.3 per cent. The rise was partly due to trade being exceptionally lively in that year and partly to some increases in taxation being introduced in the spring of 1937. In 1938 their share dropped to 3.5 per cent, which was obviously due to trade slackening.

The considerable increase in the share of the taxes on alcohol and motor vehicles in State taxation has already been referred to. The share of other consumption taxes has decreased considerably in recent years from its level in the 1920's. If the taxes on alcohol and motor vehicles are included, the total share of the taxes on consumption is found to have been slightly larger in recent years than was the case in the 1920's. Since 1934, however, this total share has constantly declined. In 1928 and 1929 the share of consumption taxes was 66.7 and 69.0 per cent, in 1934 it was 77.0 per cent; in 1935 it dropped to 76.5 per cent, in the following year it was almost the same or 76.6 per cent, in 1937 it fell to 74.2 and in 1938 to 70.6 per cent.

The alcohol monopoly tax has been raised annually since 1935. The share of this tax in the total taxation has increased in general, but the increase has not been even. It was at its highest in 1935 and 1938, when it represented 13.7 per cent of all taxes. The yield has been affected by the extent to which the income collected in the form of monopoly prices has been invested in each year by means of transfers to funds and by depreciations. In 1938 the yield was reduced, besides, by postponing the time for collecting the excise on spirits, so that this tax did not supply the State with any revenue whatever during the first half of 1938.

Among the taxes on motor vehicles the import duty on petrol is the most important. It was 2:— marks per kg since 1933 and was reduced to 1:60 in June, 1936, but raised again to 1:80 in November, 1938. The share of the taxes on motor vehicles has also grown con-

stantly. In spite of the tax having been lowered since the depression, its yield increased with the constant growth of traffic more rapidly than the total yield of taxation. In 1937 its share was at its highest at 8.6 per cent. The yield from this class of taxation increased again in 1938, but at a somewhat slower rate, its share in the total taxation falling off slightly.

The tobacco tax has generally amounted to about 10 per cent of all State taxes. The rates were raised at the beginning of 1931. Its share in the total taxation increased in 1931 to 11.0 per cent and in 1932 to 11.5 per cent. Subsequently it fell off again slightly.

The share of the import duty on coffee in the total taxes has varied very much, mainly in accordance with the changes in the rate of duty. In 1928 and 1929 the duty was 8:— marks per kg; the share in the total taxation in those years was 5.9 and 6.1 per cent. In 1931—1935 the duty was 12:— per kg. The share in the total taxation was highest in 1933 at 8.6 per cent, dropping in the following year to 7.9 per cent and in 1935 to 7.4 per cent. In each of the succeeding years the duty was lowered, so that in 1938 it was only 7:50 marks per kg, the share being 5.0 per cent in that year.

The share of the tax on entertainments and playing cards rose slightly from 1927 to 1928. In 1930 taxation was reduced, Finnish films being exempted from the tax. In 1930—1932 the rate was the same, but owing to the downward trend the share of this tax in the total taxes fell off from 1.1 to 0.7 per cent. In 1933, when fresh remissions of taxation came into force, the share dropped to 0.5 per cent. In 1937 and 1938 it increased once more to 0.7 per cent.

The yield of the tax on sweetstuffs has varied very greatly according to the trade cycle. Its share, which was 1.0 per cent in 1928, dropped to 0.5 per cent in 1933. The fact that this share has since grown comparatively slowly is partly due to the circumstance that the demand had in the meantime been transferred in some degree to articles that were

free from tax. Steps having been taken to remedy this drawback, the yield has increased very rapidly in 1939.

The yield from duties on delicacies, silk, and similar articles, the so-called luxuries duties, has been largely influenced by the cyclical movements. The share of these taxes in the total taxes was 5.2 per cent in 1927, and 5.5 per cent in 1928, but decreased in 1933 as far as 3.0 per cent. The increased home manufacture of these articles has permanently reduced imports of them as well as the corresponding Customs revenue. Their share was no more than 4.1 per cent in 1937 and 1938, in spite of some of the rates of duty being raised in 1938 and consumption in general being at its peak in these years.

