



BANK OF FINLAND

MONTHLY BULLETIN

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THE FINNISH MARKET REVIEW.

GENERAL SURVEY.

In the late summer and the early autumn the economic truce proclaimed in spring still prevailed. The wage and price stoppage then introduced kept the public mind calm and prevented undue agitation during the parliamentary elections. Before the date fixed for the end of the truce, September 30, the Planning Committee was very busy and the Government took part in its negotiations. Their stabilization programme was finally completed in time after the Government had been reconstructed on its former basis. The programme, reviewed in the Items of this Bulletin, is quite clearly a compromise between the different parties and interests and must therefore in some respects be inconsistent. The important point however is that a solution was found which did not entail new wage increases but provided a basis for the long-term stabilization.

Economic progress has been made, chiefly because of favourable export markets and terms of trade. No signs are visible yet of the seasonal unemployment usual in autumn. A drawback has been the long drought particularly in the south of the country. It has reduced the harvest, dried the wells and watering-places for the cattle; it threatens the winter electric power supply because the level of rivers and lakes is much below normal.

THE MONEY MARKET.

Stringency in the money market eased during August and September. This change was partly apparent only since the demand for credit was actually greater than the credit institutions could meet, but the Bank of Finland forced the Commercial Banks to reduce their very swollen rediscounts and consequently also their grants of credit. There was a real easing of the stringency however because favourable trade enabled the export firms to pay off their bank loans while the deposits in the banks increased.

Deposits in *all credit institutions* increased much more than usual in August, by 11,203 million marks as against 1,887 million the year before. In September, as usual, the position was much weaker but deposits increased by 697 million in contrast to a decrease of 222 million in September 1950. The increase from the beginning of the year had been 30,949 million, or nearly three times the corresponding increase of the previous year.

In the *Commercial Banks* deposit accounts increased by 2,116 million marks in August and 607 million in September, while in 1950 there was an increase of 878 million in August but a decrease of 436 million in September. Since the beginning of the year the increase was 5,351 million marks as against 3,055 million in

1950. Total deposits increased by 6,482 million marks in August—September as against only 953 million in the same months of 1950. Advances, on the other hand, decreased by 2,035 million in August and increased by 344 million in September, a net reduction of 1,691 million marks as against an increase of 67 million the year before. Thanks to this the Commercial Banks were able to reduce their loans from the Bank of Finland by 7,600 million marks in August—September. At the end of September their debt to the central bank amounted to 3,725 million marks while at the end of June it had been 14,894 million. In spite of this rediscounts were fully three times what they had been one year earlier.

The easing of the money market is most clearly reflected in the position of the *Bank of Finland*. Total advances have been steadily reduced, by 7,752 million marks from the last of July to October 15, chiefly because rediscounts were reduced by 9,282 million marks to 2,648 million. Advances to the bank's own clients fell off by 3,374 million marks, while Treasury loans rose by 4,904 million to 18,681 million. Total advances are now about 9,000 million marks below last year's figure. On the other hand, the foreign currency supply improved all through the summer thanks to the favourable export markets. From July 31 to October 15 the increase was 7,943 million marks, and by October 15 a peak of 15,295 million marks was reached, or three times the figure for the same date last year. — Although the note circulation remained at the high level reached in early summer, the note reserve was greatly increased.

The Supervisors of the Bank of Finland decided on October 18 that the discount rate be lowered from $7\frac{3}{4}$ to $5\frac{3}{4}$ per cent, i. e. by the amount it had been increased last year, in spite of the fact that the money market cannot be considered really ripe

for a reduction in the rate of interest. But a reduced rate of interest was one of the main items in the general policy of stabilization.

PRICES.

There was a rise in prices in August and for some items another one in September in spite of the truce. This was most marked in forestry products owing to the influence of foreign prices. The wholesale price index was 1,850 in July (1935 = 100), it rose to 1,917 in August and dropped to 1,915 in September. The reduction referred both to agriculture and industry. The cost of living index increased from 1,162 in July to 1,181 in August and to 1,201 in September (1935 = 100). In the latter month the cost of fuel and rent rose while that of food and clothing fell slightly. The fall in prices of foreign raw materials has not yet affected the price indices.

TRADE AND INDUSTRY.

Foreign trade was exceedingly brisk in August and September. The value of exports was 21,431 million marks in August and 20,344 million in September, or more than in any single previous month. Imports were also greater than ever before, 15,242 and 15,433 million marks respectively. There was therefore an exceptionally large surplus of exports due chiefly to the rise in world market prices, but the volume of exports and imports also rose.

Production was greatly improved. For the period January to August Mercator's index for the volume of production was 129 (1948 = 100) as against 114 the year before. The increase was general in all branches except building; it was exceptionally high in forestry. Industry and agriculture improved compared with last year in a similar way.

October 23, 1951.

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STATISTICS.
1.—STATEMENT OF THE BANK OF FINLAND.

	1950	1951						
	Mill. mk	Mill. mk						
	31/10	31/5	30/6	31/7	31/8	29/9	31/10	
ASSETS.								
Gold Reserve	2 230	4 475	4 475	4 475	4 475	4 475	5 420	
Foreign Currency	4 506	4 328	4 457	7 352	12 421	13 484	15 730	
Foreign Bills	1 477	2 202	2 425	2 558	2 602	2 650	2 687	
Foreign Bank Notes and Coupons	81	125	161	176	165	154	203	
Foreign Clearing Accounts	—	—	—	—	—	—	846	
Inland Bills	42 690	39 820	41 917	40 302	37 509	35 851	30 030	
Loans on Security	22	22	22	22	47	47	47	
Advances on Current Accounts	312	443	379	425	—	225	445	
Bonds in Finnish Currency	347	769	767	748	746	745	741	
» » Foreign »	191	192	203	191	193	194	198	
Sundry Assets	1 848	6 553	7 488	6 358	5 186	4 120	2 816	
Total	54 204	58 929	62 294	62 607	63 344	61 945	59 163	
LIABILITIES.								
Notes in circulation	32 484	39 055	39 670	39 826	41 446	42 272	42 014	
Other Liabilities payable on demand:								
Current Accounts due to the Treasury ..	99	—	—	—	—	—	—	
» » » » Others	1 614	1 418	2 735	1 093	1 704	1 335	993	
Bank-Post-Bills	227	49	88	56	42	95	33	
Mark Accounts of holders abroad	4 082	4 264	4 225	5 897	4 503	3 939	2 424	
Foreign Clearing Accounts	1 638	347	1 644	1 711	1 922	763	—	
Foreign Debt	3 465	1 502	1 617	1 663	1 733	1 802	1 825	
Sundry Accounts	57	180	73	100	83	14	197	
Capital	5 000	5 000	5 000	5 000	5 000	5 000	5 000	
Reserve Fund	1 025	1 527	1 527	1 527	1 527	1 527	1 527	
Earnings less Expenses	939	554	659	771	874	989	1 102	
Undisposed Profits	—	—	—	—	—	—	—	
Sundry Liabilities	3 574	5 033	5 056	4 963	4 510	4 209	4 048	
Total	54 204	58 929	62 294	62 607	63 344	61 945	59 163	

2.—NOTE ISSUE OF THE BANK OF FINLAND.

	1950	1951						
	Mill. mk	Mill. mk						
	31/10	31/5	30/6	31/7	31/8	29/9	31/10	
RIGHT TO ISSUE NOTES.								
Gold Reserve and Foreign Currency ¹⁾	8 294	11 130	11 518	14 561	19 663	20 763	24 040	
Additional Right of Issue	50 000	50 000	50 000	50 000	50 000	50 000	50 000	
Total	58 294	61 130	61 518	64 561	69 663	70 763	74 040	
AMOUNT OF ISSUE USED.								
Notes in circulation	32 484	39 055	39 670	39 826	41 446	42 272	42 014	
Other Liabilities payable on demand	11 182	7 760	10 332	10 520	9 987	7 948	5 472	
Undrawn Advances on Current Accounts	691	581	645	599	1 024	798	579	
Total	44 357	47 396	50 697	50 945	52 457	51 018	48 065	
NOTE RESERVE.								
Available	6 627	3 554	2 738	3 917	4 715	5 596	6 005	
Dependent on supplementary cover	7 310	10 180	8 083	9 699	12 491	14 149	19 970	
Total	13 937	13 734	10 821	13 616	17 206	19 745	25 975	
Grand total	58 294	61 130	61 518	64 561	69 663	70 763	74 040	

¹⁾ From April 29, 1950, including bills payable abroad in foreign currency, foreign bonds listed on foreign Stock Exchanges, bonds and interest coupons in foreign currency which have fallen due and foreign money.

3. — BANK OF FINLAND. NOTES IN CIRCULATION, FOREIGN CURRENCY AND COVER FOR THE ISSUE OF NOTES.

End of Month	Notes in circulation Mill. mk				Foreign Currency ¹⁾ Mill. mk				Cover for the Issue of Notes Percentage of Liabilities payable on demand				End of Month
	1949	1950	1951	Monthly Movement	1949	1950	1951	Monthly Movement	1949	1950	1951	Monthly Movement	
Jan.	27 369	27 790	31 820	-2 563	2 027	2 003	2 888	— 65	112.6	114.0	108.4	+ 2.2	Jan.
Feb.	25 732	29 491	36 647	+4 827	1 685	4 160	6 111	+ 666	115.6	109.7	106.6	- 3.6	Feb.
March	27 407	29 935	37 447	+ 800	1 755	4 734	5 133	- 978	112.4	106.4	102.6	- 4.0	March
April	27 741	30 266	38 329	+ 882	1 208	5 316	4 235	- 898	113.6	112.8	101.6	- 1.0	April
May	28 198	30 326	39 055	+ 726	1 310	5 016	4 328	+ 93	115.2	114.1	107.5	+ 5.9	May
June	27 934	31 328	39 670	+ 615	1 304	4 930	4 457	+ 129	113.8	110.9	105.4	- 2.1	June
July	28 252	32 734	39 826	+ 156	2 204	6 230	7 352	+2 895	113.2	112.0	107.7	+ 2.3	July
Aug.	28 677	34 014	41 446	+1 620	2 080	6 250	12 421	+5 069	115.1	112.5	109.0	+ 1.3	Aug.
Sept.	28 389	34 004	42 272	+ 826	1 988	6 423	13 484	+1 063	108.5	114.3	111.0	+ 2.0	Sept.
Oct.	28 036	32 484	42 014	- 258	1 579	4 506	15 730	+2 246	108.6	114.9	112.5	+ 1.5	Oct.
Nov.	28 613	33 916			1 636	3 959			107.2	113.2			Nov.
Dec.	29 606	34 383			2 428	5 610			108.0	108.0			Dec.

¹⁾ Net credit balances with foreign correspondents.

4. — BANK OF FINLAND. NOTE RESERVE, HOME LOANS AND REDISCOUNTED BILLS.

End of Month	Note Reserve Mill. mk				Home Loans ¹⁾ Mill. mk				Rediscounted Bills (Included in Home Loans) Mill. mk				End of Month
	1949	1950	1951	Monthly Movement	1949	1950	1951	Monthly Movement	1949	1950	1951	Monthly Movement	
Jan.	5 963	4 924	18 173	35 023	37 360	36 453	-4 082	1 697	764	1 005	5 735	-1 178	Jan.
Feb.	6 317	5 748	14 900	34 502	39 720	38 520	+2 067	3 634	1 969	10 652	+4 917	Feb.	
March	6 018	4 473	11 658	36 211	38 876	39 810	+1 290	927	830	8 090	-2 562	March	
April	6 498	16 292	11 687	37 682	39 493	39 451	- 359	130	20	10 888	+2 798	April	
May	7 023	16 585	13 734	37 904	39 663	40 285	+ 834	2 523	2 312	11 345	+ 457	May	
June	6 484	16 677	10 821	37 225	39 157	42 318	+2 033	1 165	3 102	15 560	+4 215	June	
July	6 746	15 340	13 616	39 766	40 795	40 749	-1 569	196	2 244	11 930	-3 630	July	
Aug.	7 337	15 111	17 206	39 904	41 386	37 556	-3 193	335	1 486	4 346	-7 584	Aug.	
Sept.	5 076	14 388	19 745	39 725	42 493	36 123	-1 433	710	2 612	3 945	- 401	Sept.	
Oct.	5 167	13 937	25 975	40 569	43 024	30 522	-5 601	822	2 335	723	-3 222	Oct.	
Nov.	4 622	12 271		40 309	44 074			2 073	3 233			Nov.	
Dec.	4 964	13 553		40 302	40 535			2 428	6 913			Dec.	

¹⁾ Inland bills, loans on security and advances on current accounts.

5. — BANK OF FINLAND. TREASURY BILLS AND BALANCES OF CURRENT ACCOUNTS.

End of Month	Treasury Bills (Included in Home Loans) 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
	1949	1950	1951	Monthly Movement	1949	1950	1951	Monthly Movement	1949	1950	1951	Monthly Movement	
Jan.	19 230			19				1 463					Jan.
Feb.	19 530	21 130	16 730	-407	- 65	- 276	- 310	2 019	1 839	318	- 952	Feb.	
March	15 230	21 630	13 230	-239	-249	- 194	+ 82	680	2 618	292	- 26	March	
April	17 530	21 830	16 630	- 26	-923	- 8	+ 186	2 130	3 293	2 029	+1 737	April	
May	19 030	23 430	12 530	581	-669	- 127	- 119	1 415	2 540	641	-1 388	May	
June	16 430	21 230	¹⁾ 11 922	294	248	¹⁾		1 083	1 149	1 418	+ 777	June	
July	16 730	19 830	9 707	311	-502			1 221	1 010	2 735	+1 317	July	
Aug.	20 230	23 330	13 777	- 99	261			3 163	2 138	1 093	-1 642	Aug.	
Sept.	20 430	25 230	20 542	13	-163			1 928	2 023	1 704	+ 611	Sept.	
Oct.	20 230	25 530	20 459	-399	-152			1 618	3 503	1 335	- 369	Oct.	
Nov.	21 930	26 230	18 369	-364	99			2 099	1 614	993	- 342	Nov.	
Dec.	21 030	25 730		-132	2			1 671	747			Dec.	
Dec.	22 030	19 730		80	34			1 865	1 270			Dec.	

¹⁾ Since May, 1951, the Balance of Current Accounts due to the Treasury is included in Treasury Bills. The figures in italics indicate the position at the end of the previous year.

Bank Rate since November 3, 1950, 7 ³/₄ %.
(Former Rate 5 ¹/₄ %).

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

		1951	1951	1951	1951	1951	1951	1951
		³⁰ / ₄	³¹ / ₅	³⁰ / ₆	³¹ / ₇	³¹ / ₈	²⁹ / ₉	³¹ / ₁₀
New York	1 Dollar	231:—	231:—	231:—	231:—	231:—	231:—	231:—
London	1 Pound	646:—	646:—	646:—	646:—	646:—	646:—	646:—
Stockholm	100 Kronor	4 450:—	4 450:—	4 450:—	4 450:—	4 450:—	4 450:—	4 450:—
Paris	100 Francs	66:—	66:—	66:—	66:—	66:—	66:—	66:—
Brussels	100 Francs	462:—	462:—	462:—	462:—	462:—	462:—	462:—
Amsterdam	100 Guilders	6 090:—	6 090:—	6 090:—	6 090:—	6 090:—	6 090:—	6 090:—
Zürich	100 Francs	5 300:—	5 300:—	5 300:—	5 300:—	5 300:—	5 300:—	5 300:—
Oslo	100 Kroner	3 231:—	3 231:—	3 231:—	3 231:—	3 231:—	3 231:—	3 235:—
Copenhagen	100 Kroner	3 330:—	3 330:—	3 330:—	3 340:—	3 340:—	3 340:—	3 340:—
Prague	100 Koruny	462:—	462:—	462:—	462:—	462:—	462:—	462:—
Montreal, nom.	1 Dollar	218:—	218:—	216:—	216:—	220:—	220:—	220:—
Lisbon	100 Escudos	804:—	804:—	804:—	804:—	804:—	804:—	804:—
Rio de Janeiro	100 Cruzeiros	1 260:—	1 260:—	1 260:—	1 260:—	1 260:—	1 260:—	1 260:—
Moscow, nom.	100 Rubel	5 775:—	5 775:—	5 775:—	5 775:—	5 775:—	5 775:—	5 775:—

7. — COMMERCIAL BANKS. HOME DEPOSITS AND CREDITS FROM THE BANK OF FINLAND.

