



BANK OF FINLAND

Monthly Bulletin

**Statement by Dr. Ahti Karjalainen,
Governor of the Bank of Finland, on the
occasion of the closing of the accounts
for 1982**

**Changes in the structure of the eco-
nomically active population in Finland
between 1960 and 1980**

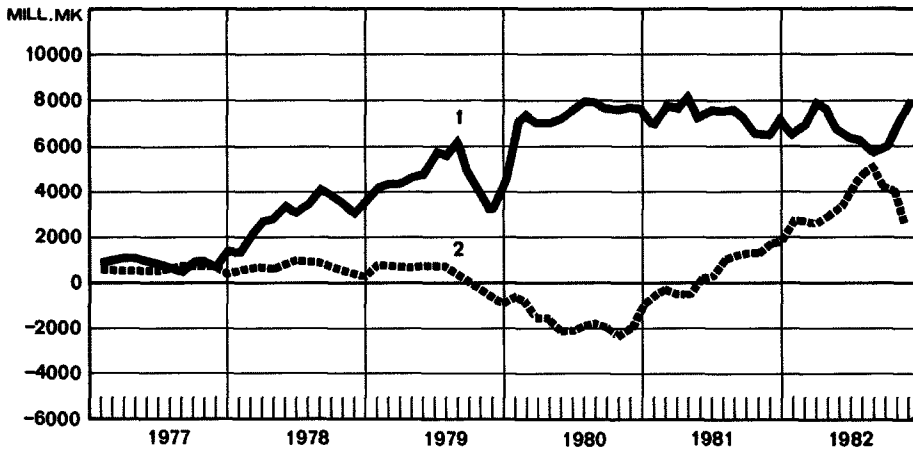
**Trade agreement between Finland and the
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Supplementary budgets

JANUARY 1983

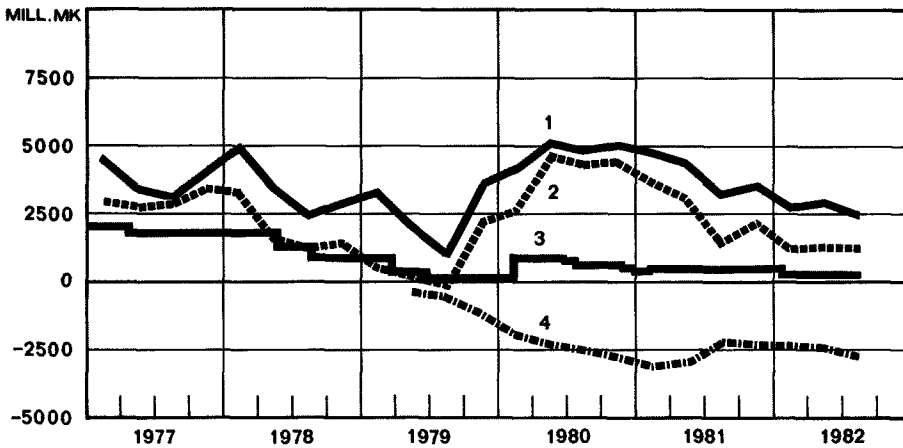
Vol. 57 No. 1

BANK OF FINLAND'S CONVERTIBLE AND TIED FOREIGN EXCHANGE RESERVES, 1977 - 1982



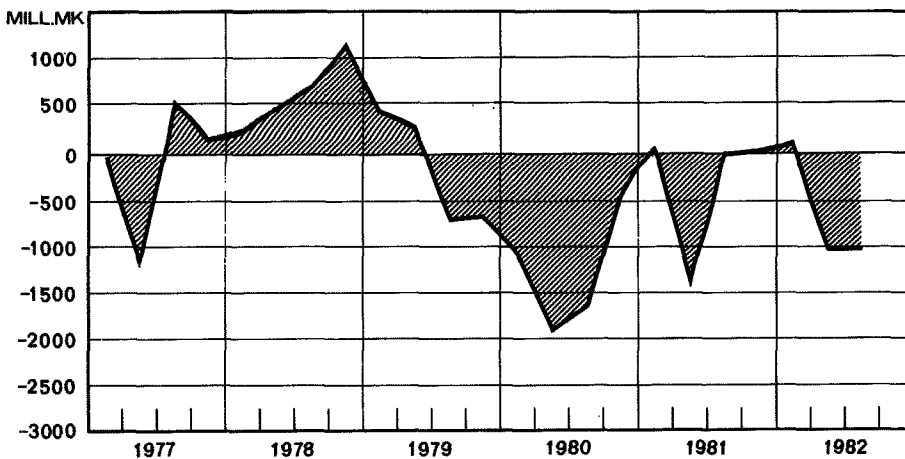
- 1. Gold and convertible currencies
- 2. Tied currencies

COMMERCIAL BANKS' CENTRAL BANK POSITION, 1977-1982



- 1. Total central bank debt
 - 2. Actual central bank debt
 - 3. The quotas
 - 4. Cash reserve deposits
- Quarterly average of daily amounts (1, 2 and 4)

BALANCE OF PAYMENTS CURRENT ACCOUNT SURPLUS/DEFICIT, 1977-82



Seasonally adjusted quarterly figures

STATEMENT BY DR. AHTI KARJALAINEN, GOVERNOR OF THE BANK OF FINLAND, ON THE OCCASION OF THE CLOSING OF THE ACCOUNTS FOR 1982

The mounting problems of the world economy have increasingly been reflected in the Finnish economic performance in the course of 1982. The manufacturing sector has suffered from dwindling exports, which have made severe inroads on output and profitability. Thanks, however, to the relative stability prevailing during the preceding years, the Finnish authorities have been able to mitigate the effects on output and employment by adopting an expansionary policy posture. Even so, it is evident that Finland cannot deviate too much in this respect from the course of development in the rest of the world without risking the emergence of other serious imbalances. Hence, events in the world economy will largely determine the scope for short-term action in support of growth and employment.

The world economy remained much weaker in 1982 than had generally been foreseen. As a result of sluggish demand, exports of many important Finnish products fell sharply in both volume and price terms, causing a serious deterioration in corporate profitability. Domestic demand, however, remained relatively buoyant, in part reflecting earlier measures aimed at deferring investment projects until 1982 and in part because of the stimulatory effects of the budget. As a consequence, GDP continued to grow slightly, and since the weakening of demand tended to be concentrated on the capital-intensive branches, employment also continued to increase moderately. This was not enough to prevent a slight upward drift in the unemployment rate to about 6 per cent by the end of the year. But at this level it was still well below the average for the OECD area.