The share of the sugar duty was at its highest in 1933 at 15.7 per cent. In the succeeding years it decreased regularly, although the rate of duty remained unchanged. When the rate was lowered, the share in 1936 and 1937 amounted to 13.3 and 9.6 per cent. In 1938 the rate was lowered again, but in spite of this the share increased to 10.4 per cent. This, however, was due to entirely artificial circumstances. When the duty was to be reduced, importers kept their stocks as low as possible at the end of the previous years. Thus imports during the first few months of 1936 and 1938 appreciably exceeded normal requirements.

The grain duties, which had yielded considerably over 10 per cent of all taxes in 1928—1934, only produced 5.5 per cent in 1937 and 4.0 per cent in 1938, owing to the domestic growing of grain having increased.

Other import duties on goods for production and consumption shared in the total taxation with 16.5 per cent in 1928, 5.3 per cent in 1932 and 14.9 per cent in 1937. This last class has thus been very sensitive to cyclical fluctuations. In 1938 its share was reduced to 12.7 per cent.

#### CAUSES AFFECTING THE YIELD OF DIFFERENT TAXES.

The taxes on consumption still have a very considerable share in the system of State

taxation in Finland. It should be noted, however, that the local taxation consists almost exclusively of a proportionate income tax and that the yield of the local taxes has in general been considerably larger than the yield of the State tax on income and property.

As a rule, consumption taxes possess a comparatively small share in the whole system of taxation in wealthy countries, whereas in poor countries they are much more important. This may be ascribed to the following causes. When the general standard of living is low, the satisfaction of physiological wants plays a comparatively large part in the total consumption of the population. When general well-being improves, their relative importance decreases, as the population goes over more than before to such forms of consumption, as chiefly satisfy wants caused by the social environment and by cultural needs. The State endeavours to promote cultural life and is anxious not to burden such forms of consumption by special taxation. The importance of those forms of consumption which are subject to taxation thus decreases as compared with the total consumption of the population. In order that, in such circumstances, an unaltered or increasing share of the national income should be obtained for public expenditure, other kinds of taxation, principally that of income, must provide a relatively higher revenue. The general trend in the development of the system of taxation, as the nation progresses, is for the consumption taxes to decrease in relation to the total taxation.

Certain other structural changes also influence the system of taxation. New taxes, such as the taxes on alcohol and on motor vehicles in Finland, can exert a profound influence on it. Likewise considerable changes in the rate of taxation can greatly influence the course of development. If, in general, such changes of a permanent nature as are not directly caused by cyclical fluctuations, are regarded as structural changes, it is proper to include among them the reduction in taxes which is evoked by the growing share of home production in satisfying

the demand for goods subject to import duty. This has particularly affected the yield of the Finnish grain duties.

Some causes affecting the varying yield of different taxes can also be noted in the actual cyclical movement, changing from year to year. In this connection such technical causes will be left out of account as the influence on the yield of taxation revenue of the postponed collection of the income and property tax or the monopoly taxes, and the influence of the investments of a monopoly company, or the procedure of importers and manufacturers in increasing or reducing their stocks, when changes are to occur in rates of duty or excise. The yield of the stamp tax on business transactions and of the income and property tax is more susceptible to cyclical fluctuations than the yield of the consumption taxes as a whole. This is due to the theoretical circumstance that the demand and supply of articles of consumption are susceptible to cyclical fluctuations in a lower degree than the demand and supply of articles for productive purposes. Consumption does not increase and decrease with cyclical fluctuations as rapidly as productive activity and the formation of income as a whole. Especially when the income and property tax is progressive, as in Finland, its yield becomes very susceptible to cyclical variations. However, among the consumption taxes, too, there are always some that are very susceptible to cyclical fluctuations. In Finland this is the

case particularly in regard to the entertainment tax and the tax on sweets. The yield of the duties on delicacies, silk etc. has also been very sensitive. With regard to such articles of consumption as have not yet established themselves among the bulk of the population, the demand is very susceptible in general to cyclical fluctuations. It can also be said concerning such articles of general consumption as tobacco and alcoholic beverages that, if the price is raised by means of taxation, the corresponding susceptibility of the demand for the article increases. If, e. g., the prices of tobacco and alcoholic beverages in Finland only represented the cost of production and these articles were not taxed, their demand would be susceptible in a much lower degree, as the quantities consumed would be much larger than at present. On the other hand, at their present comparatively high prices the demand for these articles and their corresponding yield in taxes is susceptible in a considerable measure. The higher the price and the lower the standard of living in a country, the more susceptible to cyclical fluctuations the demand for the articles of consumption. As the standard of living among the population rises, the susceptibility decreases, unless the taxes and prices are raised correspondingly in the meantime. The susceptibility of the yield of the taxes is naturally dependent on the susceptibility of the demand for the articles concerned.