End of Month	Due to the Public				Due to other Credit institutions		Total			Credits from the Bank of Finland		End of Month
	Cheque Accounts		Deposits		Mill. mk		Mill. mk			Mill. mk		
	1950	1951	1950	1951	1950	1951	1949	1950	1951	1950	1951	
	<i>23 276</i>		<i>31 079</i>		<i>7 625</i>		<i>50 125</i>			<i>1 842</i>		
Jan.	24 659	24 247	32 013	37 344	7 889	5 614	53 171	64 561	67 205	801	4 625	Jan.
Feb.	21 856	21 534	32 728	37 824	7 354	5 373	50 155	61 938	64 731	1 955	10 289	Feb.
March	25 021	28 762	33 446	37 882	6 699	5 793	55 161	65 166	72 442	817	7 552	March
April	25 789	25 348	33 623	38 189	6 738	5 694	56 407	66 150	69 231	—	10 563	April
May	23 663	28 468	33 768	38 421	6 689	5 597	53 990	64 120	72 486	2 293	10 892	May
June	25 312	32 822	33 433	38 541	5 472	6 006	55 766	64 217	77 369	3 097	14 894	June
July	25 886	28 659	33 692	39 207	5 928	6 685	59 443	65 506	74 551	1 409	11 375	July
Aug.	25 697	33 580	34 570	41 322	5 720	7 131	58 225	65 987	82 033	785	4 086	Aug.
Sept.	26 504	32 853	34 134	41 930	5 821	6 250	57 822	66 459	81 033	1 158	3 725	Sept.
Oct.	24 885		34 071		4 976		61 059	63 932		1 011		Oct.
Nov.	24 209		34 205		4 893		59 773	63 307		2 226		Nov.
Dec.	24 461		36 579		4 933		61 980	65 973		5 692		Dec.

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

8. — COMMERCIAL BANKS. HOME LOANS.

End of Month	To the Public				To other Credit institutions		Total				End of Month	
	Inland Bills		Other Credits		Mill. mk		Mill. mk					
	1950	1951	1950	1951	1950	1951	1949	1950	1951	Monthly Movement		
	<i>31 196</i>		<i>25 965</i>		<i>2 635</i>		<i>46 458</i>					
Jan.	31 402	36 189	27 470	34 762	2 536	2 890	49 554	61 408	73 841	+3 310	Jan.	
Feb.	32 110	38 141	27 819	34 085	2 268	2 321	50 683	62 197	75 047	+1 206	Feb.	
March	32 351	39 768	28 096	34 176	2 348	2 770	52 371	62 795	76 714	+1 667	March	
April	33 123	43 054	29 051	34 601	2 444	2 792	54 944	64 618	80 447	+3 733	April	
May	33 469	45 977	28 949	34 603	3 427	3 000	55 095	65 845	83 585	+3 138	May	
June	32 692	48 333	29 887	36 067	2 938	3 299	54 410	65 517	87 699	+4 114	June	
July	31 789	49 658	30 873	34 781	2 991	3 392	55 648	65 653	87 831	+ 132	July	
Aug.	31 385	48 141	30 786	34 249	3 078	3 406	55 464	65 249	85 796	-2 035	Aug.	
Sept.	31 157	47 070	30 978	35 521	3 585	3 549	57 005	65 720	86 140	+ 344	Sept.	
Oct.	31 869		31 530		2 966		58 935	66 365			Oct.	
Nov.	32 688		32 539		3 089		59 780	68 316			Nov.	
Dec.	34 493		32 941		3 092		59 796	70 531			Dec.	

The figures in italics indicate the position at the end of the previous year.

9. — COMMERCIAL BANKS. POSITION TOWARDS FOREIGN COUNTRIES.

End of Month	Claims Mill. mk			Indebtedness Mill. mk			Net Claims (+) or Net Indebtedness (-) Mill. mk				End of Month	
	1949	1950	1951	1949	1950	1951	1949	1950	1951	Monthly Movement		
Jan.	<i>2 194</i>	2 804	4 579	<i>2 087</i>	1 939	4 287	+ 107	+ 120	+ 865	+ 292	- 121	Jan.
Feb.	2 128	2 279	5 047	2 008	1 928	4 360	+ 120	+ 83	+ 351	+ 687	+ 395	Feb.
March	2 034	2 342	5 475	2 117	1 928	4 360	- 83	+ 351	+ 687	+ 687	+ 395	March
April	2 399	2 342	5 475	2 077	1 879	5 309	+ 322	+ 463	+ 166	+ 166	- 521	April
May	2 397	2 726	6 718	2 107	2 150	6 563	+ 290	+ 576	+ 155	+ 155	- 11	May
June	2 227	2 377	7 570	2 325	2 105	6 929	- 98	+ 272	+ 641	+ 641	+ 486	June
July	2 828	2 968	9 581	2 454	2 252	7 198	+ 374	+ 716	+ 2 383	+ 2 383	+ 1 742	July
Aug.	2 969	3 136	7 528	2 592	1 992	7 108	+ 377	+ 1 144	+ 420	+ 420	- 1 963	Aug.
Sept.	2 776	3 911	9 365	2 384	2 342	8 569	+ 392	+ 1 569	+ 796	+ 796	+ 376	Sept.
Oct.	2 757	3 552	8 483	2 600	3 204	8 426	+ 157	+ 348	+ 57	+ 57	- 739	Oct.
Nov.	2 724	4 184		2 425	3 555		+ 299	+ 629				Nov.
Dec.	2 756	4 275		2 464	4 193		+ 292	+ 82				Dec.
	2 714	4 867		2 220	4 454		+ 494	+ 413				

10. — FOREIGN PAYMENT POSITION OF ALL BANKS.¹⁾

End of Month	Net Claims (+) or Net Indebtedness (-) Mill. mk				Monthly Movement
	1949	1950	1951		
Jan.	-1 016				
Feb.	-1 167	-2 848	-1 104	+1 146	
March	-1 607	-2 589	+ 908	+2 012	
April	-1 235	-1 796	- 165	-1 073	
May	-2 091	-1 443	- 955	- 790	
June	-2 361	-2 200	+1 058	+2 013	
July	-1 726	-1 638	+1 779	+ 721	
Aug.	-2 092	+ 377	+1 059	- 720	
Sept.	-2 516	+1 262	+7 661	+6 602	
Oct.	-4 676	+ 851	+9 687	+2 026	
Nov.	-4 963	-2 573			
Dec.	5 099	-4 455			
	-3 787	-2 250			

¹⁾ For the Bank of Finland the net result of the debit and credit accounts with foreign correspondents, foreign clearing transactions and the foreign debt as well as foreign bills are taken into account, and for the Commercial Banks their net position is taken into account according to table 9 above.

²⁾ According to figures supplied by the Post Office Savings Bank. Giro accounts include all private accounts except those of Commercial Banks.

11. — POST OFFICE SAVINGS BANK. DEPOSITS AND GIRO ACCOUNTS.²⁾

End of Month	Giro Accounts Mill. mk	Deposits Mill. mk.					Monthly Movement	End of Month
		1948	1949	1950	1951			
Jan.		<i>8 394</i>						
Feb.	5 487	8 581	9 784	12 486	14 024	+ 132	Jan.	
March	5 744	8 418	10 120	12 841	14 448	+ 424	Feb.	
April	9 151	8 487	10 312	12 991	14 962	+ 514	March	
May	5 442	8 509	10 385	12 809	15 091	+ 129	April	
June	6 506	8 371	10 468	13 029	15 191	+ 100	May	
July	12 806	8 438	10 695	12 894	15 397	+ 206	June	
Aug.	6 233	8 606	10 953	13 158	15 675	+ 278	July	
Sept.	5 626	9 113	11 501	13 667	16 595	+ 920	Aug.	
Oct.	9 465	9 184	11 626	13 461	16 828	+ 233	Sept.	
Nov.		9 225	11 616	13 285			Oct.	
Dec.		9 170	11 698	13 260			Nov.	
		9 593	12 237	13 892			Dec.	

12. — DEPOSITS IN THE SAVINGS BANKS.

End of Month	Savings Accounts Mill. mk			Current Accounts Mill. mk			Total Mill. mk					End of Month
	1949	1950	1951	1949	1950	1951	1948	1949	1950	1951	Monthly Movement	
Jan.	<i>27 331</i>			<i>1 953</i>			<i>24 924</i>					
Feb.	28 198	36 162	40 171	1 973	2 117	2 414	25 071	30 166	38 279	42 585	+ 690	Jan.
March	29 012	36 691	41 029	1 806	2 098	2 264	25 202	30 818	38 789	43 293	+ 708	Feb.
April	29 625	37 119	41 791	1 871	2 014	2 364	25 459	31 496	39 133	44 155	+ 862	March
May	30 347	37 305	42 647	2 083	2 386	2 568	25 981	32 430	39 691	45 215	+ 1 060	April
June	30 754	36 910	43 166	2 073	2 299	2 599	25 805	32 827	39 209	45 765	+ 550	May
July	31 042	36 513	43 401	2 004	2 219	2 405	25 895	33 046	38 732	45 806	+ 41	June
Aug.	31 729	36 674	44 166	2 331	2 620	2 743	26 554	34 060	39 294	46 909	+ 1 103	July
Sept.	32 113	36 994	45 201	2 267	2 463	2 756	26 957	34 380	39 457	47 957	+ 1 048	Aug.
Oct.	32 129	36 829	45 621	2 153	2 379	2 695	27 253	34 282	39 208	48 316	+ 359	Sept.
Nov.	32 633	37 015		2 576	2 622		27 744	35 209	39 637			Oct.
Dec.	33 156	37 406		2 409	2 452		28 002	35 565	39 858			Nov.
	35 337	39 687		2 124	2 208		29 334	37 461	41 895			Dec.

According to figures supplied by the Central Statistical Office.

The figures in italics indicate the position at the end of the previous year.

13. — DEPOSITS IN CO-OPERATIVE CREDIT SOCIETIES AND CONSUMERS' CO-OPERATIVE SOCIETIES.

End of Month	Deposits in Co-operative Credit Societies ¹⁾ Mill. mk					Deposits in Consumers' Co-operative Societies ²⁾ Mill. mk					End of Month
	1948	1949	1950	1951	Monthly Movement	1948	1949	1950	1951	Monthly Movement	
	<i>11 373</i>					<i>2 755</i>					
Jan.	11 332	14 248	18 441	21 887	+ 278	2 824	3 770	4 768	5 528	+ 172	Jan.
Feb.	11 384	14 550	18 876	22 493	+ 606	2 862	3 904	4 922	5 844	+ 316	Feb.
March	11 687	15 124	19 358	23 441	+ 948	2 938	4 024	5 071	6 226	+ 382	March
April	12 015	15 408	19 527	24 001	+ 560	3 074	4 076	5 151	6 700	+ 474	April
May	11 982	15 660	19 380	24 401	+ 400	3 201	4 113	5 051	6 794	+ 94	May
June	11 971	15 731	19 099	24 549	+ 148	3 204	4 094	4 957	6 825	+ 31	June
July	12 408	16 118	19 402	25 381	+ 832	3 249	4 118	4 924	6 913	+ 88	July
Aug.	13 086	17 015	20 115	27 166	+1 785	3 314	4 151	4 961	7 024	+ 111	Aug.
Sept.	13 043	16 984	20 059	27 543	+ 382	3 343	4 178	4 937	7 170	+ 146	Sept.
Oct.	13 212	17 196	20 092			3 371	4 189	4 957			Oct.
Nov.	13 271	17 235	20 464			3 441	4 277	5 065			Nov.
Dec.	14 028	18 189	21 609			3 665	4 649	5 356			Dec.

¹⁾ Figures supplied by the Central Bank for Co-operative Credit Societies. — ²⁾ According to data supplied by the Finnish Co-operative Wholesale Society and the Co-operative Wholesale Association.

14. — DEPOSITS IN ALL CREDIT INSTITUTIONS.¹⁾

End of Month	Total Deposits due to the Public Mill. mk				
	1948	1949	1950	1951	Monthly Movement
	<i>85 426</i>				
Jan.	85 598	104 008	130 840	145 945	+ 1 836
Feb.	84 182	102 711	130 298	145 828	— 117
March	87 632	108 208	135 299	155 791	+ 9 963
April	89 047	110 797	136 902	155 077	— 714
May	88 090	109 872	134 388	159 660	+ 4 583
June	88 845	112 726	135 181	164 306	+ 4 646
July	91 806	116 996	136 906	163 158	— 1 148
Aug.	93 014	117 726	138 793	174 361	+11 203
Sept.	95 604	117 724	138 571	175 058	+ 697
Oct.	98 157	121 549	137 256		
Nov.	96 313	121 623	137 390		
Dec.	100 886	127 092	144 109		

¹⁾ Commercial Banks, Post Office Savings Bank excl. postal giro accounts, Savings Banks, Co-operative Credit Societies, Central Bank for Co-operative Credit Societies, Consumers' Co-operative Societies, and Mortgage Banks.

15. — INSURANCES IN LIFE ASSURANCE COMPANIES.

End of Month	New risks accepted ¹⁾			
	1950		1951*	
	Number	Amount Mill. mk	Number	Amount Mill. mk
	<i>15 106</i>	<i>1 947</i>	<i>13 789</i>	<i>2 189</i>
Jan.	15 106	1 947	13 789	2 189
Feb.	19 278	2 524	17 251	2 796
March	21 813	2 902	18 551	3 085
April	18 626	2 547	17 738	2 941
May	17 237	2 292	18 757	3 142
June	16 987	2 289	15 900	2 679
July	11 579	1 547	10 987	1 811
Aug.	14 753	1 988	11 862	2 008
Sept.	16 042	2 201	13 381	2 459
Oct.	17 903	2 540		
Nov.	19 345	2 759		
Dec.	19 791	3 092		
	<i>208 460</i>	<i>28 628</i>		
	151 421	20 237	138 216	23 110
				Total
				Jan.-Sept.

¹⁾ According to information supplied by the Finnish Life Assurance Companies.

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

Year and Quarter	Companies founded		Companies with increased Capital		Companies liquidated		Companies with reduced Capital		Net increase (+) or reduction (—)		Year and Quarter
	Number	Capital Mill. mk	Number	Increase of Capital Mill. mk	Number	Capital Mill. mk	Number	Reduction of Capital Mill. mk	Number	Capital Mill. mk	
1947	955	749	826	2 740	98	47	7	73	+ 857	+ 3 369	1947
1948	1 316	1 679	691	4 367	159	180	24	55	+1 157	+ 5 811	1948
1949	1 390	1 573	622	8 695	238	265	38	38	+1 152	+ 9 915	1949
1950	1 421	3 527	1 079	12 826	212	101	43	127	+1 209	+16 125	1950
1950											1950
April-June	367	669	194	2 067	48	21	6	8	+ 319	+ 2 707	April-June
July-Sept.	304	610	208	1 603	40	24	5	14	+ 264	+ 2 175	July-Sept.
Oct.-Dec.	329	1 483	499	7 781	61	23	22	94	+ 268	+ 9 147	Oct.-Dec.
1951											1951
Jan.-March	296	568	125	1 793	68	399	3	29	+ 228	+ 1 933	Jan.-March
April-June	233	1 227	145	1 395	53	23	2	6	+ 180	+ 2 593	April-June
July-Sept.	209	1 006	157	1 504	53	48	5	61	+ 156	+ 2 401	July-Sept.

Figures supplied by the Central Statistical Office.

The figures in italics indicate the position at the end of the previous year.

* Preliminary figures subject to minor alterations.

17. — BANKRUPTCIES.