The rate of inflation decelerated clearly for most of the year, a development which compares rather well with the experience in the OECD area as a whole and which was strongly influenced by almost stagnant import prices. However, at the very end of the year there was an acceleration as a result of the devaluation of the Markka, and the rate of growth in domestic costs still remained rather high. Wages increased somewhat more than in Finland's most important competitor countries.

In spite of relatively strong domestic demand, the external position remained satisfactory. This reflected a slight improvement in the terms of trade but was also due to a clear reduction in net energy imports.

Central bank policies have been largely guided by trends in output and inflation. In conformity with the policy stance adopted in 1981, monetary policy has endeavoured to strike a balance between ameliorating the effects of weak demand on the one hand, and the need to reduce inflation, on the other. The aim has been to keep monetary policy relaxed enough to allow for the financing of forthcoming investment but tight enough to mollify possible disturbances to balanced development. These goals have been manifested in different policy measures during the year without, however, any attempt to alter the overall policy approach.

With increasing liquidity in the economy, the quotas within which the banks can borrow at the base (discount) rate were reduced in February. At the same time, adjustments were made to the limits for borrowing on the call money market as well as to the rates applied

to borrowing in excess of these limits. To further enhance the Bank of Finland's ability to control developments in the financial market, the cash reserve agreement with the banks was revised in May. As a consequence, the Bank of Finland acquired greater leeway both with respect to monthly increases in requirements and to the maximum applicable rates. On the other hand, in order to speed up the apparent reduction in inflationary expectations and pave the way for a further deceleration in inflation, the base rate was reduced by $\frac{3}{4}$ percentage points to $8\frac{1}{2}$ per cent from June 1.

In early October, a small depreciation in the external value of the Markka, which had been unchanged on a weighted basis since early 1980, was considered appropriate for many reasons. The rate of increase in export and import prices had decelerated to levels well below the underlying rate of domestic inflation. The international price competitiveness of the manufacturing sector had been gradually eroded during the preceding few years, the problems being further aggravated by the prolonged recession in Finland's major markets. Moreover, conditions on the exchange market were unsettled, partly because of uncertainties in several other countries, and there was an outflow of short-term capital. Consequently, on October 6, the currency index number was adjusted by some 4 per cent within the permitted fluctuation range. This measure was well in keeping with the general policy approach aimed at a steady reduction in the rate of inflation which has been pursued since the late 1970s.

However, as the Swedish authorities resorted to a substantial devaluation of the Krona only a few days later, it became apparent that further steps were needed. It was nevertheless felt

that any further depreciation would have to be kept as low as possible so as to minimize its inflationary effects. Hence, in the ensuing policy package, the additional depreciation of the Markka was kept to 6 per cent, while some tax measures were decided to further strengthen the competitive position of the manufacturing sector. As a result, fiscal policy will become more expansionary in 1983 than originally planned, despite some compensatory tax increases. In order to mitigate the effects on inflationary expectations monetary policy was tightened slightly towards the end of the year. This took the form of increases in the call money rate as well as in the supplementary charges applied to bank's central bank debt in excess of the limits stipulated for borrowing on the call money market.

With all these measures in the pipeline, attention in the near term must be directed towards ensuring their positive impact on demand and output. A prerequisite for this is that Finland does not depart from the general trend towards lower inflation in the industrial countries. Hence the Bank of Finland will have to keep a somewhat tighter rein on the financial market in the coming months. Only success on the inflationary front will enable the maintenance of interest rates at the present low levels.

These policies will not provide any rapid remedies to the problem of unemployment. Over the past few years it has become increasingly apparent that the present unemployment problem is not just a cyclical phenomenon but is much more deeply rooted in the economy. Hence a lasting solution to the problem can come about only through the continued strengthening of the foundations of the economy.

December 23, 1982

BANK OF FINLAND

Mill. mk

	1981		1982		
	Dec. 31	Dec. 8	Dec. 15	Dec. 23	Dec. 31
Assets					
Gold and foreign exchange receivables	9 463	9 528	10 275	10 727	10 552
Gold	1 382	1 382	1 382	1 382	1 382
Special drawing rights	632	531	531	531	609
IMF reserve tranche	394	397	397	397	453
Foreign bonds	1 405	753	754	757	765
Convertible currencies	3 686	5 069	5 972	6 353	5 813
Tied currencies	1 964	1 396	1 239	1 307	1 530
Other foreign receivables	1 606	3 739	3 741	3 738	3 963
Mark subscription to Finland's IMF quota	1 606	1 615	1 615	1 615	1 843
Term receivables	—	2 124	2 126	2 123	2 120
Receivables from financial institutions	3 690	6 624	6 967	5 556	5 409
Banks' cheque accounts	495	415	406	448	169
Call money market advances	1 796	4 210	4 486	3 091	3 126
Till-money credits	768	909	940	886	889
Bonds	594	1 023	1 074	1 085	1 179
Other financial institution receivables	37	67	61	46	46
Receivables from the public sector	1 236	990	1 003	1 023	1 040
Government promissory notes	354	—	—	—	—
Bonds	386	428	442	433	435
Total coinage	483	557	557	558	559
Other public sector receivables	13	5	4	32	46
Receivables from corporations	4 549	5 024	5 004	4 992	4 990
Financing of exports	1 754	1 849	1 835	1 799	1 788
Financing of domestic deliveries	2 111	2 479	2 472	2 500	2 514
Bonds	187	164	163	163	163
Other corporate receivables	497	532	534	530	525
Other assets	89	98	98	98	99
Total	20 633	26 003	27 088	26 134	26 053
Liabilities					
Foreign exchange liabilities	96	22	33	26	22
Convertible accounts	41	20	30	17	17
Tied accounts	55	2	3	9	5
Other foreign liabilities	2 597	5 899	5 914	5 880	5 410
IMF mark accounts	1 871	1 689	1 689	1 689	1 927
Allocations of special drawing rights	726	726	726	726	833
Term liabilities	—	3 484	3 499	3 465	2 650
Notes and coins in circulation	5 595	6 331	6 608	6 479	6 062
Notes	5 152	5 851	6 123	5 987	5 572
Coins	443	480	485	492	490
Deposit certificates in circulation	1 600	2 450	2 300	2 300	1 700
Claims of financial institutions	3 797	3 342	4 252	3 432	4 791
Banks' cheque accounts	0	1	11	4	6
Call money market deposits	1 080	—	930	130	1 470
Cash reserve deposits	2 492	3 128	3 113	3 113	3 132
Capital import deposits	201	191	174	174	177
Other financial institution claims	24	22	24	11	6
Claims of the public sector	578	50	49	49	50
Cheque accounts	1	1	0	0	1
Counter-cyclical reserves	433	—	—	—	—
Counter-cyclical deposits	143	—	—	—	—
Capital import deposits	—	49	49	49	49
Other public sector claims	1	0	0	0	0
Claims of corporations	1 433	1 666	1 692	1 695	1 687
Deposits for investment and ship purchase	1 425	1 435	1 428	1 424	1 416
Capital import deposits	—	223	259	262	265
Export deposits	0	—	—	—	—
Other corporate claims	8	8	5	9	6
Other liabilities	15	17	14	15	23
Equalization accounts	609	1 736	1 671	1 638	1 609
Capital accounts	4 313	4 490	4 555	4 620	4 699
Primary capital	3 000	3 000	3 000	3 000	3 000
Reserve fund	750	1 032	1 032	1 032	1 032
Undisposed profits	—	—	—	—	—
Net earnings	563	458	523	588	667
Total	20 633	26 003	27 088	26 134	26 053