## ITEMS.

**Conversion of bond loan.** The City of *Helsinki (Helsingfors)* has converted its 5.5 per cent loan of 1934 to 5 per cent. The new rate of interest came into force on July 1st. The transaction will save about 600,000 marks a year in interest charges. The outstanding amount of the loan is 128 million marks of the original amount of 135 million.

\*

**Foreign owned property in Finland.** A new law concerning the right of foreigners to own property in Finland came into force on August 1st, 1939. The law relates to real estate as well as to shares. No foreigner or foreign company, co-operative enterprise, association or foundation may acquire real estate in Finland without permission from the Government in each case, neither as owner nor on lease for more than five years. Such a prohibition has, as a matter of fact, been in force since the middle of last century, but it could easily be evaded by forming a company in this country. The ownership of shares has not been restricted so far as to the nationality of shareholders. Evasions are now to be prevented by the new stipulations. Real estate may not be acquired by trading companies and limited partnerships which have any foreign shareholders, nor by trade combines, which do not prohibit foreign membership, nor by limited companies, which do not restrict their foreign membership, i. e. if more than one-fifth of all their shares are owned by foreigners. In regard to certain specified kinds of business these restrictions apply regardless of whether the limited company owns real estate or not. The law does not, on the other hand, prohibit the continued occupation of property already acquired by

foreigners, but only relates to new acquisitions or leases for long periods of time.

Some other important stipulations were enacted at the same time in regard to the position of foreigners in Finnish business. Thus a foreigner may not become a personally responsible partner in a company without the permission of the Government. The members of the board of directors of a limited company shall be Finnish citizens resident in Finland, but by Government permission up to one-third of the members of the board may be foreigners or Finnish citizens resident abroad. A foreigner or a Finnish citizen resident abroad may not, without Government permission, hold a power of attorney from a limited company or a co-operative enterprise.

\*

**New power station.** A decision has been made by the authorities in the City of Oulu (Uleåborg) to erect a water-power station on the rapids of Merikoski. The cost is estimated at 90 million marks and will be financed by a loan of that amount.