Month	Bankruptcies ¹⁾ Number				
	1947	1948	1949	1950	1951*
January	15	9	22	48	20
February	14	8	25	55	9
March	8	14	42	55	12
April	10	12	38	38	26
May	5	10	43	21	13
June	12	5	19	19	10
July	5	7	27	15	4
August	8	12	12	5	14
September	11	12	28	44	7
October	8	15	22	36	
November	12	11	25	42	
December	7	25	76	28	
Total	115	140	379	406	
Jan.-Sept.	88	89	256	300	115

¹⁾ 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.

18. — STOCK EXCHANGE.

Month	Turnover of Stock Exchange ¹⁾ Mill. mk				
	1947	1948	1949	1950	1951
January	83	122	89	148	287
February	84	105	84	155	248
March	70	106	217	235	264
April	81	147	189	358	281
May	106	89	84	299	219
June	75	120	157	226	238
July	70	100	76	185	162
August	53	91	124	235	230
September	166	93	151	318	216
October	151	99	141	340	192
November	110	113	131	228	
December	200	91	174	229	
Total	1 249	1 276	1 617	2 956	
Jan.-Oct.	939	1 072	1 312	2 499	

¹⁾ According to data supplied by the Stock Exchange Committee.

19. — STOCK EXCHANGE INDEX. 1948 = 100.

Month	Share Prices									Month
	All kinds			Bank Shares			Industrial Shares			
	1949	1950	1951	1949	1950	1951	1949	1950	1951	
January	91	116	210	95	115	137	89	116	226	January
February	92	120	221	96	117	137	90	121	240	February
March	93	128	242	87	112	130	90	132	266	March
April	96	145	229	88	132	127	94	149	251	April
May	97	157	205	89	140	126	96	162	222	May
June	94	162	210	90	142	125	92	166	227	June
July	95	175	199	91	145	125	92	183	214	July
August	97	180	207	92	147	128	95	189	223	August
September	99	181	209	93	144	133	98	190	224	September
October	98	195	198	97	143	129	97	207	212	October
November	97	198		99	138		95	212		November
December	103	184		107	134		102	195		December
Whole year	96	162		94	134		94	168		Whole year

¹⁾ Unitas index based on the prices quoted for the shares of 3 banks and 10 industrial firms.

20. — PUBLIC DEBT.

End of Year and Month	According to the Finance Accounts Mill. mk ¹⁾									Mill. Dollars ²⁾	End of Year and Month
	Funded Debt			Short-term Credit			Total Public Debt				
	Foreign	Internal	Total	Foreign	Internal	Total	Foreign	Internal	Total		
1947	38 484	57 292	90 776	5 073	22 251	27 324	38 557	79 543	118 100	868	1947
1948	38 512	53 523	92 035	5 093	24 489	29 582	43 605	78 012	121 617	894	1948
1949	57 487	48 162	105 649	5 666	28 550	34 216	63 153	76 712	139 865	605	1949
1950	60 426	42 650	103 076	5 453	27 176	32 629	65 879	69 826	135 705	587	1950
1951											1951
March	61 502	41 906	103 408	4 388	23 910	28 298	65 890	65 816	131 706	570	March
April	62 592	42 161	104 753	4 366	15 234	19 600	66 958	57 395	124 353	538	April
May	65 036	42 239	107 275	4 350	16 635	20 985	69 386	58 874	128 260	555	May
June	65 254	42 695	107 949	4 341	19 728	24 069	69 595	62 423	132 018	572	June
July	65 407	42 467	107 874	4 309	20 008	24 317	69 716	62 475	132 191	572	July
Aug.	65 501	41 804	107 305	4 264	23 335	27 599	69 765	65 139	134 904	584	Aug.
Sept.	64 314	41 782	106 096	4 162	25 775	29 937	68 476	67 557	136 033	589	Sept.

¹⁾ According to data supplied by the Treasury. Internal loans are given at their nominal value and foreign loans in Finnish currency according to current rates of exchange. — ²⁾ The outstanding amounts of both internal and foreign loans have been converted into United States dollars at the Helsinki rates of exchange of the respective currencies.

* Preliminary figures subject to minor alterations.

21. — STATE REVENUE AND EXPENDITURE.

Year and Month	Total Revenue	Current Revenue				Capital Revenue		Total Expenditure	Current Expenditure	Capital Expenditure		Year and Month
		Total	Taxes ¹⁾	Interest and Dividends ²⁾	Profits of Business enterprises ³⁾	Total	Loans			Total	Redemptions	
1949	125 981	111 402	94 639	1 107	447	14 579	11 197	132 827	92 926	39 901	13 478	1949
1950	137 219	129 643	109 278	1 311	926	7 576	6 075	143 342	102 006	41 336	10 014	1950
1951 Budget Suppl. ³⁾	129 908 13 941	120 794 11 623	102 037 5 900	1 449 —	946 -1 976	9 114 2 318	7 710 2 258	129 869 29 716	100 941 25 622	28 928 4 094	6 137 —	1951 Budget Suppl. ³⁾
1950 Jan.-Aug.	79 189	74 184	62 028	959	586	5 005	4 119	84 749	59 021	25 728	6 575	1950 Jan.-Aug.
1951 Jan.-Aug.	111 510	105 230	83 992	1 212	310	6 280	5 323	103 111	86 523	16 588	4 840	1951 Jan.-Aug.

Tables 21—22 according to the accounts kept by the Treasury.

¹⁾ Taxes here include the surplus of the Alcohol Monopoly. — ²⁾ The figures given refer to net revenue. — ³⁾ Passed in April and June.

22. — COLLECTION OF TAXES AND CHARGES.

Year and Month	Direct taxes ¹⁾		Indirect taxes						Stamp duty	Employers' payments for Child allowances	Year and Month	
	Total	Income and Property tax	Total	Sales tax	Import duty	Spirits taxes ²⁾	Excise dues					
							Total	On Tobacco				On Coffee
1949	25 084	18 576	66 450	29 743	12 453	13 363	10 890	7 233	1 742	3 105	8 233	1949
1950	35 063	30 618	70 524	33 548	13 034	11 493	12 398	7 942	1 993	3 691	11 105	1950
1951 Budget Suppl. ³⁾	24 900 5 700	24 500 5 700	73 137 —	37 500 —	14 500 —	9 136 —	12 000 —	8 500 —	1 000 —	4 000 200	11 000 2 429	1951 Budget Suppl. ³⁾
1950 Jan.-Aug.	19 803	17 174	39 859	16 155	8 765	7 273	7 666	5 012	1 172	2 366	4 854	1950 Jan.-Aug.
1951 Jan.-Aug.	24 808	24 180	56 065	29 630	10 035	8 083	8 317	5 797	582	3 119	9 984	1951 Jan.-Aug.

¹⁾ Excluding direct taxes paid by the Alcohol Monopoly. — ²⁾ Surplus of the Alcohol Monopoly, direct taxes paid by it and excise on spirits. — ³⁾ Passed in April and June.

23. — VALUE OF IMPORTS AND EXPORTS.

Month	Imports (e. i. f.) Mill. mk			Exports (f. o. b., free exports) Mill. mk			Surplus of Imports (—) or Exports (+) Mill. mk			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	4 113	6 522	7 516	3 124	4 274	8 286	— 989	— 2 248	+ 770	January
February	4 200	6 112	8 611	3 681	4 202	7 314	— 519	— 1 910	— 1 297	February
March	4 806	6 735	6 980	3 876	4 596	7 621	— 980	— 2 139	+ 641	March
April	4 604	6 596	11 285	4 016	5 372	10 187	— 588	— 1 224	— 1 098	April
May	5 320	7 069	13 231	4 106	5 769	16 272	— 1 214	— 1 300	+ 3 041	May
June	4 591	7 331	14 838	4 667	8 175	15 095	+ 76	+ 844	+ 257	June
July	5 783	7 064	12 711	6 063	9 323	18 572	+ 280	+ 2 239	+ 5 861	July
August	4 803	7 170	15 242	5 502	9 117	21 431	+ 699	+ 1 947	+ 6 189	August
September	6 364	8 204	15 433	7 443	7 627	20 344	+ 1 079	— 577	+ 4 911	September
October	7 394	8 248	—	8 134	5 736	—	+ 740	— 2 512	—	October
November	6 782	7 961	—	8 183	7 303	—	+ 1 401	— 658	—	November
December	7 518	10 116	—	6 811	9 985	—	— 707	— 131	—	December
Total	66 278	89 148	—	65 606	81 479	—	— 672	— 7 669	—	Total
Jan.-Sept.	44 584	62 823	105 847	42 478	58 455	125 122	— 2 106	— 4 368	+ 19 275	Jan.-Sept.

Tables 23—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.

24. — VALUE OF IMPORTS AND EXPORTS IN DIFFERENT CLASSES OF GOODS.

Classes of Goods	Imports (c. i. f.) Mill. mk					Exports (f. o. b.) Mill. mk				
	Whole year		January—September			Whole year		January—September		
	1949	1950	1949	1950	1951*	1949	1950	1949	1950	1951*
Dairy produce, eggs, honey	414	589	30	587	198	799	1 750	204	1 251	1 510
Other animal products, live animals	554	527	275	286	534	802	270	382	209	140
Vegetables	3	64	3	50	165	0	24	0	24	0
Eatable fruit	864	1 283	513	859	711	94	66	38	25	22
Coffee, tea, spices	1 201	3 387	723	2 166	3 032	—	—	—	—	—
Cereals, milling products ..	3 359	5 361	2 978	3 828	7 163	114	350	17	212	189
Certain seeds and fruit, plants for industrial purposes	219	239	174	168	395	98	216	11	158	140
Raw materials for tanning and dyeing	59	100	49	68	113	—	—	—	—	—
Animal and vegetable fats	1 806	2 253	1 333	1 590	2 579	6	18	4	12	1
Meat and fish products ..	125	153	34	72	211	43	6	32	6	0
Sugar, sweets	2 116	3 533	1 691	2 441	3 191	17	20	10	14	18
Beverages, vinegars	371	315	228	168	428	467	650	301	150	715
Fodder	1 065	789	619	412	1 286	—	—	—	—	—
Tobacco	400	931	216	684	916	—	—	—	—	—
Minerals, ore	855	1 208	502	832	1 643	253	287	176	187	223
Mineral fuel and oils	6 296	10 937	3 463	7 394	13 319	0	5	0	1	1
Chemical and pharmaceutical products	1 970	2 783	1 373	1 932	3 669	247	296	171	224	233
Tanning and dyeing extracts, varnis hes	1 518	1 918	1 107	1 355	2 404	2	2	1	2	5
Casein, albumen, glues ..	296	404	220	308	514	6	1	6	1	0
Fertilizers	2 111	2 206	1 578	1 471	2 649	—	1	—	1	—
Hides, skins, leather and furs; manufactures of these materials	1 287	1 484	1 089	1 114	2 306	266	674	201	563	396
Rubber and rubber articles	848	1 126	678	773	2 908	19	20	10	10	5
Wood and wood goods	100	154	73	114	218	31 046	35 535	19 725	24 945	50 065
Woodpulp	5	3	5	3	4	14 279	18 789	9 367	14 185	40 419
Cardboard and paper, their applications	94	120	64	80	112	12 434	16 273	8 994	11 922	25 452
Textile materials, textile goods	11 867	16 021	7 645	11 871	19 468	950	1 142	627	901	861
Footwear	104	55	82	40	42	6	7	1	7	10
Articles of stone and of other mineral material, glass	689	752	423	522	659	407	511	253	365	411
Base metals; articles made therefrom	11 891	12 397	8 333	8 970	14 495	328	1 216	556	1 024	1 675
Machinery, apparatus	5 601	7 399	3 822	5 087	6 624	404	1 298	217	677	1 001
Electric machinery and apparatus	2 966	3 812	2 007	2 707	3 178	164	356	97	319	401
Transport material	3 446	4 086	2 238	2 992	7 469	1 315	1 049	714	654	794
Instruments, clocks and watches, musical instruments	463	721	299	471	805	37	27	21	21	40
All others	1 315	2 038	817	1 408	2 439	503	570	342	385	395
Total free trade	66 278	89 148	44 584	62 823	105 847	65 606	81 479	42 478	58 455	125 122
Reparation deliveries						12 226	7 846	7 650	6 070	9 707

* Preliminary figures subject to minor alterations.

25.—IMPORTS OF THE MOST IMPORTANT ARTICLES.

Month	Wheat Tons			Coffee Tons			Sugar Refined and unrefined Tons			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	16 140	0	6 459	177	734	189	4 774	8 551	6 075	January
February	21 138	—	13 469	662	1 688	797	5 582	8 469	9 866	February
March	25 646	3 662	17 916	1 268	1 407	1 431	6 146	5 960	5 794	March
April	19 368	23 071	22 948	334	769	926	7 361	9 827	8 438	April
May	18 908	10 405	26 174	1 454	1 372	1 807	10 378	8 250	10 554	May
June	20 144	10 564	7 857	827	1 261	1 699	8 504	6 765	9 412	June
July	29 873	44 656	12 742	516	529	310	7 788	9 343	9 407	July
August	168	40 681	25 637	1 897	991	1 148	9 592	10 589	8 312	August
September	0	17 439	23 070	470	1 680	1 590	8 804	11 462	10 518	September
October	—	20 683	—	837	1 669	—	6 662	11 743	—	October
November	—	11 313	—	1 841	1 718	—	8 218	11 541	—	November
December	236	20 770	—	1 045	1 101	—	6 594	8 398	—	December
Total	151 621	203 244	—	11 328	14 919	—	90 408	110 898	—	Total
Jan.-Sept.	151 385	150 478	156 272	7 605	10 431	9 847	68 929	79 216	78 376	Jan.-Sept.

Month	Raw Tobacco Tons			Coal and Coke Tons			Petrol Tons			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	12	358	388	93 321	220 603	187 312	14 006	23 373	13 235	January
February	62	333	403	54 542	142 476	145 243	13 201	16 710	18 733	February
March	62	375	339	5 906	79 096	95 080	14 422	16 498	21 068	March
April	108	311	397	12 698	65 865	106 882	17 135	16 179	17 546	April
May	161	402	395	31 335	108 871	242 342	17 665	20 161	21 034	May
June	137	434	442	80 076	161 157	167 149	17 808	20 355	24 842	June
July	144	109	115	63 530	156 373	202 387	21 386	18 412	27 460	July
August	195	496	499	109 238	151 303	169 090	23 380	17 928	26 499	August
September	269	424	416	159 837	276 046	236 888	20 415	30 648	23 259	September
October	315	379	—	210 884	212 053	—	19 032	19 129	—	October
November	360	438	—	212 952	133 197	—	20 086	18 569	—	November
December	304	211	—	165 669	217 259	—	17 962	25 650	—	December
Total	2 129	4 270	—	1 199 988	1 929 299	—	216 488	243 602	—	Total
Jan.-Sept.	1 150	3 242	3 394	610 483	1 361 790	1 552 308	159 408	180 254	193 676	Jan.-Sept.

Month	Mineral oils Tons			Fertilizers Tons			Raw Cotton Tons			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	12 823	7 395	23 344	39 390	11 560	43 965	538	578	923	January
February	1 917	1 119	7 910	17 455	11 070	28 657	1 609	454	993	February
March	882	1 076	14 436	30 529	16 987	18 749	1 465	305	158	March
April	746	7 870	7 844	28 179	18 992	15 203	46	689	1 547	April
May	21 051	19 257	10 859	43 893	23 652	48 609	34	1 126	1 105	May
June	11 653	28 225	46 398	25 629	32 131	63 686	1 673	1 281	1 188	June
July	14 502	15 392	17 642	39 976	31 216	47 137	2 884	846	342	July
August	14 439	23 129	16 323	23 714	45 108	52 307	1 037	69	1 596	August
September	7 980	31 120	22 293	41 280	32 466	47 021	278	1 368	1 244	September
October	10 218	29 023	—	36 588	46 049	—	216	33	—	October
November	7 684	43 557	—	38 863	30 442	—	1 178	940	—	November
December	58 638	38 110	—	24 848	32 428	—	1 377	857	—	December
Total	162 533	245 273	—	339 344	337 001	—	12 340	8 546	—	Total
Jan.-Sept.	85 993	134 533	167 049	289 045	228 082	365 334	9 569	6 716	9 096	Jan.-Sept.