End of year or month	Foreign sector							Public sector			
	Gold SDRs, IMF reserve tranche	Foreign bonds	Convertible currencies, net	Total convertible reserves (1+2+3)	Tied currencies, net	Other receivables, net	Net receivables (4+5+6)	Receivables	Liabilities	Net liabilities (9-8)	Deposit certificates in circulation
	1	2	3	4	5	6	7	8	9	10	11
1977	337	543	1 212	2 092	496	-2 031	557	391	328	- 63	200
1978	728	872	3 080	4 680	471	-1 099	4 052	633	114	-519	1 090
1979	1 728	1 749	2 964	6 441	-678	-764	4 999	884	387	-497	1 700
1980	1 850	2 125	3 823	7 798	-757	-890	6 151	1 225	591	-634	1 900
1981	2 408	1 405	3 645	7 458	1 909	-991	8 376	1 236	578	-658	1 600
1982	2 444	765	5 796	9 005	1 525	-1 447	9 083	1 040	50	-990	1 700
1981											
Dec.	2 408	1 405	3 645	7 458	1 909	-991	8 376	1 236	578	-658	1 600
1982											
Jan.	2 408	1 381	2 828	6 617	2 832	-991	8 458	1 262	434	-828	1 000
Feb.	2 371	1 096	3 617	7 084	2 860	-1 638	8 306	970	435	-535	400
March	2 343	1 125	4 597	8 065	2 718	-1 627	9 156	971	211	-760	2 300
April	2 343	1 117	4 267	7 727	3 084	-1 612	9 199	965	195	-770	2 150
May	2 305	1 064	3 498	6 867	3 456	-1 581	8 742	964	171	-793	2 000
June	2 286	910	3 335	6 531	4 314	-1 583	9 262	977	143	-834	2 200
July	2 286	899	3 280	6 465	4 909	-1 583	9 791	987	163	-824	2 000
Aug.	2 348	851	2 657	5 856	5 207	-1 555	9 508	985	147	-838	1 600
Sept.	2 348	857	2 820	6 125	4 306	-2 537	7 894	973	107	-866	2 000
Oct.	2 348	709	4 042	7 099	4 128	-4 427	6 800	986	112	-874	2 000
Nov.	2 310	752	4 946	8 008	2 697	-3 295	7 410	978	50	-928	2 800
Dec.	2 444	765	5 796	9 005	1 525	-1 447	9 083	1 040	50	-990	1 700

FOREIGN EXCHANGE POSITION

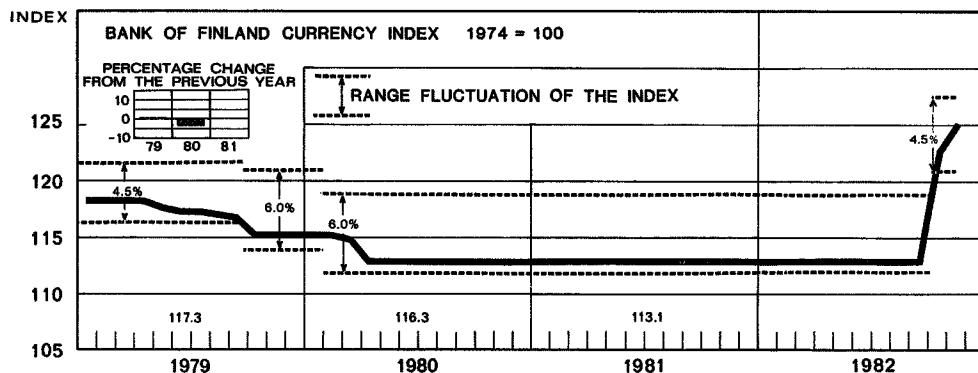
Mill. mk

	Net holdings, Dec. 31, 1981			Net holdings Nov. 30, 1982			Change	
	Bank of Finland	Other	Total	Bank of Finland	Other	Total	Nov.	Jan.-Nov.
	Gold	1 382	—	1 382	1 382	—	1 382	—
Special drawing rights	632	—	632	531	—	531	-38	-101
IMF reserve tranche	394	—	394	397	—	397	—	+3
Foreign bonds	1 405	—	1 405	752	—	752	+43	-653
Convertible currencies	3 646	-7 748	-4 102	4 946	-8 584	-3 638	-940	+464
Total	7 459	-7 748	-289	8 008	-8 584	-576	-935	-287
Tied currencies	1 909	-122	1 787	2 697	-183	2 514	-1 408	+727
Grand total	9 368	-7 870	1 498	10 705	-8 767	1 938	-2 343	+440