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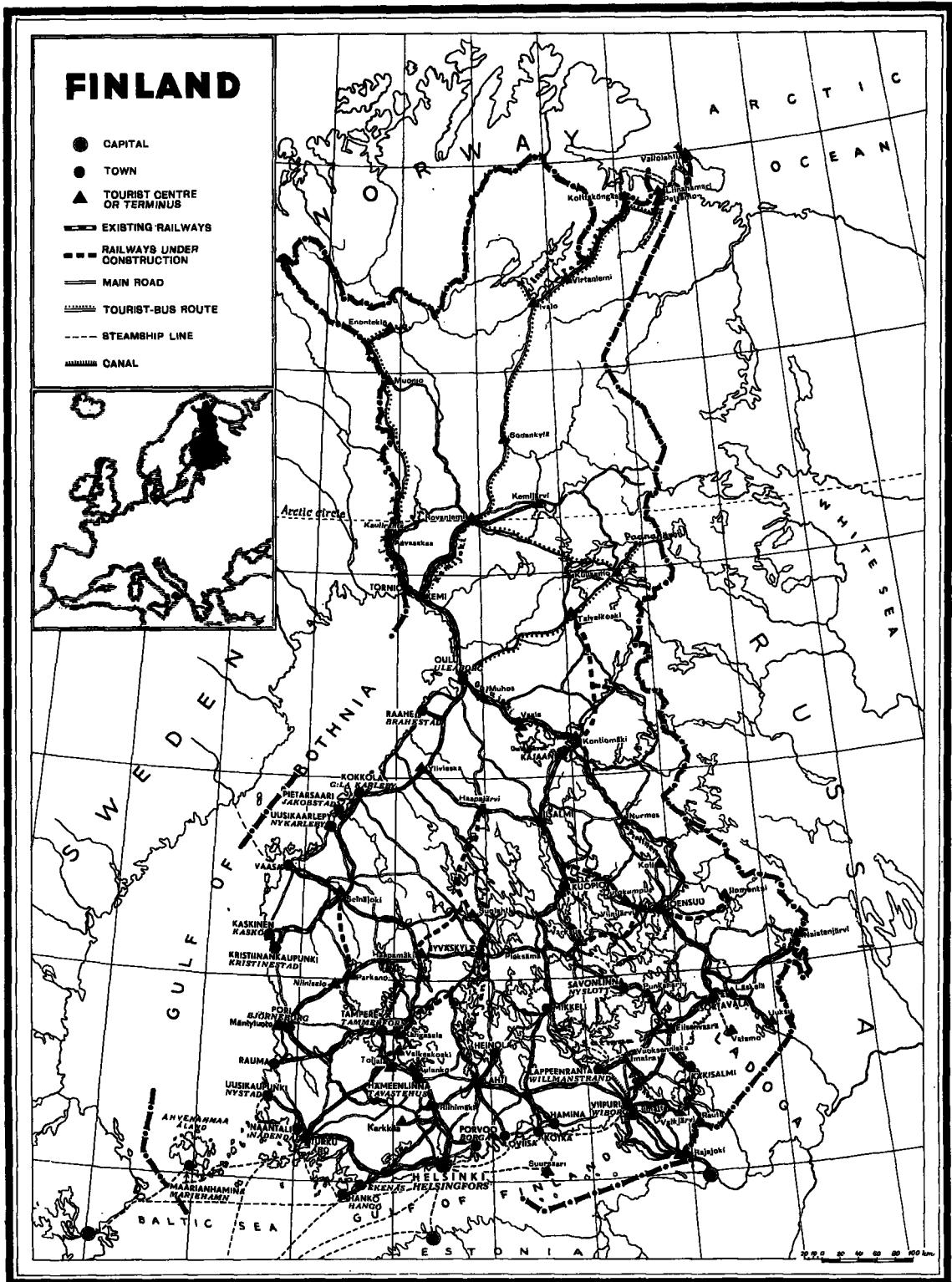
**Weather conditions and crop prospects.** The temperature was considerably above normal in July and particularly in August. July was fairly rainy, but the first half of August was very dry, the rainfall being only about a third of the normal. The rain in July and the heat, however, somewhat improved the crop prospects in regard to spring sowings, potatoes and root vegetables, which had suffered from the prolonged drought during the early summer. As to other crops, the prospects are about the same as a month ago. Haymaking generally

took place in bad weather, which delayed this work beyond the normal time. The quantity of hay apparently was small as compared with the exceptionally large crop of last year and was of an average size or below the average. On the other hand weather conditions were favourable at the time of harvesting grain. The autumn sowings of rye and wheat are considered to have given an average crop this year. Barley and oats are expected to yield a crop of average quantity or above the average and spring wheat is considered to be of a medium quantity. Considerable harm has been done by insects to the root crops, even leading to a complete failure of crop in certain places. As the prospects have improved in other parts of the country during the past month the average result of the root crop is nevertheless expected to be normal.

According to the preliminary estimates of the Board of Agriculture the crop prospects were as follows in the middle of August. In the table a scale of figures is employed, 8 signifying a very good crop, 7 a good crop, 6 above medium, 5 medium, 4 below medium, 3 a poor crop, 2 almost a failure of crop and 1 a failure of crop.

	Middle of August		
	1939	1938	1937
Autumn wheat .....	5.0	5.9	6.3
Spring wheat .....	5.3	6.2	5.4
Rye .....	4.7	5.0	6.5
Barley .....	5.5	5.9	4.8
Oats .....	5.5	6.0	5.2
Potatoes .....	6.0	5.1	5.2
Hay .....	4.5	6.7	5.5

The above figures show less favourable prospects as to all crops except potatoes in the middle of August as compared with the same time last year.



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