* Preliminary figures subject to minor alterations.

25. — IMPORTS OF THE MOST IMPORTANT ARTICLES. — Continued.

Month	Pig Iron Tons			Bar Iron and Bar Steel Tons			Sheet Iron and Steel Tons			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	18	175	50	6 889	4 383	5 042	3 513	8 317	8 748	January
February	1 126	376	14	6 325	8 204	7 889	5 376	6 153	7 543	February
March	2 890	1 843	40	6 727	6 458	6 552	5 153	6 662	6 515	March
April	1 741	135	260	8 350	4 405	8 433	6 093	8 408	6 928	April
May	1 055	362	254	6 398	5 136	9 885	6 077	7 626	10 296	May
June	3 479	567	3 917	5 699	5 801	13 914	5 773	9 791	8 955	June
July	5 852	375	127	5 712	7 707	12 465	5 839	7 379	11 516	July
August	3 290	100	656	7 789	5 811	11 940	7 018	4 322	10 939	August
September	766	100	111	9 351	6 178	14 687	6 202	3 547	8 829	September
October	1 032	1 056		9 877	7 672		11 235	7 170		October
November	525	678		5 692	6 715		9 091	5 981		November
December	1 725	2 146		5 362	7 105		5 765	6 675		December
Total	23 499	7 913		84 171	75 575		77 185	82 031		Total
Jan.-Sept.	20 217	4 033	5 429	63 240	54 083	90 807	51 044	62 205	80 269	Jan.-Sept.

26. — EXPORTS OF THE MOST IMPORTANT ARTICLES. ¹⁾

Month	Wooden Houses and Huts Floor area 1 000 m ²			Round Timber All kinds excl. fuel 1 000 m ³			Sawn Timber ²⁾ All kinds 1 000 standards			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	12	23	106	56	55	112	12	23	40	January
February	46	10	72	62	51	109	13	12	29	February
March	109	0	3	59	4	108	12	6	22	March
April	80	—	175	99	99	135	7	23	18	April
May	52	2	116	168	207	248	12	37	54	May
June	39	1	96	192	408	498	43	99	75	June
July	86	29	62	381	623	850	88	114	109	July
August	78	99	98	401	547	1 002	77	113	148	August
September	117	31	111	368	454	853	84	72	118	September
October	122	27		283	381		94	29		October
November	134	124		112	224		98	69		November
December	115	131		70	213		62	86		December
Total	990	477		2 251	3 266		607	633		Total
Jan.-Sept.	619	195	839	1 786	2 448	3 915	353	499	613	Jan.-Sept.

Month	Matches Tons			Plywood 1 000 m ³			Bobbins (spools) Tons			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	37	156	147	12	16	21	147	148	215	January
February	96	251	110	22	16	17	181	256	171	February
March	87	277	123	21	21	16	200	358	286	March
April	77	220	127	21	21	27	378	174	449	April
May	123	226	181	18	19	32	300	224	459	May
June	80	105	42	17	15	23	280	247	277	June
July	143	160	109	12	19	20	314	177	282	July
August	67	69	1	11	13	22	89	129	194	August
September	144	247	114	21	11	23	254	111	330	September
October	209	195		16	3		190	9		October
November	162	341		19	19		341	152		November
December	367	234		18	22		211	267		December
Total	1 592	2 481		208	195		2 885	2 252		Total
Jan.-Sept.	854	1 711	954	155	151	201	2 143	1 824	2 663	Jan.-Sept.

¹⁾ Free exports. — ²⁾ 1 standard sawn timber = 4.672 m³.

* Preliminary figures subject to minor alterations.

26. — EXPORTS OF THE MOST IMPORTANT ARTICLES. — Continued.

Month	Mechanical Pulp ¹⁾			Sulphite Cellulose ¹⁾			Sulphate Cellulose ¹⁾			Month
	Tons			Tons			Tons			
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	9 266	11 200	19 752	21 937	45 221	47 872	18 443	30 843	32 189	January
February	2 356	11 394	8 906	29 197	37 426	34 942	20 322	28 046	19 760	February
March	3 233	16 299	13 684	29 805	40 227	34 502	16 831	37 343	21 360	March
April	17 424	14 998	25 182	32 021	49 513	51 287	24 314	33 672	28 683	April
May	19 763	17 214	22 282	37 062	44 225	63 585	18 014	35 923	47 247	May
June	12 277	18 795	20 050	39 483	57 354	53 527	20 874	39 102	29 937	June
July	15 339	21 165	25 118	24 915	44 345	48 888	17 015	30 687	39 022	July
August	9 936	17 358	20 439	28 679	39 581	49 028	18 023	24 050	35 223	August
September	18 374	11 363	23 102	38 337	47 564	38 523	21 436	37 204	29 796	September
October	17 614	15 208		59 629	34 709		45 564	14 791		October
November	17 231	11 436		58 502	32 353		56 636	26 976		November
December	17 523	10 875		49 900	40 822		33 265	26 771		December
Total	160 336	177 305		449 467	513 340		310 737	365 408		Total
Jan.-Sept.	107 968	139 786	178 515	281 436	405 456	422 154	175 272	296 870	283 217	Jan.-Sept.

Month	Cardboard All kinds Tons			Paper All kinds Tons			Newsprint (included in previous column) Tons			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	7 043	9 471	13 347	34 950	30 209	37 774	24 960	23 590	28 187	January
February	7 450	11 354	11 221	41 058	46 024	40 937	31 692	35 817	27 218	February
March	7 031	12 787	9 532	35 528	43 282	36 691	24 901	37 825	24 653	March
April	6 720	14 695	13 107	37 508	48 727	49 588	28 911	38 165	29 359	April
May	9 136	13 349	21 543	35 074	42 020	70 326	28 261	29 034	46 721	May
June	6 787	9 876	12 408	34 711	42 045	50 198	26 853	31 522	32 234	June
July	6 182	12 400	14 555	33 292	41 799	56 961	26 082	31 086	33 858	July
August	4 188	12 962	14 602	27 715	36 967	48 228	23 006	25 811	29 010	August
September	8 396	11 867	12 425	50 909	47 597	57 312	38 767	36 332	36 192	September
October	9 087	9 694		44 795	42 526		34 873	31 087		October
November	10 260	8 783		37 332	38 366		28 573	29 264		November
December	9 165	11 633		41 755	41 768		31 098	29 218		December
Total	91 445	138 871		454 677	506 330		347 976	378 751		Total
Jan.-Sept.	62 933	108 761	122 740	330 745	383 670	448 015	253 432	289 182	287 432	Jan.-Sept.

¹⁾ Dry weight.

27. — UNIT 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		Sawn timber	Mechanical pulp	Dry cellulose	Paper	
1949	1 105	1 117	1 134	1 089	1 043	1 336	1 440	1 249	1 144	1 199	1949
1950	1 403	1 358	1 395	1 590	1 257	1 500	1 663	1 386	1 355	1 347	1950
1950 Jan.-Sept.	1 371	1 348	1 298	1 572	1 217	1 453	1 631	1 313	1 254	1 311	1950 Jan.-Sept.
1951 Jan.-April	1 744	1 895	1 396	1 837	1 525	2 109	2 040	2 590	2 685	1 803	1951 Jan.-April
Jan.-May	1 781	1 961	1 381	1 888	1 541	2 183	2 171	2 618	2 794	1 837	Jan.-May
Jan.-June	1 835	2 033	1 425	1 928	1 539	2 234	2 334	2 739	2 906	1 930	Jan.-June
Jan.-July	1 867	2 076	1 429	1 952	1 550	2 376	2 392	2 837	3 034	1 988	Jan.-July
Jan.-Aug.	1 907	2 125	1 459	1 971	1 575	2 478	2 435	2 931	3 237	2 062	Jan.-Aug.
Jan.-Sept.	1 934	2 144	1 526	1 977	1 585	2 564	2 480	3 031	3 422	2 126	Jan.-Sept.

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

* Preliminary figures subject to minor alterations.

28. — FOREIGN TRADE WITH VARIOUS COUNTRIES.

Country	Imports (s. i. f.)					Exports (f. o. b., free exports)				
	Whole year		January—September			Whole year		January—September		
	1949	1950	1950	1951*		1949	1950	1950	1951*	
	%	%	%	Mill. mk	%	%	%	%	Mill. mk	%
Europe:										
Belgium — Luxembourg ..	4.9	4.5	4.2	6 290	5.9	4.2	4.1	4.0	3 645	2.9
Bulgaria	0.1	0.1	0.1	36	0.0	0.1	0.1	0.1	32	0.0
Czechoslovakia	1.9	2.0	2.5	924	0.9	1.1	0.7	0.9	799	0.7
Denmark	6.1	8.0	7.8	5 805	5.5	6.7	7.4	7.8	6 333	5.1
France	9.6	6.1	6.1	7 107	6.7	4.6	5.4	5.5	6 901	5.5
Germany, Eastern	0.5	0.2	0.3	160	0.1	0.2	0.2	0.3	145	0.1
" Western	0.7	4.4	4.7	9 931	9.4	3.0	5.5	5.3	8 753	7.0
Great Britain	22.1	23.3	22.6	22 111	20.9	27.2	23.4	24.7	35 045	28.0
Greece	0.4	0.8	0.8	445	0.4	0.9	0.7	0.6	564	0.5
Holland	9.0	6.9	6.4	8 448	8.0	7.0	8.0	8.7	7 175	5.7
Italy	1.9	3.0	3.0	3 244	3.1	1.5	2.5	2.3	3 056	2.4
Jugoslavia	0.1	0.2	0.2	150	0.1	0.2	0.1	0.1	145	0.1
Norway	1.5	1.6	1.7	1 350	1.3	1.3	1.5	1.4	2 078	1.7
Poland	4.8	7.0	7.9	7 262	6.9	2.3	2.5	2.6	2 711	2.2
Rumania	0.0	0.0	—	1	0.0	0.4	0.6	0.7	175	0.1
Soviet Union	11.4	7.9	5.5	8 403	7.9	15.3	7.7	5.5	10 550	8.4
Sweden	6.6	6.6	6.9	4 326	4.6	4.1	4.1	4.3	6 352	5.1
Switzerland	1.0	0.7	0.7	787	0.7	0.3	0.5	0.4	1 544	1.2
Turkey	0.3	0.5	0.6	716	0.7	0.3	0.6	0.5	467	0.4
Rest of Europe	1.7	1.8	1.8	1 985	1.9	2.7	2.6	2.5	2 151	1.7
Total for Europe	84.6	85.6	83.8	89 981	85.0	83.4	78.2	78.2	98 621	78.8
Argentina	5.2	3.8	4.4	4 462	4.2	3.1	3.0	3.3	4 929	4.0
Brazil	0.2	1.1	1.3	919	0.9	1.0	1.4	1.4	2 513	2.0
Canada	0.1	0.0	0.0	298	0.3	0.0	0.0	0.1	24	0.0
United States	7.7	6.0	6.4	5 796	5.5	7.6	9.4	9.4	10 049	8.0
Rest of America	1.1	0.7	1.0	906	0.8	0.7	1.2	1.1	1 370	1.1
Africa	0.7	0.7	0.7	700	0.7	2.7	4.4	3.8	3 550	2.9
Asia	0.3	1.4	1.4	2 334	2.2	0.8	1.7	2.0	2 557	2.0
Oceania	0.1	0.7	1.0	451	0.4	0.7	0.7	0.7	1 509	1.2
Grand total	100.0	100.0	100.0	105 847	100.0	100.0	100.0	100.0	125 122	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.

29. — WHOLESALE TRADE.

Month	Total Sales Mill. mk			
	1948	1949	1950	1951
January	5 514	7 576	10 224	14 541
February	8 347	8 237	11 329	16 375
March	7 594	9 174	13 363	17 820
April	9 343	9 392	13 818	20 765
May	8 997	10 571	14 295	20 584
June	8 472	9 877	13 553	19 785
July	8 450	8 998	13 337	17 070
August	9 148	11 332	14 898	20 620
September	10 169	11 763	16 812	20 544
October	10 383	12 706	15 564	
November	10 561	12 961	15 199	
December	10 755	13 103	16 048	
Total	107 733	125 690	168 490	
Jan.-Sept.	76 034	86 920	121 679	168 104

Calculated by the «Uusi Suomi». The figures represent 80—90 % of the turnover of all wholesalers in Finland.

* Preliminary figures subject to minor alterations.

30. — SALES OF PETROL.

Wholesale for Traffic 1 000 tons					Month
1947	1948	1949	1950	1951	
7.0	14.2	15.0	34.4	17.4	January
7.1	12.4	13.5	9.1	16.8	February
9.1	14.4	15.7	16.1	18.3	March
9.5	15.9	15.6	18.8	19.3	April
10.8	18.2	17.7	25.4	22.5	May
13.3	25.7	18.7	21.0	24.2	June
14.8	18.2	18.3	23.3	26.1	July
16.1	16.6	22.2	21.5	24.7	August
15.6	16.5	17.1	19.9		September
15.4	17.5	18.0	21.5		October
12.6	16.6	15.7	18.7		November
13.2	13.4	15.3	22.3		December
144.5	199.6	203.8	252.5		Total
87.7	135.6	137.2	169.6	169.3	Jan.-Aug.

Figures supplied by the Ministry of Communications and Public Works.

31. — VOLUME INDEX OF INDUSTRIAL PRODUCTION. 1948 — 100.

Month	Total Industry			Home Market Industry			Export Industry			Month
	1949	1950	1951*	1949	1950	1951*	1949	1950	1951*	
January	106	108	127	109	112	127	99	100	127	January
February		110	124		114	124		103	125	February
March		122	123		123	124		118	121	March
April	107	110	135	111	114	133	98	101	139	April
May		118	134		120	136		112	130	May
June		116	136		120	137		109	132	June
July	100	89	106	105	85	97	91	99	123	July
August		119	134		119	134		117	133	August
September		87	132		87	135		87	126	September
October	115	82		117	82		108	81		October
November		129			131			125		November
December		119			119			117		December
Total	107	109	128	111	111	128	99	106	128	Total
Jan.-Sept.	..	109	128	..	110	128	..	105	128	Jan.-Sept.

Calculated by the Central Statistical Office.

32. — BUILDING ACTIVITY.

Quarter	Consumption of Cement in Finland ¹⁾ 1 000 tons						Buildings completed in towns and boroughs ²⁾ 1 000 m ²						Quarter
	Total			Dwelling houses			Total			Dwelling houses			
	1946	1947	1948	1949	1950	1951	1949	1950	1951	1949	1950	1951	
Jan.-March	27	54	74	100	103	125	597	607	785	328	337	457	Jan.-March
April-June	79	112	160	192	240	201	457	590	938	280	306	607	April-June
July-Sept.	127	152	164	219	237	271*	652	561	720	332	399	398	July-Sept.
Oct.-Dec.	96	103	129	133	182		864	1 214		469	784		Oct.-Dec.
Total	329	421	527	644	762		2 570	2 972		1 409	1 826		Total
Jan.-Sept.	233	318	398	511	580	597*	1 706	1 758	2 393	940	1 042	1 462	Jan.-Sept.

¹⁾ Comprising the total quantity of cement delivered by the country's 2 cement companies and including the quantity imported which is, however, only a negligible part of the total consumption. — ²⁾ Compiled by the Research Office of the Ministry for Social Affairs from data covering fully ¾ of all house building in the centres of population.

33. — FOREIGN SHIPPING.