Domestic financial sector

Corporate sector

End of year or month	Dis-counted and redis-counted bills	Cheque account receiv-ables, net	Demand for call money by deposit banks	Supply of call money by deposit banks	Cash reserve deposits	Other liabilities, net	Net receiv-ables (1+2+3-4-5-6)	Perma-nent special financing schemes	Liabili-ties net	Net receiv-ables (8-9)	Notes and coins in cir-culation
	1	2	3	4	5	6	7	8	9	10	11
1977	3 091	107	1 804	850	—	-74	4 226	1 416	242	1 174	3 167
1978	970	136	2 213	2 075	—	69	1 175	1 948	356	1 592	3 822
1979	—	229	3 870	1 131	1 764	-291	1 495	2 182	65	2 117	4 375
1980	—	480	3 674	290	3 317	-1 064	1 611	3 063	642	2 421	4 954
1981	—	495	1 796	1 080	2 492	-1 174	-107	3 865	749	3 116	5 595
1982	—	163	3 126	1 470	3 132	-1 931	618	4 302	999	3 303	6 062
1981											
Dec.	—	495	1 796	1 080	2 492	-1 174	-107	3 865	749	3 116	5 595
1982											
Jan.	—	521	979	1 380	2 605	-1 119	-1 366	3 927	703	3 224	5 257
Feb.	—	388	1 972	2 020	2 638	-1 071	-1 227	3 928	868	3 060	5 272
March	—	379	2 032	1 590	2 644	-1 161	-662	3 989	719	3 270	5 175
April	—	305	2 069	1 600	2 644	-1 360	-510	3 955	752	3 203	5 383
May	—	511	1 888	1 420	2 707	-1 510	-218	4 058	684	3 374	5 534
June	—	429	2 006	1 640	2 732	-1 568	-369	4 118	929	3 189	5 752
July	—	290	1 223	1 042	2 777	-1 467	-839	4 084	1 136	2 948	5 706
Aug.	—	435	929	1 260	2 783	-1 461	-1 218	4 117	983	3 134	5 557
Sept.	—	351	2 409	290	3 095	-1 537	912	4 156	982	3 174	5 616
Oct.	—	328	3 867	39	3 105	-1 530	2 581	4 415	977	3 438	5 670
Nov.	—	311	3 902	—	3 128	-1 690	-2 775	4 404	973	3 431	5 663
Dec.	—	163	3 126	1 470	3 132	-1 931	618	4 302	999	3 303	6 062



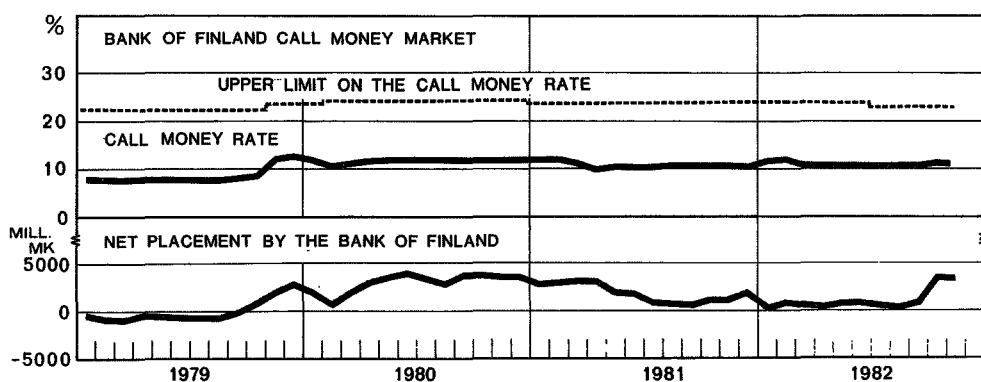
MONETARY POLICY INDICATORS

Average for period	Total central bank debt of the commercial banks, mill. mk	Actual central bank debt of the commercial banks, mill. mk	Credit quotas of the commercial banks at the Bank of Finland, mill. mk	Cash reserve deposits of the deposit banks mill. mk	Cash reserve deposits of the commercial banks mill. mk	Bank of Finland placements in the call money market, mill. mk	Base rate %	Call money interest rate %	Average cost of total central bank debt %	Average lending rate of the commercial banks ¹ %
	1	2	3	4	5	6	7	8	9	10
1976	4 001	3 345	2 400	—	—	79	9.25	18.40	12.38	9.69
1977	3 914	3 094	1 967	—	—	149	9.00	17.20	11.82	9.54
1978	3 573	2 070	1 475	—	—	90	7.58	11.99	8.88	8.22
1979	2 629	820	475	447	389	321	7.46	9.74	8.99	8.03
1980	4 963	4 097	783	2 542	2 220	3 313	9.20	12.38	12.37	9.77
1981	4 087	2 754	595	2 795	2 442	2 161	9.25	11.48	11.61	9.84
1982	3 166	1 985	417	2 777	2 426	1 571	8.81	11.64
1981										
Dec.	3 941	2 850	600	2 473	2 164	2 253	9.25	11.30	11.74	9.84
1982										
Jan.	2 526	1 163	600	2 502	2 194	567	9.25	12.30	10.90	9.84
Feb.	2 760	1 518	400	2 603	2 286	1 121	9.25	12.45	11.95	9.84
March	3 059	1 305	400	2 630	2 290	906	9.25	11.56	11.72	9.79
April	3 049	1 062	400	2 637	2 299	664	9.25	11.50	11.51	9.78
May	2 908	1 429	400	2 645	2 313	1 034	9.25	11.50	11.64	9.77
June	3 090	1 528	400	2 706	2 356	1 134	8.50	11.50	11.42	9.06
July	2 684	1 213	400	2 731	2 386	814	8.50	11.50	11.09	9.04
Aug.	2 312	1 010	400	2 771	2 418	611	8.50	11.50	10.63	8.99
Sept.	2 703	1 597	400	2 794	2 439	1 198	8.50	11.45	11.25	8.97
Oct.	4 412	4 148	400	3 091	2 699	3 750	8.50	11.70	13.08	8.97
Nov.	4 247	4 088	400	3 100	2 714	3 690	8.50	11.50	13.24	..
Dec.	4 242	3 765	400	3 119	2 723	3 367	8.50	11.50

See explanations on page 24

¹ End of period.

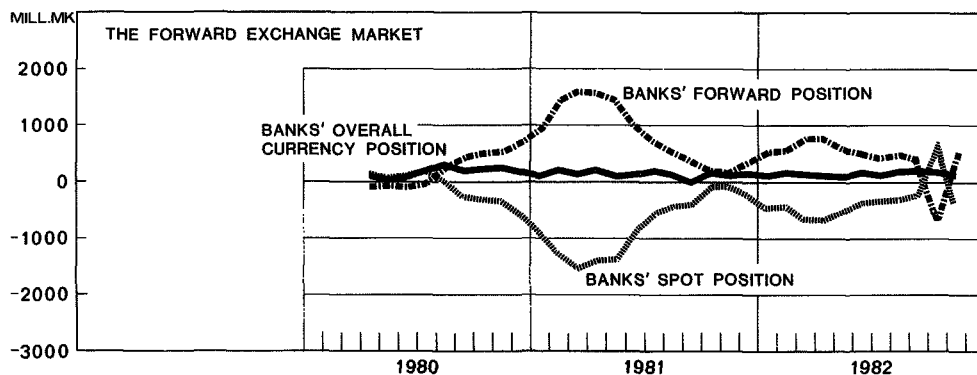
² 1. 9.—31. 12. 1975.



FORWARD EXCHANGE MARKETS IN FINLAND

Period	Banks' Forward Positions in mill. mk with						Banks' Forward Selling Rates for USD		
	Domestic Firms			Foreign Banks	Bank of Finland	Overall	Deviation from spot rate, per cent per annum		
	Assets	Liabilities	Net	Net	Net	Net	1 month	3 months	6 months
	1	2	3	4	5	6	7	8	9
1981	5 183.0	1 619.8	3 563.2	-581.0	-2 346.3	583.5	-4.4	-4.1	-3.6
1981									
May	3 639.6	1 345.6	2 294.0	-288.0	-895.1	1 212.6	-8.2	-8.2	-6.9
June	3 536.1	1 464.8	2 071.3	-400.1	-872.8	760.8	-7.6	-6.5	-5.5
July	3 481.8	1 609.9	1 871.9	-352.4	-883.7	686.1	-5.6	-5.0	-3.9
Aug.	3 637.9	1 493.6	2 144.4	-473.2	-1 171.7	424.6	-6.3	-5.7	-5.2
Sept.	5 012.2	1 905.0	3 107.2	-546.0	-2 030.9	380.9	-4.1	-4.6	-4.4
Oct.	4 776.6	1 847.5	2 929.1	-723.4	-1 812.7	301.7	-2.2	-2.2	-2.5
Nov.	5 267.6	1 788.5	3 479.2	-698.6	-2 424.4	291.7	-0.8	-0.7	-0.7
Dec.	5 183.0	1 619.8	3 563.2	-581.0	-2 346.3	583.5	0.1	0.3	-0.1
1982									
Jan.	4 984.2	1 581.2	3 402.9	-666.0	-2 242.9	607.4	-1.3	-0.7	-1.0
Feb.	5 054.0	1 666.4	3 387.6	-660.0	-2 081.1	666.8	-2.6	-2.3	-2.4
March	5 596.8	1 693.5	3 903.3	-522.1	-2 262.1	1 292.4	-1.3	-1.5	-1.7
April	5 936.4	1 596.8	4 339.6	-671.8	-2 879.4	666.5	-1.9	-1.9	-2.0
May	6 035.1	1 950.0	4 085.1	-486.4	-2 953.6	559.9	-1.3	-1.1	-1.1
June	5 942.0	1 703.4	4 238.6	-704.5	-2 797.7	637.3	-1.7	-1.7	-1.6
July	5 781.5	1 653.2	4 128.3	-871.0	-3 004.6	322.1	-0.6	-0.9	-1.3
Aug.	7 045.1	1 679.3	5 365.8	-854.4	-4 114.5	309.8	2.4	1.8	1.0
Sept.	6 618.6	2 282.4	4 336.1	-711.3	-3 947.8	-306.9	2.6	2.6	2.3
Oct.	6 898.2	2 557.1	4 341.1	-805.2	-3 937.2	-395.9	4.0	4.1	4.0
Nov.	8 921.5	2 199.9	6 721.6	-692.8	-5 027.6	917.4	4.7	4.6	4.5

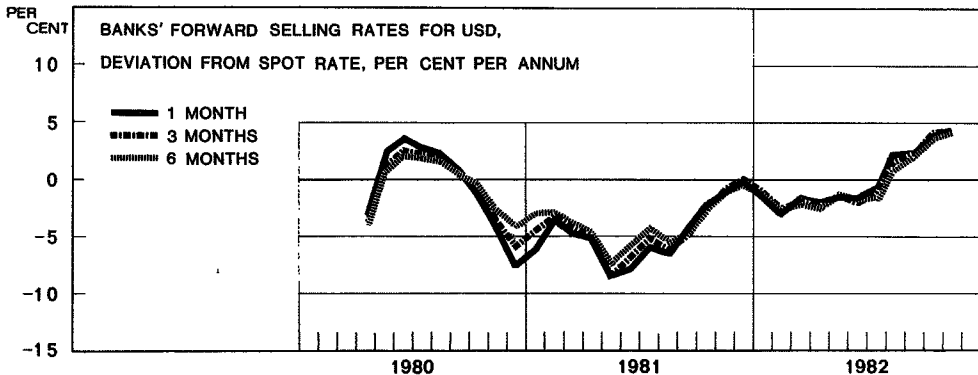
See explanations on page 24.



FOREIGN EXCHANGE RATES

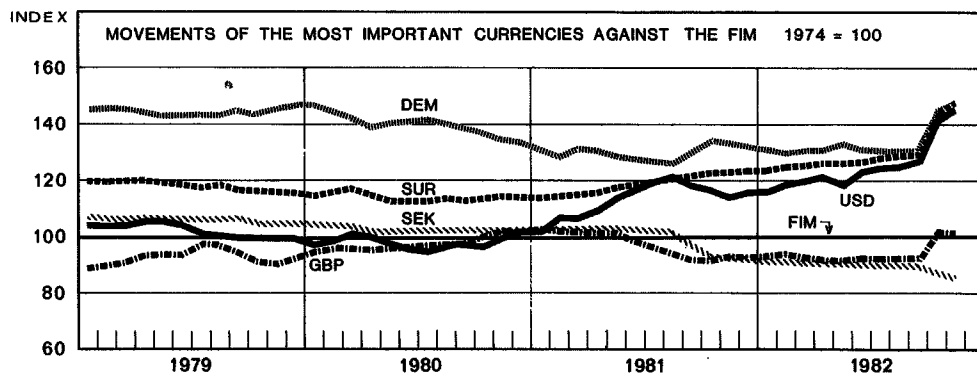
Average selling rates for foreign exchange, mk