Year and Month	Vessels arrived				Vessels departed				Goods transported		Year and Month
	Number		1 000 net reg.tons		Number		1 000 net reg.tons		1 000 tons		
	Total	Finnish	Total	with Cargo	Total	Finnish	Total	with Cargo	Imports	Exports	
1948	5 244	2 544	4 017	2 850	5 276	2 557	4 072	2 863	4 592	4 049	1948
1949	5 595	2 460	3 979	2 487	5 585	2 468	3 980	3 328	3 223	4 705	1949
1950	7 130	2 860	4 889	2 952	7 075	2 821	4 837	4 208	4 033	6 010	1950
1950											1950
Jan.-Sept.	5 447	2 125	3 608	2 118	5 425	2 114	3 598	3 153	2 745	4 536	Jan.-Sept.
1951											1951
May	701	266	444	325	709	293	444	362	529	520	May
June	1 117	353	582	364	1 062	358	553	467	499	682	June
July	1 418	371	787	381	1 354	361	713	631	589	948	July
August	1 393	350	799	360	1 414	356	801	722	502	1 122	August
September	1 150	347	682	378	1 159	345	703	601	579	991	September
Jan.-Sept.	6 810	2 243	4 301	2 561	6 702	2 257	4 194	3 635	3 844	5 405	Jan.-Sept.

Figures supplied by the Statistical Office of the Shipping Board.

* Preliminary figures subject to minor alterations.

84. — 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
	1949	1950	1951	1949	1950	1951	1949	1950	1951	1949	1950	1951	
January	1 017	1 087	1 394	60	67	75	909	929	1 202	815	946	1 189	January
February	1 046	1 137	1 285	63	71	74	872	927	1 437	1 083	1 156	1 597	February
March	1 170	1 326	1 316	70	82	77	1 005	1 101	1 672	1 017	1 113	1 592	March
April	1 011	1 230	1 435	63	71	78	960	1 060	1 693	998	1 084	1 579	April
May	1 091	1 148	1 703	64	57	81	969	910	1 771	1 174	1 138	1 818	May
June	1 090	1 444	1 752	62	71	85	1 068	1 188	1 880	1 056	1 157	1 778	June
July	1 168	1 520	1 853	68	81	87	1 123	1 292	2 043	1 211	1 140	1 660	July
August	1 129	1 561		67	83	90	1 055	1 321		1 081	1 325		August
September	1 309	1 303		73	76		1 051	1 061		1 088	1 349		September
October	1 360	1 221		78	72		1 057	1 051		1 073	1 327		October
November	1 390	1 433		76	78		1 000	1 146		1 156	1 400		November
December	1 129	1 378		68	72		1 074	1 214		1 327	2 573		December
Total	13 910	15 788		812	881		12 143	13 200		13 079	15 708		Total
Jan.-Aug.	8 722	10 453		517	583	647	6 992	8 728		8 435	9 059		Jan.-Aug.

According to Monthly Statistics of the Finnish State Railways.

85. — WHOLESALE PRICE INDEX. 1935 = 100.

Month	Index for Goods in Finnish Wholesale trade										Articles of Import (s. i. f.)		Articles of Export (t. o. b.)		Month	
	Finnish Goods										Imported Goods					
	Total index		Total		Products of agriculture		Products of forestry		Products of industry							
1950	1951	1950	1951	1950	1951	1950	1951	1950	1951	1950	1951	1950	1951	1950	1951	
Jan.	1 133	1 147	1 135	1 632	1 244	1 280	1 561	1 409	2 237	1 012	1 451	1 144	1 155	1 184	1 203	Jan.
Feb.	1 148	1 637	1 143	1 678	1 264	1 610	1 409	2 320	1 017	1 483	1 161	1 551	1 221	1 684	1 303	Feb.
March	1 163	1 693	1 154	1 742	1 285	1 593	1 410	2 543	1 030	1 520	1 182	1 588	1 293	1 748	1 305	March
April	1 181	1 737	1 177	1 765	1 286	1 559	1 425	2 587	1 069	1 553	1 196	1 678	1 335	1 896	1 342	April
May	1 211	1 775	1 214	1 806	1 290	1 557	1 510	2 710	1 089	1 580	1 209	1 709	1 316	1 937	1 344	May
June	1 248	1 820	1 268	1 874	1 394	1 572	1 558	3 004	1 130	1 590	1 211	1 703	1 323	1 946	1 351	June
July	1 274	1 850	1 301	1 927	1 447	1 632	1 564	3 167	1 166	1 603	1 217	1 685	1 353	1 972	1 390	July
Aug.	1 290	1 917	1 331	2 028	1 422	1 691	1 703	3 512	1 176	1 634	1 204	1 681	1 375	1 984	1 418	Aug.
Sept.	1 325	1 915	1 372	2 026	1 459	1 607	1 844	3 605	1 185	1 627	1 225	1 679	1 414	1 989	1 471	Sept.
Oct.	1 371		1 420		1 464		1 970		1 220			1 265		1 468		Oct.
Nov.	1 388		1 432		1 451		2 010		1 230			1 294		1 534		Nov.
Dec.	1 439		1 485		1 498		2 151		1 256			1 342		1 557		Dec.
Whole year	1 265		1 287		1 378		1 664		1 131			1 222		1 366		Whole year

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

86. — COST OF LIVING INDEX.

Month	August 1938— July 1939 = 100			1935 = 100												Month	
	Total index			Total index			Foodstuffs		Rent		Fuel and light		Clothing		Taxes		
	1949	1950	1951	1949	1950	1951	1950	1951	1950	1951	1950	1951	1950	1951	1950		1951
Jan.	798	838	1 027	869	907	1 119	1 097	1 269	221	323	1 431	1 955	1 012	1 565	1 840	2 317	Jan.
Feb.	780	839	1 031	850	914	1 124	1 113	1 271	221	323	1 436	2 075	1 044	1 598	1 857	2 317	Feb.
March	772	850	1 037	841	926	1 130	1 127	1 271	221	323	1 436	2 105	1 075	1 623	1 857	2 317	March
April	775	856	1 047	844	932	1 141	1 137	1 272	221	323	1 448	2 175	1 076	1 664	1 862	2 317	April
May	776	871	1 054	845	949	1 148	1 166	1 270	221	323	1 463	2 242	1 085	1 680	1 862	2 317	May
June	782	936	1 062	852	1 020	1 157	1 263	1 272	262	351	1 498	2 252	1 136	1 684	1 862	2 317	June
July	814	934	1 067	887	1 017	1 162	1 268	1 277	262	351	1 514	2 287	1 155	1 692	1 919	2 317	July
Aug.	808	926	1 084	881	1 009	1 181	1 244	1 287	262	351	1 538	2 477	1 173	1 740	1 919	2 317	Aug.
Sept.	813	939	1 102	885	1 023	1 201	1 243	1 285	262	400	1 564	2 773	1 236	1 737	1 919	2 317	Sept.
Oct.	828	962		901	1 048		1 263		262		1 629		1 296		1 996		Oct.
Nov.	824	986		898	1 074		1 253		262		1 677		1 349		2 466		Nov.
Dec.	826	998		899	1 087		1 252		293		1 716		1 384		2 466		Dec.
Whole year	799	911		871	992		1 203		248		1 530		1 169		1 987		Whole year

Calculated by the Research Office of the Ministry for Social Affairs according to monthly reports from 33 different centres. For details concerning the calculation of the cost of living index see article in this Bulletin No. 6, 1937.

The figures in italics indicate the position at the end of the previous year.

87. — BANK OF FINLAND BUILDING COST INDEX. 1935 = 100.

Year	Total index					Index of the Contractor					Index of Overhead Costs					Year
	I	II	III	IV	Aver.	I	II	III	IV	Aver.	I	II	III	IV	Aver.	
1940	151	157	165	172	161	152	158	165	173	162	141	147	154	157	150	1940
1941	180	189	195	199	191	181	191	196	201	192	164	173	178	182	174	1941
1942	212	226	231	243	228	213	227	233	245	230	193	206	204	215	205	1942
1943	244	252	259	264	255	246	254	261	266	257	216	223	230	233	226	1943
1944	267	271	272	283	273	269	273	274	286	276	236	240	241	245	241	1944
1945	299	396	503	529	432	302	399	507	534	436	259	342	435	457	373	1945
1946	564	613	657	683	629	570	619	664	689	636	489	530	569	591	545	1946
1947	706	733	781	935	789	708	734	782	937	790	679	715	762	911	767	1947
1948	1 125	1 194	1 206	1 210	1 184	1 115	1 182	1 192	1 197	1 172	1 246	1 348	1 380	1 385	1 340	1948
1949	1 208	1 199	1 166	1 170	1 186	1 196	1 188	1 160	1 164	1 177	1 365	1 346	1 230	1 234	1 294	1949
1950	1 229	1 363	1 441	1 593	1 407	1 223	1 357	1 434	1 570	1 396	1 296	1 438	1 519	1 891	1 536	1950
1951	1 864	1 936	1 983			1 837	1 908	1 955			2 212	2 298	2 353			1951

Quarterly indices and yearly averages of them. For details concerning the calculation of the index see p. 35 in this Bulletin Nos. 4—6, 1946.

88. — INDEX OF WORKING HOURS IN INDUSTRY.

Quarter	All Industries			Branch of Industry								Quarter	
	Total	Home Industries	Exporting Industries	Metal	Glass, Stone, etc.	Chemicals	Foodstuffs and luxuries	Leather	Textile	Paper	Timber		
1950													1950
Jan.-March	103.1	105.4	98.0	101.4	108.0	124.6	103.3	109.1	109.7	96.5	99.4	99.4	Jan.-March
April-June	104.2	104.0	104.3	97.0	103.5	133.4	109.7	107.1	111.1	104.4	105.2	105.2	April-June
July-Sept.	106.3	105.2	108.9	103.6	99.7	114.3	110.4	106.7	106.2	110.4	107.7	107.7	July-Sept.
Oct.-Dec.	104.0	102.5	107.5	98.3	100.1	108.1	105.5	106.7	108.4	101.5	112.3	112.3	Oct.-Dec.
1951													1951
Jan.-March	104.3	101.8	110.4	103.7	101.8	98.6	104.1	101.8	97.9	103.8	116.4	116.4	Jan.-March
April-June	105.5	104.1	108.9	107.2	98.6	96.6	98.7	107.8	102.3	104.0	113.1	113.1	April-June
July-Sept.	105.6	104.6	107.9	110.2	95.7	101.8	93.1	102.4	104.3	109.8	106.4	106.4	July-Sept.

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.

Month	Unemployed qualified for registration					
	Total			On Relief Work		
	1949	1950	1951	1949	1950	1951
January	26 262	52 873	14 797	12 191	41 747	10 221
February	38 556	54 858	17 118	22 763	46 381	13 413
March	51 441	55 776	16 534	35 315	48 313	14 302
April	39 266	33 288	10 454	29 652	30 596	9 267
May	15 920	9 434	3 373	12 591	9 158	3 298
June	3 911	—	—	2 982	—	—
July	940	—	—	684	—	—
August	1 213	—	—	437	—	—
September	4 752	546	45	578	162	34
October	20 967	4 506	—	5 327	1 939	—
November	46 893	7 965	—	20 257	4 605	—
December	58 075	11 086	—	32 646	6 648	—

Statistics supplied by the Ministry of Communications and Public Works according to the Unemployment Records.

40. — CESSATION OF WORK.

1950		1951		Month
Employers affected	Work-people affected	Employers affected	Work-people affected	
24	893	15	1 053	January
4	1 219	24	6 922	February
5	1 045	7	4 114	March
5	924	285	6 494	April
6	13 143	275	4 135	May
13	1 861	..	976	June
16	1 760	..	619	July
599	54 317	75	876	August
672	87 750	71	359	September
796	87 575	—	—	October
473	16 582	—	—	November
9	766	—	—	December

The above particulars, which are of a preliminary nature, are compiled by the Research Office of the Ministry for Social Affairs.

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 6, 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 President for the current period, March 1, 1950, to March 1, 1956, is Juho Kusti Paasikivi who has been in office since March 11, 1946.

The Diet, composed of 200 members, is elected by universal suffrage. The proportions of the different parties in the Diet elected in 1951 are at present as follows:

	Number
Social Democrats	53
Agrarians	51
People's Democrats	43
Conservatives	28
Swedish Party	15
Liberal Party	10

2. LAND.

THE AREA is 337 009 square kilometres (Great Britain's area is 245 000 sq. km. and Italy's area 301 000 sq. km.). Of the total area 9.4 % are inland waters. On an average 13.5 % of the land in the South of Finland is cultivated, 1.6 % in the North, 7.5 % of the whole land. Of the land area 21.7 mill. ha (53.5 mill. acres) or 70.9 % are covered by forests.

3. POPULATION.

NUMBER OF INHABITANTS (1950): 4.0 millions (present-area). Sweden (1949) 7.0, Switzerland (1949) 4.6, Denmark (1949) 4.3 and Norway (1949) 3.3 millions.

DENSITY OF POPULATION (1950): In South Finland 23.1, in North Finland 3.4 and in the whole country an average of 13.1 inhabitants to the square kilometre.

DISTRIBUTION (1950): 68.7 % of the population inhabit the country, 31.3 % the towns and urban districts. The largest towns are (1950): Helsinki (Helsingfors), the capital, 368 500 inhabitants, Turku (Åbo) 99 900, Tampere (Tammerfors) 99 700.

OCCUPATION (1940): agriculture and forestry 51.5 %, industry and manual labour 21.0 %, commerce 5.1 %, transport 4.6 %, other occupations 17.8 %.

LANGUAGE (1940): Finnish speaking 91.2 %, Swedish speaking 8.6 %, others 0.2 %.

RELIGION (1948): Lutheran 95.8 %, Greek-Orthodox 1.7 %, others 2.5 %.

EDUCATION (1950): Practically all persons over 15 years of age are literate. There are three universities (the oldest founded in 1640) and 7 colleges of university standard.

INCREASE OF POPULATION (1949): Births 25.8 ‰, deaths 11.1 ‰, increase 13.5 ‰. Deaths in France (1949) 13.8 ‰ and in Great Britain (1949) 11.7 ‰.

4. TRADE AND COMMUNICATIONS.

FOREST RESOURCES (1950): The growing stock comprises 1 370 million of solid cub. m. incl. bark (48 384 million cub. ft), of which pine is 45.5 %, spruce 32.3 %, the rest 22.3 % being leaf-trees, chiefly birch. Of the growing stock 7 471 million cub. ft, 65.0 % of them pines, are up to the standard required for logs (minimum for sawmill logs 18' x 6" and for veneer logs 18' x 7"). The annual growth is about 41 million of solid cub. m. green wood excl. bark (1 448 cub. ft). The total removal in 1946 calculated according to the use of wood was 40 million cub. m. (1 413 million cub. ft). In the years 1923 to 1938, in the then area of the country, it

averaged 41 million cub. m. (1 448 million cub. ft) per year, the corresponding yearly growth being 46 million cub. m. (1 624 million cub. ft).

AGRICULTURE (1941): Cultivated land 2.5 million hectares, divided as follows: area under cultivation under 10 hectares 33.1 %, 10—50 ha 54.4 %, 50—100 ha 7.3 %, over 100 ha 5.3 %. Cultivated land (1950) is divided between the different kinds of crops as follows: 40.6 % hay, 9.7 % temporary grassland for grazing, 18.8 % oats, 7.8 % wheat, 5.9 % rye, 4.8 % barley, 3.4 % potatoes, 9.2 % other. Dairy units in operation in 1951 amount to 488.

OWNERSHIP OF LAND (1941): The land area is distributed among different classes of owners approximately as follows: private 49.2 %, State 41.6 %, joint stock companies etc. 7.1 %, communities 2.1 %.

INDUSTRY (1949): Number of industrial concerns 5 924, workpeople 259 143, gross value of products of industry 260 791 million marks.

LENGTH OF RAILWAYS (1951): 4 990 km., of which 4 799 km. State railways and 191 km. private. The gauge is in general 1.524 m.

MERCHANT FLEET (1951): Steamships 376 (457 643 gross reg. tons), motor vessels 123 (90 103 gross reg. tons), sailing-ships with auxiliary engines, 146 (14 082 gross reg. tons), other sailing-ships 7 (6 013 gross reg. tons). Total 652 (567 841 gross reg. tons).