Period	New York 1 US \$ USD	Montreal 1 C \$ CAD	London 1 £ GBP	Dublin 1 Ir£ IEP	Stockholm 100 Skr SEK	Oslo 100 Nkr NOK	Copenhagen 100 Dkr DKK	Frankfurt 100 DM DEM	Amsterdam 100 Hfl NLG	Brussels 100 FB BEC	BEL
	1	2	3	4	5	6	7	8	9	10	11
1976	3.864	3.922	6.983		88.86	70.95	64.04	153.78	146.42	10.030	9.812
1977	4.029	3.791	7.042		90.21	75.83	67.23	174.15	164.59	11.277	11.267
1978	4.117	3.617	7.917		91.43	78.93	75.06	205.53	190.77	13.152	12.959
1979	3.896	3.330	8.275		91.12	77.22	74.38	212.75	194.43	13.338	12.979
1980	3.730	3.194	8.691	7.689	88.43	75.81	66.53	205.58	188.02	12.818	12.635
1981	4.315	3.602	8.731	6.976	85.74	75.54	60.96	191.31	173.43	11.688	11.095
1982	4.820	3.913	8.423	6.854	77.03	74.84	57.93	198.76	180.66	10.584	9.859
1981											
Oct.	4.424	3.682	8.173	7.009	80.19	75.19	61.61	196.84	178.23	11.830	10.803
Nov.	4.354	3.667	8.301	6.959	79.70	75.18	61.11	195.91	178.69	11.714	10.548
Dec.	4.375	3.697	8.368	6.909	79.24	75.96	60.07	194.01	177.21	11.498	10.258
1982											
Jan.	4.409	3.701	8.339	6.824	78.84	75.55	59.24	192.69	175.83	11.361	10.214
Feb.	4.515	3.726	8.352	6.739	78.49	75.76	58.02	191.07	174.23	11.024	10.014
March	4.574	3.751	8.275	6.751	78.51	76.01	57.01	192.48	174.93	10.334	9.346
April	4.613	3.772	8.179	6.675	78.12	75.94	56.66	192.74	173.74	10.214	9.228
May	4.512	3.664	8.180	6.767	78.12	75.72	57.60	195.56	176.05	10.361	9.477
June	4.678	3.681	8.237	6.669	77.88	75.76	56.23	193.17	174.76	10.164	9.271
July	4.735	3.729	8.224	6.624	77.56	74.65	55.57	192.36	174.14	10.086	9.376
Aug.	4.757	3.824	8.225	6.618	77.60	71.36	55.20	192.25	174.70	10.050	9.507
Sept.	4.806	3.897	8.247	6.595	77.34	69.80	54.73	192.36	175.57	9.993	9.602
Oct.	5.358	4.362	9.104	7.223	75.18	74.80	60.21	212.11	194.50	10.952	10.472
Nov.	5.534	4.519	9.045	7.371	73.82	76.51	61.85	216.80	198.78	11.168	10.823
Dec.	5.353	4.331	8.673	7.390	72.92	76.25	62.86	221.55	200.75	11.297	10.980



Average selling rates for foreign exchange, mk

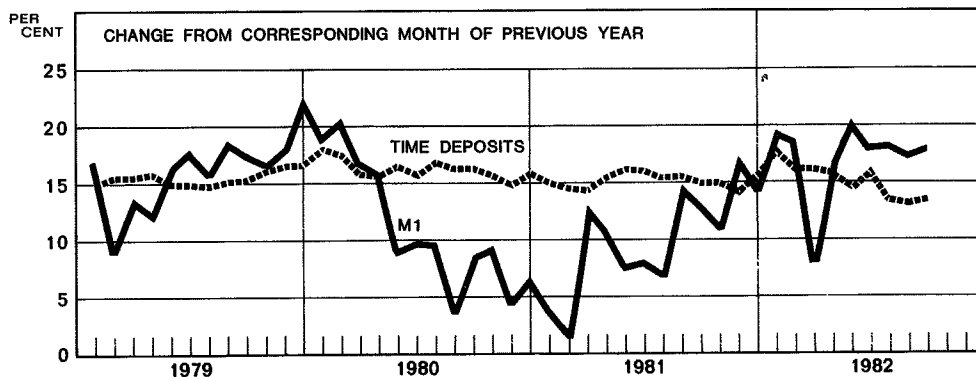
Zurich 100 Sfr CHF	Paris 100 FF FRF	Rome 100 Lit ITL	Vienna 100 ÖS ATS	Lisbon 100 Esc PTE	Reykjavik 100 lkr ISK	Madrid 100 Ptas ESP	Tokyo 100 Y JPY	Moscow 1 Cl Rbl SUR	I special drawing right SDR	Currency index 1974 = 100
12	13	14	15	16	17	18	19	20	21	22
154.86	81.09	0.468	21.59	12.89	2.14	5.80	1.307	5.125	4.450 99	99.9
168.70	82.16	0.459	24.47	10.65	2.04	5.37	1.512	5.475	4.695 56	106.1
231.83	91.77	0.489	28.45	9.55	1.57	5.42	1.983	6.037	5.136 33	117.2
234.36	91.88	0.473	29.19	8.13	1.14	5.84	1.797	5.941	5.016 78	117.3
222.87	88.65	0.440	28.90	7.60	0.81	5.25	1.662	5.741	4.842 55	113.6
220.34	79.92	0.385	27.17	7.17	60.35	4.72	1.967	5.986	5.071 40	113.1
237.79	73.65	0.358	28.31	6.13	40.79	4.41	1.943	6.624	5.305 63	115.9
234.86	79.05	0.376	28.11	7.02	57.81	4.66	1.922	6.165	5.094 12	113.1
244.06	77.98	0.371	27.94	6.93	55.05	4.61	1.959	6.188	5.065 32	113.1
241.26	76.96	0.367	27.67	6.87	53.60	4.56	2.010	6.207	5.083 06	113.1
239.40	76.09	0.364	27.52	6.79	50.06	4.53	1.974	6.215	5.074 63	113.1
239.02	75.25	0.358	27.27	6.58	47.75	4.50	1.922	6.265	5.106 00	113.1
242.70	74.70	0.355	27.43	6.53	45.94	4.40	1.904	6.307	5.129 23	113.1
235.81	74.09	0.351	27.45	6.42	44.99	4.37	1.896	6.378	5.138 80	113.1
231.86	75.17	0.353	27.79	6.44	42.99	4.39	1.910	6.353	5.107 78	113.1
225.93	71.66	0.347	27.44	6.07	42.20	4.31	1.870	6.397	5.147 87	113.1
226.29	69.30	0.344	27.36	5.66	40.60	4.26	1.862	6.458	5.159 48	113.1
226.15	68.97	0.344	27.38	5.59	36.89	4.26	1.844	6.498	5.160 27	113.1
225.33	68.26	0.343	27.40	5.53	33.51	4.27	1.834	6.522	5.179 44	113.1
247.28	75.17	0.374	30.21	6.02	35.48	4.67	1.983	7.219	5.724 37	122.8
252.26	76.87	0.378	30.92	6.07	34.70	4.67	2.096	7.434	5.896 66	125.1
261.40	78.33	0.385	31.52	5.90	32.80	4.27	2.217	7.446	5.847 79	125.0