5. FINANCE AND BANKING.

CURRENCY. Since 1860 Finland has its own monetary system. From 1877 up to 1914 the currency maintained its stable gold value, and after the disturbances caused by the war a gold standard was again introduced from January 1, 1926. The unit currency is the mark (Finnish 'markka' = 100 pennä). According to the monetary law of December 21, 1925, a gold coin of 100 marks' value shall contain 3¹¹/₁₆ grams of fine gold. Since October 12, 1931, the redemption of bank notes in gold is, however, suspended.

STATE FINANCES. According to the finance accounts for 1950 the State revenue was 137 219 million marks of which 129 643 million marks were current revenue, and State expenditure 143 342 million marks, of which 102 006 million marks were current expenditure. The principal sources of revenue were as follows: direct taxes 35 063, indirect taxes 70 524, stamp duty 3 691, interest and dividends 1 311, and capital revenue 7 576. See also tables 20—22 in this issue.

MUNICIPAL FINANCES. According to the finance accounts for 1948 expenditure amounted to 34 853 million marks. Total revenue was 36 547 million marks, of which income from taxation was 22 250 million marks. The municipal income tax (non-progressive) averaged 9.7 % of the rate-payers' 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, Mikkeli (St Michel), Tampere (Tammerfors), Hämeenlinna (Tavastehus), Jyväskylä, Kotka and Lahti.

THE COMMERCIAL BANKS (1951): Number 6, possess 475 offices, where all kinds of banking business is transacted. There is one banking establishment per 8 475 inhabitants.

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

OTHER BANKS (1951): Mortgage banks 5, Savings banks 444, Co-operative Credit Societies 684 and a Central Bank for the latter.

FINLAND'S TRADE WITH DIFFERENT COUNTRIES.

BY

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INTRODUCTION.

Finland's foreign trade is particularly widespread in the sense that goods are imported from all parts of the world and products are exported to all corners of the earth, so that there is scarcely a country, colony or other area with which Finland has no trade relations whatsoever.

In the course of time considerable changes have, for various reasons, occurred in the liveliness of trade relations with different countries. Above all, it is worth mentioning that before the first world war the Russian Empire of that time occupied the first place in Finland's foreign trade, but that for political reasons after the war this trade dwindled, practically speaking, to nothing. Finland had then to find other markets for her exports and obtain the commodities she required from other countries. The second war again brought about a change in this respect. The more or less transitory and exceptional changes due to the war itself and to the restriction of trade in the years immediately after the war may be ignored here. All the more important are the changes in the orientation of foreign trade that look like remaining permanent. The most important of these is the quickening of trade relations between Finland and the Soviet Union.

The dollar shortage, that familiar phenomenon of the post-war period, has also influenced the direction of trade during the last few years.

Moreover, the general adoption of the bilateral system in commercial relations

between countries deserves special attention. This system was indispensable in post-war circumstances in order that any trade at all should be possible in the scanty stocks of commodities. Yet, it presents considerable obstacles, as is well-known and admitted, to both exports and imports, for it leads to its not always being possible to sell, where the best prices could be obtained, nor to buy, where this could be done most advantageously. It often forces a country to buy products it does not require or could do without for economic reasons or to export articles of which there is a shortage in the home country. Many other factors prevent the free direction of imports and exports and the free formation of prices.

The following gives a survey of Finland's foreign trade from this point of view. At the same time the more important changes are described that have occurred in this respect, when comparing the present structure of exports and imports with their structure previous to the late war. It is well to bear in mind the changes that occurred at that time in the material structure of imports and exports and were described in an earlier issue of this Bulletin (see Nos. 11—12, 1950, „Structural changes in Finland's foreign trade”).

DISTRIBUTION OF IMPORTS ACCORDING TO COUNTRIES OF PURCHASE.

The following table illustrates the distribution of Finnish imports according to countries of purchase in recent years as compared with the last pre-war years.

TABLE I. IMPORTS FROM DIFFERENT COUNTRIES.

	1948	1949	1950	1951	1936—	1948—	1951
	Mill. mk	Mill. mk	Mill. mk	Jan.—July Mill. mk	1938 %	1950 %	Jan.—July %
Soviet Union	8,270	7,546	7,070	6,557	3.1	10.3	8.7
Poland	4,549	3,201	6,222	5,685	2.6	6.3	7.6
Sweden	3,179	4,375	5,881	3,152	12.4	6.1	4.2
Norway	1,429	972	1,461	1,130	2.1	1.7	1.5
Denmark	5,349	4,013	7,072	4,188	4.6	7.4	5.6
Germany	496	866	4,124	6,724	19.5	2.5	8.9
Holland	3,958	5,988	6,169	6,143	4.2	7.8	8.2
Belgium	3,274	3,287	3,996	4,363	5.2	4.8	5.8
Great Britain	16,673	14,671	20,745	16,024	22.3	23.5	21.3
France	2,970	6,362	5,424	5,456	2.4	6.6	7.2
Italy	343	1,282	2,737	2,153	0.9	2.0	2.8
Switzerland	735	677	605	651	1.4	0.9	0.9
Czechoslovakia	680	1,239	1,793	434	2.0	1.6	0.6
Rest of Europe	1,768	1,603	2,974	2,617	2.5	2.9	3.5
Europe ¹⁾	53,673	56,082	76,273	65,277	85.2	83.9	86.8
U. S. A.	8,006	5,079	5,323	4,040	8.5	8.3	5.4
Brazil	661	108	995	166	1.7	0.8	0.2
Argentina	2,799	3,472	3,391	2,719	2.0	4.3	3.6
Rest of America	942	773	698	606	1.0	1.1	0.8
America	12,408	9,432	10,407	7,531	13.2	14.5	10.0
Asia	101	225	1,230	1,886	1.2	0.7	2.5
Africa	140	438	591	464	0.2	0.5	0.6
Australia	47	100	647	33	0.2	0.4	0.1
Grand Total	66,369	66,277	89,148	75,191	100.0	100.0	100.0

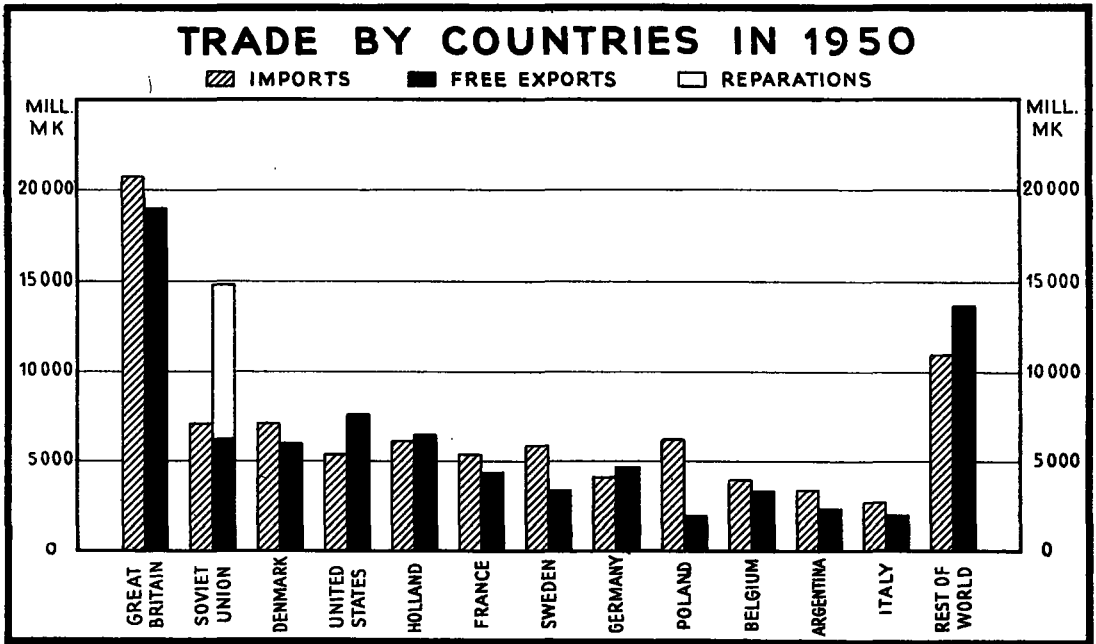
If we first compare the import figures for 1948, 1949 and 1950 with each other and bear in mind the rise in prices, which is not always the same for goods imported from various countries, we will find that the extent of purchases from different countries fluctuates very much from year to year, so that a description of the general trend is not quite simple. The value of imports is seen to have increased very much in the case of Poland, Sweden, Denmark, Germany, Holland, Great Britain, Italy and Czechoslovakia, while imports from the Soviet Union and Switzerland fell off slightly. The decrease in the value of goods imported from the Soviet Union was due to fortuitous circumstances, mainly to the fact that in 1950 a trade agreement was not concluded until June. Imports from the United States also fell off considerably, chiefly in consequence of the exhaustion of American credits and the dollar shortage.

In the current year, the figures for which should be taken with some reservation, seeing that they refer only to part of the year, the tendency has partly continued, but in some respects it appears to have changed. The value of imports, compared with 1950, appears to have grown

very much in the case of the Soviet Union, Poland, Germany, Holland, Belgium, Great Britain, France, Switzerland and the „Rest of Europe”, as well as of Asia and Africa. On the other hand, imports from Sweden, Norway, Czechoslovakia, Brazil and Australia, for instance, appear to have fallen off.

If we compare the present distribution of imports according to countries with their corresponding distribution prior to the second world war, we can note some changes worth consideration. The first is the steep rise in the quantity of goods bought from the Soviet Union. The same applies to imports from Poland, the importance of which has also increased considerably. To some extent imports from Denmark, Holland, Belgium, France and Argentina have advanced in the same direction. The value of the goods imported from them in 1948—1950 formed an appreciably larger part of the total trade than in 1936—1938. The greatest change in the opposite direction is the reduction of imports from Germany to a fraction of their former size. As the last column in the table shows, these imports are again on the up-grade as the German productive mechanism gradually gets into working order.

1) Including the whole of the Soviet Union and Turkey.



In order to obtain a general survey of the distribution of imports according to different areas, we give the following table which is based on the classification employed by the International Monetary Fund.

TABLE II. IMPORTS ACCORDING TO AREAS.

	1948	1949	1950	1948— 1950
	Mill. mk	Mill. mk	Mill. mk	%
Sterling area				
Great Britain..	16,673	14,669	20,745	23.5
In Europe	428	208	226	0.4
In the Far East	22	139	364	0.2
Elsewhere	147	152	977	0.6
Western Europe..	22,588	28,320	39,073	40.6
Eastern Europe..	13,982	12,836	15,778	19.2
Middle East . . .	70	422	725	0.5
Far East.....	21	2	347	0.2
U. S. A.	8,006	5,079	5,322	8.3
Canada	217	65	41	0.1
Latin America ..	4,185	4,288	5,043	6.1
Other countries ..	30	98	509	0.3
Total	66,369	66,278	89,150	100.0

The above table confirms the picture already obtained of the distribution of Finnish imports according to countries of purchase. The first place is occupied, of course, by the areas that are geographically nearest: Western Europe, Great Britain and Eastern Europe. Imports from the United States and Latin America are also

lively, but imports from elsewhere are comparatively small, although the importance of the more distant areas in Finnish imports seems to have grown.

IMPORTS OF THE MOST IMPORTANT GOODS ACCORDING TO COUNTRIES.

The survey of the distribution of imports according to countries would be incomplete, unless some details were also provided as to what goods and products were imported into Finland from the different countries. Naturally, there can be no question of an exhaustive statement, for there are innumerable classes and items of goods, so that we must content ourselves with some data concerning the most important classes of goods. The following figures refer chiefly to imports in 1950. They refer to countries of *purchase*, not to countries of origin.

Among the foodstuffs imported into Finland the first to be noted is *grain*, which was imported from the Soviet Union (104,500 tons), Sweden (65,600), Australia (28,300) and Argentina (15,200). *Sugar* was also imported in the first place from the Soviet Union (34,900 tons), Poland (30,100) coming second and Great Britain (18,100) and Czechoslovakia (11,800) next.

Eddible fats were imported chiefly from Sweden (5,015 tons) and Belgium (4,229), but also from Denmark (2,770) and Norway (2,512). The imports from Denmark consisted of butter, from other countries mostly of vegetable oils. *Coffee* may be regarded as a foodstuff and was purchased principally from Great Britain (8,272 tons). Next came Colombia (3,175), Belgium (1,284) and Brazil (1,109).

Although Finland is a forest-growing country, she requires much foreign fuel. *Coal* and *coke* were imported last year mostly from Poland (1,463,800 tons), but a considerable quantity also came from Great Britain (313,700). During the current year, when there is a shortage of these kinds of fuel and keen competition for them, it has been necessary to import coal from a greater distance, from the United States and Germany and even from India. Various kinds of *liquid fuel* were imported mainly from Great Britain (220,600 tons) and the Soviet Union (134,100), as well as from France (64,100) and the United States (29,300).

In regard to textile raw materials and products *wool* was bought mostly from Great Britain (3,153 tons) and Argentina (2,775), while *woollen yarn* and *woollen cloth* were imported principally from France (713 tons) and Great Britain (621), besides Belgium (474), Italy (313) and Holland (253). *Cotton* was bought mainly from Brazil (3,852 tons) and appreciable quantities from Pakistan (1,555), Turkey (1,107), Egypt (961) and Great Britain (644). Imports of *cotton manufactures* were largest from Great Britain (1,359 tons) and Italy (1,065). Next came Poland (710) and Holland (328).

Iron and *steel* were imported from many sources, most from Great Britain (60,700 tons) and also from Germany (50,700), France (35,400) and Belgium (23,300). During the current year considerable quantities have also been imported from the Soviet Union (18,200). *Iron and steel products* were obtained from many countries. The largest quantities were imported from Belgium (20,600 tons), Great Britain (20,100) and France (12,000). These were followed by Holland (7,600) and Germany (4,400), as well as by Czechoslovakia, Denmark and Sweden. With regard to *machin-*

ery and *spare parts* Great Britain (5,400 tons) and the United States (5,200) came first. They were followed by Denmark (4,300), Germany (3,800) and Sweden (3,700). In regard to *electrical machinery and apparatus* Great Britain (2,280 tons) and the United States (2,188) outdistanced the rest. Appreciable quantities were, however, also imported from Sweden (1,150), Denmark (1,130) and from Germany, Switzerland and Holland.

The list could be made much longer, but we will only add that *motor vehicles* were imported mainly from Great Britain (1,919 vehicles), the United States (1,155) and the Soviet Union (926). In 1951, in which imports of motor vehicles have been considerably larger, Germany, France and Sweden have also appeared as countries of purchase. These figures have naturally been affected to some extent by credits which have been made available in some countries for this purpose.

DISTRIBUTION OF EXPORTS ACCORDING TO COUNTRIES OF SALE.

The distribution of exports among different countries and the changes in this respect are illustrated in Table III. Only free exports are included in the table, whereas war reparations and transfers of so-called German assets are omitted. If these were included, exports to the Soviet Union would appear considerably larger.

In 1948—1950 exports to most countries increased, partly as a result of the rise in prices. Only the Soviet Union and Switzerland formed an exception, but in their case, too, exports in 1951 have grown appreciably. The changes that have occurred in the distribution of exports according to countries emerge more clearly, if we take the position before the world war and the present position as points of comparison. Attention is attracted, above all, by the great increase in commercial exports to the Soviet Union, which is connected with exports to Poland. Exports to Denmark, Holland, the „Rest of Europe”, Brazil, Argentina and Africa have also acquired greater prominence in Finland's foreign trade. The reverse has occurred in regard to exports to Germany on the one hand and to Great Britain on the other, as they are now relatively much smaller than before

TABLE III. EXPORTS TO DIFFERENT COUNTRIES.

	1948	1949	1950	1951	1936—	1948—	1951
	Mill. mk	Mill. mk	Mill. mk	Jan.—July Mill. mk	1938 %	1950 %	Jan.—July %
Soviet Union	7,035	8,862	6,239	7,928	1.7	11.0	9.5
Poland	1,112	1,502	2,020	1,962	0.3	2.3	2.4
Sweden	3,083	2,689	3,396	4,849	5.0	4.6	5.8
Norway	793	854	1,204	1,321	1.5	1.4	1.6
Denmark	3,593	4,376	5,992	3,988	3.0	6.9	4.8
Germany	466	2,140	4,696	5,183	12.8	3.6	6.2
Holland	4,078	4,616	6,552	4,961	3.7	7.6	5.9
Belgium	2,155	2,728	3,331	2,297	4.2	4.1	2.7
Great Britain	16,000	17,846	19,033	21,061	45.4	26.3	25.3
France	3,165	3,054	4,411	4,997	4.1	5.3	6.0
Italy	307	965	2,002	2,093	1.4	1.6	2.5
Switzerland	508	171	409	930	0.3	0.5	1.1
Czechoslovakia	298	696	601	644	0.2	0.8	0.8
Rest of Europe	1,950	3,047	3,838	2,416	1.9	4.4	2.9
Europe ¹⁾	44,543	53,546	63,724	64,630	85.5	80.4	77.5
U. S. A.	5,363	4,958	7,639	8,173	8.7	8.9	9.8
Brazil	520	677	1,156	1,638	0.5	1.2	2.0
Argentina	1,720	2,017	2,417	2,750	1.1	3.1	3.3
Rest of America	179	446	992	1,070	0.2	0.8	1.3
America	7,782	8,098	12,204	13,631	10.5	14.0	16.4
Asia	821	551	1,425	2,249	1.3	1.4	2.7
Africa	1,737	1,773	3,550	1,785	2.3	3.5	2.1
Australia	368	490	576	1,052	0.4	0.7	1.3
Grand Total	55,251	64,458	81,479	83,347	100.0	100.0	100.0

the war. In general it is noticeable that exports have found their way into more and more new markets, although the centre of gravity still lies in the old trade connections.

If the countries of export are divided into the same general areas as imports, we obtain the following table.

TABLE IV. EXPORTS ACCORDING TO AREAS.

	1948	1949	1950	1948—
	Mill. mk	Mill. mk	Mill. mk	1950 %
Sterling area				
Great Britain..	16,007	17,846	19,033	26.3
In Europe	735	1,151	1,586	1.7
In the Far East	409	167	462	0.5
Elsewhere	866	892	1,735	1.8
Western Europe..	18,904	22,384	32,984	36.9
Eastern Europe..	8,396	12,036	9,931	15.3
Middle East	1,314	1,407	2,501	2.6
Far East	139	63	306	0.3
U. S. A.	5,363	4,958	7,639	8.9
Canada	5	14	39	0.0
Latin America ..	2,414	3,126	4,519	5.0
Other Countries..	199	414	744	0.7
Total	55,251	64,458	81,479	100.0

As trade with different countries is for the greater part based on bilateral or, in exceptional cases, on tripartite agreements, the distribution of exports among the above areas naturally provides the same picture

in broad lines as the table of the corresponding distribution of imports given above. The exceptions will be referred to later.

EXPORTS OF THE MOST IMPORTANT GOODS ACCORDING TO COUNTRIES.

In considering exports of different classes of goods to different destinations we can confine ourselves to examining some of the most important classes of goods. In the first place exports of *round timber* were distributed among many countries. The foremost places were occupied in 1950 by Sweden (955 tons), Great Britain (902), Germany (392) and Holland (350). Next came the Soviet Union, Norway, France and Belgium. *Sawn goods* were exported mostly to Great Britain (677 tons), Holland (649) and Denmark (503). Then followed Belgium, Germany and Eire. The largest exports of *plywood* went to Great Britain (100 tons), while Holland, Belgium, Denmark and Germany bought smaller quantities. Exports of prefabricated *wooden houses and huts* were directed almost exclusively to the Soviet Union, to which 88,600 tons of them were delivered in 1950.

¹⁾ Including the whole of the Soviet Union and Turkey.

As regards products of the paper industry, too, Great Britain was in most cases the principal buyer. Of *mechanical pulp* 102,600 tons were exported to that country, France (20,900) and the United States (16,000) being next in order. *Chemical pulp* was exported on the largest scale to Great Britain (321,500 tons), the United States (160,700) and France (119,800) coming next. Considerable quantities were also exported to other countries, including Italy (41,100) and Germany (53,600). In regard to exports of *cardboard*, too, Great Britain (21,700 tons) occupied the first place. Next in order came Denmark (14,300), Germany (11,400), the United States (6,800), Holland (5,500) and Argentina (4,000).

Great Britain was also the principal buyer of *wallboard*, 15,400 tons being exported there, while the following places were occupied by Holland (6,600), Australia (5,300), Denmark (4,900), Belgium (4,000) and Argentina (2,500). On the other hand, as regards *newsprint*, the United States were the leading buyer (132,400 tons). Great Britain (70,700) had to be content with second place. Then came Argentina (40,200), Denmark (27,600) and Brazil (24,500). In regard to *other qualities of paper* Great Britain was again the principal purchasing country (34,100 tons), followed by Denmark (14,600), Holland (11,400) and Argentina (8,700).

It should be noted in conclusion that goods of different quality and variety are bought by different countries, so that the quantities of goods mentioned above are not always in proportion to the corresponding value of exports.

THE BALANCE OF TRADE.

It might have been expected that the balance of trade with different countries would display an equilibrium between imports and exports under the bilateral system. This, however, is not the case for many reasons. The divergences are due, in addition to the reasons referred to earlier, in the first place to the fact that the trade agreements often refer to periods that do not coincide with calendar years. Secondly, the values recorded in the trade statistics do not precisely represent the agreed trade prices, as exports are given f. o. b. and im-

ports c. i. f. Further, trade agreements frequently provide for the payment of interest and redemption of debt or grants of credit which also have to be covered by exports. As the figures for the separate years are therefore of a fortuitous nature, we give a list of the average balance of trade with different countries for 1948—1950.

	Surplus of imports Mill. mk	Surplus of exports Mill. mk
Soviet Union	250	—
Poland	3,113	—
Sweden	1,422	—
Norway	337	—
Denmark	824	—
Germany	—	527
Holland	290	—
Belgium	781	—
Great Britain	—	263
France	1,375	—
Italy	363	—
Switzerland	310	—
Czechoslovakia	706	—
Rest of Europe	—	909
	Europe 8,072	—
U. S. A.	149	—
Brazil	—	196
Argentina	1,169	—
Rest of America.....	266	—
	America 1,385	—
Asia	—	414
Africa	—	1,964
Australia	—	213
	Total 6,869	—

Finland's balance of trade has in recent years resulted in a surplus of imports. Only in rare cases there has been a surplus of export. It is interesting to note that exports to Asia, Africa and Australia are appreciably larger than imports from those continents.

If the state of the balance of trade during the past months of the current year is examined, a very different picture is obtained. As export conditions have been exceptionally favourable and import licences have been granted with restraint, there is a surplus of exports all along the line, even in the case of countries that recorded a surplus of imports in the last few years. This refers, in particular, to Sweden, Norway, Switzerland, Czechoslovakia and the American states. It is too soon to conclude, to what extent this may be a temporary phenomenon.

Finally, we give a table that illustrates the average balance of trade with different areas in 1948—1950.

	Surplus of imports [Mill. mk	Surplus of exports Mill. mk
Sterling area		
Great Britain	—	265
In Europe	—	870
In the Far East	—	171
Elsewhere	—	739
Western Europe.....	5,236	—
Eastern Europe	3,911	—
Middle East	—	1,335
Far East	—	46
U. S. A.	149	—
Canada	88	—
Latin America	1,151	—
Other countries	—	240
	Total 10,535	3,666
	Net total 6,869	—

Foreign currency has thus been acquired by Finland through trade principally from the sterling area and the Middle East. On the other hand, exports to Western and Eastern Europe, as well as America, during these years have not nearly sufficed to pay for the goods purchased from them. The way in which Finland's foreign balance of payments has been adjusted, will be seen in earlier articles in this Bulletin concerning the balance of payments.

CO-OPERATIVE ACTIVITY IN FINLAND.

BY

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EARLY STAGES.

Already in the days of independent natural economy Finnish farmers formed various associations in the spheres of hunting and fishing as well as of farming. In the 1880s and 1890s co-operative societies began to appear for improving and selling farm produce and for buying agricultural requisites, and at the same time the first consumers' co-operative societies were established among factory workers. The actual, present-day co-operative movement is, however, of later date. It is considered to have started with the Pellervo Society, established on October 2, 1899. In his travels abroad Dr *Hannes Gebhard* had come to the conclusion that it was by means of co-operation that farmers could be guided through the difficulties of the critical period of economic transition, and the future of smallholders ensured. He published a comprehensive work on farmers' co-operation abroad at the end of the century. Co-operation, he wrote, unites in the first place individuals in local communities. Then, if they are to progress, the local co-operative societies must form central bodies embracing the whole country which

will, in turn, influence the local societies in their capacity of powerful economic institutions. It was with the object of carrying out this programme that the Pellervo Society was founded.

But, before steps could be taken to build up a co-operative movement, a co-operation act was necessary which would give it a solid legal foundation. Such an act came into force in 1901. On the basis of it the Pellervo Society drew up specimen rules for different kinds of co-operative societies, in which not only the stipulations of the law, but also practical requirements were taken into consideration. Various handbooks on the management and accountancy of co-operative societies were published and a special system of bookkeeping, on the American model, was organized with suitable account books.

However, in the conditions of political dependence at the beginning of the century it was impossible, if a sound and vigorous co-operative movement was to be brought into being, to rest content with establishing merely local co-operative societies; attempts had to be made to form central organizations covering the whole country at the very inauguration of the movement. As

the need for a central organization was felt most keenly in the sphere of finance, efforts were first directed towards creating a financial institution, from which the co-operative societies to be established would obtain both capital and guidance and all manner of support. When, on the application of the Pellervo Society, a Government loan was granted for such a fund and its lending business, *Osuuskassojen Keskus Oy* (OKO=Central Bank for co-operative Credit Societies Ltd.) was founded in 1902, the capital being subscribed by private interests. Local co-operative credit societies were then established, with the support of the central bank. The shortcomings in the exportation of butter, which had been carried on for centuries in Finland, also led the Pellervo Society to plan the establishment of *Voinvienti-osuusliike Valio* (Butter Export Association Valio) in 1905. In order to centralize purchases of farm implements, concentrated cattlefood and fertilizers, the Society had already in 1901 established *Pellervon Välitysluike* (Pellervo Agency) which obtained such supplies from reliable wholesalers and factories. The Society further planned *Keskusosuusliike Hankkija* (Agricultural Co-operative Wholesale Society Hankkija) which was established in 1905 mostly by co-operative credit societies and dairies that dealt in farm implements as a sideline. It was intended that the regular membership of *Hankkija* should be formed by buying and selling co-operative societies of the type which existed in Germany and many other countries expressly for dealing in farm implements. But, as the factory workers established consumers' co-operative societies, farmers also wished to obtain consumer goods on a co-operative basis, besides farm implements, and formed their own co-operative stores for this purpose, so that the plans for establishing buying and selling co-operative societies were not realized. At the turn of the century, in 1900—1901, three factory workers' consumers' co-operative societies were founded in Tampere, from which the so-called „progressive” co-operative stores movement dates its history. When, on the initiative of these three societies and with the energetic support of the Pellervo Society, 12 co-operative stores established a central organization, *Suomen Osuuskaup-*

pojen Keskuskunta (SOK = Finnish Co-operative Wholesale Society), in 1904, both factory workers' and farmers' co-operative societies joined it. As, however, the political and economic views of these members were different from, and even opposed to, each other, the co-operative stores movement was split in 1916 along two separate lines. One is the „neutral” or farmers' co-operative stores movement, the stores belonging to which own SOK and, with the co-operative dairies, *Hankkija*. The other one is the „progressive” or factory workers' co-operative stores movement, which established *Kulutusosuuskuntien Keskusliitto* (Central Union of Consumers' Co-operative Societies) in 1916 as its central educational organization and *Osustukkukauppa* (OTK = Co-operative Wholesale Association) in 1917 as its central commercial organization.

When central organizations embracing the whole country had thus been set up for the principal spheres of co-operation, the commercial and organizing leadership in each sphere gradually became concentrated in their hands. The most important branches are the co-operative credit societies, co-operative dairies, co-operative slaughterhouses and co-operative stores. While the co-operative activity has always developed and been centralized in complete independence, the rules of the local co-operative societies and of the central organizations, of course, impose certain conditions of membership. This character was not altered during the rationing period of the first world war, and since 1920 there was a great advance in all spheres of co-operation until the second world war created a new period of restrictions. But even at that time co-operation reserved its original character, so that, when the time of restrictions ended, free development proceeded once more.

CO-OPERATIVE CREDIT SOCIETIES.

From the first, the co-operative credit movement acquired a strongly defined beneficial character, based mainly on the principles of the German *Raiffeisen*: loans are granted only to efficient individuals, who manage their affairs competently, for improving their conditions, in such sums and for such periods as the intended purpose calls for, and members are responsible with all they possess for the loans granted

by their credit societies. The employment of the borrowed funds is also guided and controlled. At first the co-operative credit societies granted credit chiefly to their smallholder members out of funds received principally from their central bank. They had no deposits worth mentioning, as it was not until 1920 that they obtained the right of accepting deposits also from non-members. From that date a great advance started promoted by the expansion and intensification of agricultural production and the redemption of leasehold land by the tenants. Whereas there were 602 co-operative credit societies in Finland in 1920, their number was 1,416 in 1930, 1,079 in 1940 — the reduction was due to amalgamation — and 684 in 1950. Their membership grew from 31,000 in 1920 to 144,000 in 1930, 156,000 in 1940 and 231,300 in 1950.

The majority of the members are farmers, including owners of large estates, but other inhabitants of rural districts are also members. This fact, as well as the right of the credit societies to accept deposits, opened up new possibilities of intensifying deposit business, although the credit societies have had to face keen competition from the savings banks, the commercial banks and the Post Office Savings Bank. As the co-operative credit societies obtained larger funds to dispose of, they began to grant loans, too, for forming new holdings and as long-term mortgage loans, converting farmers' short-term credit into long-term loans. Since 1931 they have been the largest organization for granting long-term agricultural credit. This was made possible by means of State-guaranteed bond loans issued by their central bank (OKO). Besides, they were able to start financing other agricultural co-operative societies, such as co-operative dairies, slaughterhouses and stores, and even communes and parishes. Cheque accounts have also been opened for members, but the credit societies do not discount bills. When, in accordance with the Armistice agreement in 1944, Finland ceded considerable territories to the Soviet Union and the displaced farmers, about 350,000 people, had to be helped to their former occupation, the State financed them mainly through the co-operative credit societies. The same applied to the housing of ex-servicemen, war widows and

orphans and the reconstruction of the devastated northern districts. Deposits in the credit societies at the end of 1950 amounted to 37,514 million marks, of which 21,609 million represented actual deposits and 15,783 million loans obtained from OKO. Their own funds exceeded 416 million marks. The loans granted amounted to more than 31,866 million marks.

The purpose of OKO, the Central Bank for Co-operative Credit Societies, is to act as a financial and payment centre for the co-operative credit societies. Its capital amounts to 200 million marks, of which the State holds 25 million and the credit societies 175 million. In spite of the considerable support given to the co-operative credit societies by the State, the societies have the right of decision in OKO, so that they enjoy the same independence as characterizes the whole co-operative movement in Finland. Deposits in OKO at the end of 1950 amounted to 18,940 million marks, of which 2,988 million constituted actual deposits, 13,169 million loans from the State, 1,204 million loans from the Bank of Finland and 1,579 million bond loans. The loans granted by OKO totalled 19,226 million marks, of which 16,044 million were granted to co-operative credit societies.

OKO's own funds amount to about 345 million marks. — In addition to OKO, *Osuuskassojen Keskusliitto* (Association of Co-operative Credit Societies) acts as an auditing and advisory institution for the credit societies.

CO-OPERATIVE DAIRIES AND SLAUGHTERHOUSES.