DEPOSITS BY THE PUBLIC

Mill. mk

End of year and month	Demand deposits				Time deposits					Total (4+9)
	Commercial banks	Savings banks & Co-op. banks	Posti-pankki	All deposit banks	Commercial banks	Savings banks	Co-op. banks	Posti-pankki	All deposit banks	
	1	2	3	4	5	6	7	8	9	
1978	3 887	1 676	2 052	7 615	17 035	14 641	11 286	4 900	47 862	55 477
1979	4 697	2 255	2 714	9 666	19 794	17 177	13 348	5 599	55 918	65 584
1980	5 459	2 285	2 531	10 275	22 591	20 009	15 950	6 355	64 905	75 180
1981	5 791	2 879	2 952	11 622	26 094	22 937	18 598	7 448	75 077	86 699
1981										
July	4 728	2 577	3 102	10 407	24 316	21 818	17 485	6 957	70 576	80 983
Aug.	5 076	2 716	3 194	10 986	24 554	22 012	17 596	7 053	71 215	82 201
Sept.	5 070	2 804	3 226	11 100	24 239	22 056	17 723	7 058	71 076	82 176
Oct.	4 964	2 689	3 245	10 898	24 706	22 221	17 749	7 060	71 736	82 634
Nov.	5 386	2 689	3 115	11 190	24 732	22 280	17 892	7 080	71 984	83 174
Dec.	5 791	2 879	2 952	11 622	26 094	22 937	18 598	7 448	75 077	86 699
1982*										
Jan.	5 103	2 641	3 734	11 478	26 143	24 721	18 870	7 651	77 385	88 863
Feb.	4 614	2 544	3 527	10 685	26 472	23 673	19 275	7 779	77 199	87 884
March	5 156	2 617	3 443	11 216	26 601	23 537	19 176	7 604	76 918	88 134
April	5 098	2 768	4 023	11 889	27 175	23 891	19 511	7 678	78 255	90 144
May	5 528	2 933	3 593	12 054	27 129	24 095	19 700	7 961	78 885	90 939
June	5 992	3 208	3 786	12 986	27 406	24 403	19 858	8 057	79 724	92 710
July	5 573	3 252	3 668	12 493	27 395	24 709	20 058	8 096	80 258	92 751
Aug.	5 999	3 460	3 682	13 141	27 329	24 895	20 213	8 324	80 761	93 902
Sept.	6 439	3 525	3 480	13 444	27 382	24 950	20 270	8 280	80 882	94 326
Oct.	6 093	3 654	3 807	13 554	27 894	25 102	20 437	8 304	81 737	95 291



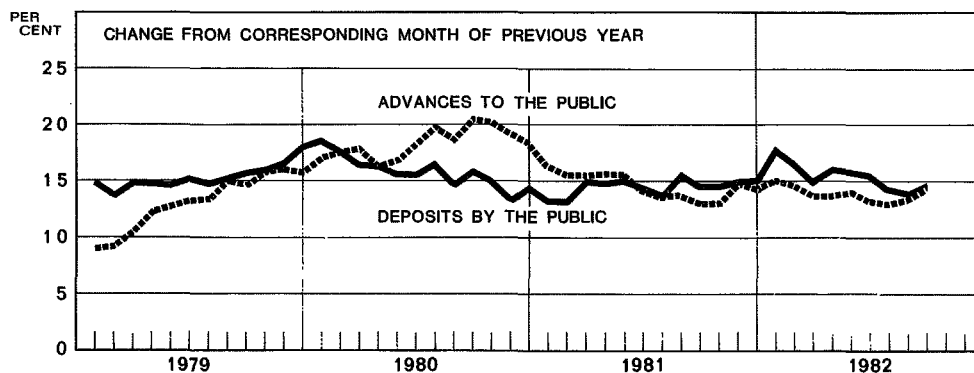
ADVANCES TO THE PUBLIC—MONEY SUPPLY

Mill. mk

End of year and month	Advances granted by				Types of advances			Total (1 to 4) (5 to 7)	Money Supply	
	Commercial banks	Savings banks	Co-op. banks	Posti-pankki	Loans & bills in domestic currency	Cheque credits	Domestic credits in foreign currency		M ₁	M ₁ +Quasi-Money
	1	2	3	4	5	6	7		8	9
1978	26 324	14 092	12 181	6 847	52 517	1 723	5 204	59 444	11 496	60 682
1979	29 844	16 535	14 258	8 299	60 971	1 955	6 010	68 936	14 087	71 157
1980	35 994	19 097	16 760	9 973	70 466	2 347	9 011	81 824	14 979	81 601
1981	40 462	22 009	20 059	11 135	80 817	2 877	9 971	93 665	17 186	94 577

1981	1	2	3	4	5	6	7	8	9	10
July	38 494	20 570	18 358	10 876	75 599	2 940	9 759	88 298	15 465	88 405
Aug.	39 011	20 845	18 686	10 474	76 295	2 948	9 773	89 016	15 856	89 507
Sept.	39 325	21 199	19 079	10 773	77 556	3 128	9 692	90 376	16 045	89 787
Oct.	40 172	21 466	19 363	10 797	78 871	3 168	9 759	91 798	15 876	90 234
Nov.	41 040	21 732	19 730	11 129	80 208	3 495	9 928	93 631	16 128	90 514
Dec.	40 462	22 009	20 059	11 135	80 817	2 877	9 971	93 665	17 186	94 577