Cattle-breeding is predominant in Finnish farming, and the co-operative dairies play the principal part in improving the quality of the produce and supplying the market. When the Co-operation Act had come into force, co-operative dairy business soon got under way, although it experienced difficulties during the crisis of 1908—1910 and during the first world war. After Finland had gained her independence, a fresh boom started in 1920. Dairies and co-operative societies for selling milk were established in large numbers until the agricultural crisis of 1928 and a fall in the price of dairy produce brought about a change. The

State, which had from the first supported the creation of a network of co-operative dairies, was obliged, owing to the crisis, also to maintain the price level of butter and cheese which, under the influence of the world market, had dropped below a remunerative limit.

Dairy business is carried on almost exclusively on a co-operative footing. In 1950 there were 414 co-operative dairies in operation with a membership of 76,646 owners of cattle. The members' stock of cows amounted to 390,000 and the number of cows of other producers of milk to 170,000, so that 49.3 per cent of the total stock of cows in the country supply milk to the co-operative dairies. The latter received 904 million kg in 1950, which is equivalent to about 70 per cent of all the milk that comes on to the market.

The co-operative dairies are up-to-date institutions especially for refining the milk from small farms, enabling them to produce a large output. As a result of instruction among the members, the quality of the milk and dairy produce has been raised to a high level. This advisory work has been intensified by a system of payment according to quality applied at all stages of dairying.

Originally, only butter was produced by the co-operative dairies, but, when cheesemakers had been trained, the work was extended to making cheese, principally of the Emmenthal type, but partly, too, of the Edam type. Besides, the co-operative dairies run milk shops on a considerable scale, for which purpose special co-operative societies have been established in centres of population in Southern Finland.

The co-operative dairies were at first mainly concerned with exports, and their own central organization, the Butter Export Association Valio, soon became the guiding and controlling organ in this field. Indeed, Valio attained such a commanding position that in 1938 it handled 93 per cent of the total butter exports and 66 per cent of the cheese exports. Subsequently its business was extended to the home trade, which led to its establishing its own dairies in the largest centres of population. At the end of 1950, 449 co-operative dairies belonged to Valio and its total sales amounted to 14,533 million marks. Eleven rural dairy

associations are engaged in improving the quality of the dairy products and guiding the economy of the dairies, and with Valio's technical, economic and building advisory department they form the so-called Valio Advisory Institute. This advisory work has also been expanded for promoting building and generally reducing the cost of milk production. It is assisted by the Bio-Chemical Institute and by Valio's bacteriological and chemical laboratory.

The second world war dealt the output of cattle-farming products and agricultural output generally a crushing blow that put an end to exports of dairy produce. The pre-war level has not yet been attained in dairy output — in 1950 the production of milk amounted to 2,450 million kg, whereas in 1939 it had reached 2,670 million kg.

Cattle are not bred for slaughter in Finland, yet nevertheless sales for slaughter form an appreciable part of the income derived from cattle-farming. Attempts were therefore made at an early stage to organize dealings in cattle for slaughter on a co-operative basis. For this purpose co-operative slaughterhouses were started from 1909 onwards, each of them for a large district. In the concluding years of the first world war 15 such rural co-operative slaughterhouses were in operation and had a monopoly of the meat trade during those four abnormal years. Later, when trade was again free, some of the co-operative slaughterhouses closed down. Some slaughterhouses delivered beef to Sweden and Norway and later bacon to England. The economic position of the surviving establishments, partly supported by the State, was strengthened and their membership was increased by their being joined not only by individual farmers, but also by other co-operative societies. They now have up-to-date abattoirs and meat factories and a sales organization for both wholesale and retail trade. In 1950 the 12 co-operative slaughterhouses in operation numbered 90,000 members. The quantity of meat dealt with amounted to 35 million kg and their total sales to about 8,583 million marks.

In 1918 the co-operative slaughterhouses had established a central organization Karjakunta (Central Co-operative Cattle Society). When the farmers' co-operative

stores that had joined them gained the majority in the membership, the co-operative slaughterhouses withdrew and formed a new central body, Tuottajain Lihakeskus-kunta (Producers' Central Meat Association). These two farmers' meat selling organizations now operate mostly in separate areas, but sometimes side by side.

CO-OPERATIVE STORES.

The co-operative stores movement is usually held to be the main category of co-operation among consumers. In Finland, however, it spread from the first not only among factory workers and other consumers, but also among farmers. However, disputes arose between different circles in the central organ of the co-operative stores and led in 1916 to the division of the movement along two lines, as already mentioned.

The practical principles of activity for each of them are, in general, those of Rochdale. The membership fee is so small that anyone can become a member of a co-operative store. The membership subscription funds are consequently small as a rule, but on the other hand the annual surplus has been transferred, in the first few years entirely and later for the greater part, to the reserve funds. Of the surplus only 1—3 per cent of the amount of purchases has been distributed, the co-operative stores trying to benefit their members in the first place by an active price policy. In the shops of the co-operative stores, which are open to non-members, all the more important household commodities can be obtained. The stores have also organized productive establishments of their own, particularly bakeries and mineral water works in the towns and grain stores, roofing tile factories etc. in the rural districts. Frequently, too, savings funds operate in conjunction with them, in which members can deposit their money.

As the majority of the members of the neutral co-operative stores consists of the rural population, trade in agricultural produce and requisites has attained a very important position in their business. For this reason the stores who had earlier become members of SOK also joined the Co-operative Wholesale Society Hankkija which became the centre of the farmers'

co-operative stores and dairies. A similar development occurred in the trade in field crops. Owing to the small size of the grain crops, it would not have been remunerative at this early date to establish separate co-operative societies for selling grain, and the farmers' co-operative stores therefore took over the grain brought to market by their members. And, although separate co-operative societies for the sale of eggs and co-operative slaughterhouses were established, these did not operate throughout the country, so that the co-operative stores undertook the marketing of their members' eggs and slaughter cattle in suitable areas. At the same time they became members of the Vientikunta Muna (Egg Export Association), established in 1921, and of the Central Co-operative Cattle Society Karjakunta. They now own the latter since the co-operative slaughterhouses withdrew from it. — The progressive co-operative stores have extended their network of shops to purely rural districts and obtain the farm produce they require directly from farmers. Lately they have greatly intensified their activities in this sphere.

The position of both these categories of co-operative stores will be seen from the following figures:

	1950	Neutral co-operative stores	Progressive co-operative stores
Co-operative stores		376	120
Number of shops		4,512	3,600
Membership		484,011	479,744
Sales, mill. mk		52,007	41,091
Value of production, mill.			
mk		1,162	5,994
Funds, mill. mk		1,731	1,477
Deposits in savings funds,			
mill. mk		2,269	3,088

The co-operative stores affiliated to SOK or Pellervo possess four central organizations. The largest of these is SOK, the sales of which in 1950 amounted to 25,156 million marks. In addition to its network of branch offices all over the country, it has considerable factories, the output of which represented a value of 5,957 million marks. — Hankkija, with 625 members, of whom 307 are farmers' co-operative societies and 278 co-operative dairies, is the largest wholesale business in the country for supplying farm implements, concentrated cattlefood and fertilizers, agricultural machinery, dairy machinery and dairy requisites. Among

its productive establishments are a plant-breeding institute, the products of which have been distributed throughout the country; a factory for agricultural machinery; and a „seed central“. Its work in domestic seed cultivation, especially, has been of a pioneering nature. It has also energetically promoted the electrification of the countryside. In 1950 Hankkija's sales totalled 7,279 million marks. — Karjakunta has a membership of 162 co-operative stores and 9 co-operative dairies. The quantity of meat dealt with in 1950 amounted to 11 million kg. — Vientikunta Muna has 109 farmers' co-operative stores and 2 co-operative societies for selling eggs among its members.

The sales of the central organization of the progressive co-operative stores, Osuustukkucauppa (OTK), in 1950 amounted to 23,759 million marks. It has 8 branch offices and 24 productive establishments, the sales of which represented 5,702 million marks. In addition to local co-operative stores, OTK is a member of the Central Union of Consumers' Co-operative Societies.

Both categories of co-operative stores have their own life, accident and fire insurance companies and pensions funds.

TIMBER SELLING CO-OPERATIVE SOCIETIES.

Forestry holds the key position in Finnish economy, its share in exports amounting to about 90 per cent. Although farmers own approximately half of the forest area, the importance of co-operation in the sale, manufacture and export of woodgoods — owing to this sphere demanding large amounts of capital — has so far been comparatively slight. Nevertheless, farmers, as well as many small local manufacturers, have established two central organizations embracing the whole country, Metsänomistajain Metsäkeskus Oy (Forest Owners' Wood Central Ltd.), established in 1921, and Osuuskunta Metsäliitto (Co-operative Forest Union), founded in 1947, which directly collaborate. Over 50,000 forest owners have become members of the latter.

OTHER CO-OPERATIVE SOCIETIES.

In rural districts the supply of electricity, the installation of telephones and the

joint ownership of machinery and pedigree stock have been introduced by means of co-operative societies established for these purposes. Insurance is also chiefly in the hands of co-operative associations, although legally insurance companies are not co-operative societies. In the towns co-operative housing companies are common.

THE TOTAL EXTENT OF CO-OPERATION.

To afford a general survey of the extent of local co-operation in 1949, the following table is given, showing the number of co-operative societies, their membership and sales (or, correspondingly, the credit balances of co-operative credit societies and the service charges of small co-operative societies).

1949	Number	Membership	Turnover Mill. mk
Co-operative credit societies	725	222,500	29,041
Co-operative stores	494	920,100	72,909
Co-operative dairies	427	72,600	15,831
Co-operative slaughterhouses .	12	72,200	6,631
Co-operative egg-selling societies..	20	5,000	200
Associations of forest owners ..	1	52,100	931
Machinery co-operative societies ..	334	6,000	6
Moss-litter co-operative societies ..	90	3,600	9
Sawmill, flourmill and electricity co-operative societies	438	45,900	380
Telephone co-operative societies ..	449	54,900	102
Pedigree bull and hog co-operative societies	1,976	35,800	52
Housing co-operative societies ..	94	3,800	25
Other co-operative societies	254	34,100	50
Total	5,314	1,528,600	126,167

Thus the co-operative societies have about 1½ million members, while the total population of the country is only 4 million. Farmers, especially, are simultaneously members of several co-operative societies. The co-operative stores alone had a membership of 964,000 in 1950 or 24 per cent of the population; their share in the total distributive trade was estimated at 30 per cent. Deposits in the co-operative credit societies amounted to nearly 17 per cent of

the deposits in all the financial institutions and their grants of loans to 26 per cent of the loans of the more important financial institutions. Agricultural implements and machinery are mostly obtained through the co-operative movement — the share of the co-operatives is about 60 per cent — and

the sales of eggs and grain are made principally through it, the sales of milk for the greater part. No attempt is made, however, to achieve communal economy along this path, the aim being to improve the economy of those who have joined the co-operative movement on a voluntary, democratic basis.

ITEMS.

Change of Government. In order to enable the Government to complete its stabilization programme without undue delay no change took place in the government after the General Election until the end of September. The Prime Minister, Mr. Urho Kekkonen, formed his third cabinet on September 20, a coalition in which Agrarians and Social Democrats hold 7 seats each, and the Swedish Party 2 seats while the Foreign Minister, Mr. Sakari Tuomioja, Governor of the Bank of Finland, has no party connections.

*

The Stabilization Programme. The Planning Committee concluded its work on September 29 with a programme outlining the measures necessary for achieving economic stability. It recommended that an investment board be set up to supervise investments. Investments should on the whole be reduced and priority given to schemes which will increase production and reduce costs. House building is to be encouraged and the rate of interest is to be lowered by two per cent in order to lower building costs and rents.

Until there is complete economic stability the government budget should have a surplus in order to check inflation. The banks should restrict credit and reduce excessive and speculative investments.

To neutralize inflation caused by the high prices received for exports the existing system of export fees should be retained and extended to include round and sawn timber. A fund built up from these fees

should be devoted partly to improving forestry, and partly to lowering prices of some imports. Part of the fees will later be refunded to the exporters. The surplus in the balance of payments should be used to build up stocks of necessities and the raw materials for their production. Exports of round timber should be restricted to strengthen the bargaining power of the government in trade negotiations.

Subsidies on foodstuffs should be gradually abolished, and wages be pegged to a new cost of living index based on the price level prevailing in October 1951 and excluding direct taxes and family allowances.

Wages in future should rise for every quarterly rise of 5 points in the index. Income tax rates should be lowered and the monthly family allowance per child should be raised from 1,000 marks to 1,200 marks because of the rise in the cost of living.

Price controls are to be maintained and there should be a reduction in the prices of some domestic consumer goods in connection with a reduction in the sales tax. Subsidies from the price equalization fund should be given in order to reduce the prices of such imports as coke, rubber, wool, cotton etc.

The programme also deals with the problems of agriculture. Prices for farm products should be guaranteed in such a way that farmers can maintain the income level they had achieved in October 1951. Their income should be in a definite fixed proportion to that of other social groups.

Finally rents are discussed. House building should be encouraged and the rents of old houses should only be adjusted once a year.

The Bank of Finland. Mr. K. Kivialho will act as Governor of the Bank of Finland in the absence of Governor Tuomioja, who has been appointed Foreign Minister. Professor Klaus Waris has been appointed acting member of the Board of Management as from January 1, 1952.

*

Reduction of Bank Rate. The Supervisors of the Bank of Finland decided on October 18 to cut the rate of discount by 2 per cent from December 16. It has been announced, however, that if the cost of living index rises and if this results in further wage increases, the rate of interest will be raised considerably. After the reduction, the lowest rate of discount will be $5\frac{3}{4}$ per cent.

*

The Budget. The Government presented its 1952 budget estimate to the Diet on September 5. Total revenue will amount to 164,200 million marks, of which 9,120 million will be capital revenue. Expenditure will total 164,121 million marks, 38,144 million of which will be capital expenditure. The budget is therefore expected to show a surplus of 79 million marks.

*

Trade Agreements. Finland has recently concluded the following trade agreements:

Switzerland. An agreement has been signed regarding trade during the year beginning September 1, 1951. Exports of both countries are expected to value 25 million Swiss francs. Finnish exports will consist of sawn timber, plywood, cellulose, paper, etc. Swiss exports will be of yarn, cloth, other textiles, machines and apparatus, watches, chemical products, etc.

Western Germany. A supplementary agreement was signed on September 8 under which Finnish exports will be increased by \$14.5 million, and imports by \$10 million. Finnish exports will comprise wood and wood products, cellulose and ground wood, paper and paper products, etc. Western Germany will export steel, machinery, transport equipment and other metal products, products of the chemical industry, etc.

Norway. A supplementary agreement covering the year beginning November 1, 1951, has been signed. Finnish exports will include products of the paper and woodworking industries, cotton yarn and cloth, electrical apparatus and appliances, cables, etc. Norwegian exports will consist of fats, nitrates, electrode paste, and other chemical products, iron and steel products, machinery and apparatus, etc.

*

A British Credit for the Import of Wool. A group of London bankers has granted a short-term credit of £2,000,000 to the purchasing organization of the Finnish wool industry.



BANK OF FINLAND

(Cable address Suomenpankki)

BOARD OF MANAGEMENT:

Tuomioja, Sakari, Governor, absent as Foreign Minister

Kivialho, K., Governor ad. int.

Jutila, K. T.

Raittinen, Paavo

Kekkonen, Urho, absent as Prime Minister

Leinonen, Esko K., ad. int.

Sundman, C. G., ad. int.

HEADS OF DEPARTMENT:

Leinonen, Esko K., Secretariat

Tudeer, A. E., Institute for Economic
Research

Engberg, G., Personnel

Sundman, C. G., Foreign currency

Blomquist, P., Accounts

Kajantie, A., Control

Tauriala, T., Foreign currency

Aspelund, A., Cash

Jens, J., Foreign correspondence

Helander, J., Foreign currency control

Österlund, P.-E., Documentary credits

Jussila, Eino, Office

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