1982*	1	2	3	4	5	6	7	8	9	10
Jan.	40 501	22 278	20 279	11 064	81 630	3 140	9 352	94 122	17 114	95 468
Feb.	40 908	22 451	20 436	10 966	82 174	3 483	9 104	94 761	16 205	95 993
March	41 214	22 698	20 636	10 761	82 807	3 762	8 740	95 309	16 353	95 919
April	41 818	22 974	20 916	10 835	83 816	3 821	8 906	96 543	17 340	98 004
May	42 625	23 297	21 293	10 905	85 079	3 851	9 190	98 120	17 615	98 886
June	42 925	23 586	21 628	11 125	86 150	3 548	9 566	99 264	18 664	100 998
July	43 078	23 861	21 935	11 290	86 835	3 763	9 566	100 164	18 339	101 351
Aug.	43 314	24 250	22 260	11 514	88 026	3 682	9 630	101 338	18 652	102 090
Sept.	44 472	24 674	22 611	11 887	89 645	3 881	10 118	103 644	18 958	102 482
Oct.	46 174	25 069	22 964	12 295	91 156	3 813	11 533	106 502	19 091	103 523



STATE FINANCES

Mill. mk

Revenue	Jan.-Oct.		Expenditure	Jan.-Oct.	
	1981	1982		1981	1982
Income and wealth tax (net)	12 887	12 695	Wages, salaries, pensions etc.	7 563	8 710
Gross receipts	33 646	35 057	Repair and maintenance	992	1 069
Refunds & local authorities	-20 759	-22 362	Other consumption expenditure	4 267	5 196
Other taxes on income and wealth	250	323	Total consumption expenditure	12 822	14 975
Employers' child allowance payments	57	1	State aid to local authorities	9 644	11 080
Sales tax	11 135	12 545	State aid to industries	6 719	7 820
of which: agric. price subsidies			of which: agric. price subsidies	2 925	3 352
Customs duties and import charges and levies	1 155	1 349	Child allowances	1 234	1 318
Excise duties	8 085	9 234	Share in national pensions and sickness insurance schemes	455	695
Excise duty on alcoholic beverages	2 476	2 750	Other transfer expenditure	5 769	6 726
Excise duty on tobacco	1 005	1 156	Total transfer expenditure	23 821	27 639
Excise duty on liquid fuel	2 428	2 734	Machinery and equipment	1 341	1 370
Other excise duties	2 176	2 594	Construction of buildings	633	695
Tax on autom. and motor-cycles	1 305	1 504	Land and waterway construction	1 656	1 827
Stamp duties	973	1 129	Total real investment	3 630	3 892
Special diesel etc. vehicles tax	170	194	Interest on State debt	1 208	1 873
Other taxes and similar revenue	1 055	1 213	Net deficit of State enterprises	-51	-67
Total taxes	37 072	40 187	Other expenditure	24	24
Miscellaneous revenue	2 820	3 112	Total other expenditure	1 181	1 830
Interest, dividends etc.	843	1 237	Increase in inventories	-221	-239
Redemptions of loans granted	698	759	Lending	2 764	3 232
Total revenue	41 433	45 295	Other financial investment	428	471
Foreign borrowing	1 909	3 304	Total expenditure	44 425	51 800
Domestic borrowing	2 258	3 608	Redemption of foreign loans	332	618
Total borrowing	4 167	6 912	Redemption of domestic loans	1 303	1 795
Deficit (+) or surplus (-)	460	2 006	Total redemptions	1 635	2 413
Total	46 060	54 213	Total	46 060	54 213

State debt	1979	1980	1981 ¹	1982		
	Dec.	Dec.	Dec.	Sept.	Oct.	Nov.
Foreign debt	8 964	10 341	13 331	16 331	18 339	18 302
Long-term debt	6 051	7 585	8 762	9 955	10 425	10 945
Short-term credit	174	40	9	62	73	90
Domestic debt	6 225	7 625	8 771	10 017	10 498	11 035
Total State debt	15 189	17 966	22 102	26 348	28 837	29 337
Total debt mill. \$	4 061	4 642	5 052	5 482	5 382	5 301

¹ Since December 1981 State debt has been expressed in gross terms. As a result cash assets are no longer deducted from domestic debt; foreign debt is unaffected by the change. The short-term debt of the State Granary is excluded from the figures.

FOREIGN TRADE

Mill. mk

Value, mill. mk

Period	Value, mill. mk		
	Exports f. o. b.	Imports c. i. f.	Surplus of exports (+) or imports (-)
1976	24 505	28 555	-4 050
1977	30 931	30 708	+223
1978	35 206	32 338	+2 868
1979	43 430	44 222	-792
1980	52 795	58 250	-5 455
1981	60 308	61 269	-961

1981			
Nov.	5 645	5 504	+141
Dec.	4 944	5 712	-768

1982*			
Jan.	5 330	5 004	+326
Feb.	5 472	4 786	+686
March	5 294	4 983	+311
April	5 079	5 379	-300
May	5 118	4 918	+200
June	5 416	4 982	+434
July	4 285	4 844	-559
Aug.	4 261	5 460	-1 199
Sept.	4 785	5 004	-219
Oct.	5 627	5 882	-255

Jan.-Oct.			
1981	49 719	50 053	-334
1982*	50 667	51 242	-575

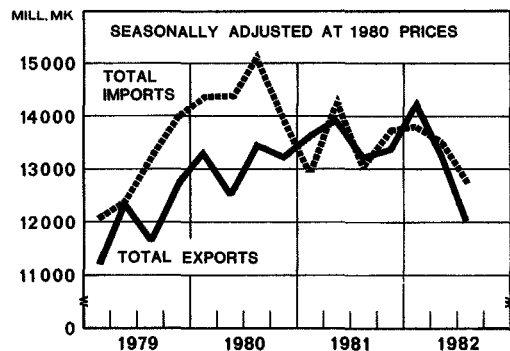
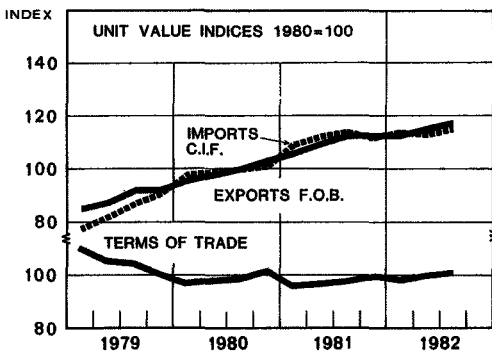
Indices of exports and imports
1980 = 100

Period	Indices of exports and imports 1980 = 100				Terms of trade
	Volume		Unit value		
	Exports	Imports	Exports	Imports	
1976	71	86	65	57	114
1977	78	79	75	67	113
1978	84	75	80	74	108
1979	92	89	90	86	105
1980	100	100	100	100	100
1981	103	94	111	112	99

1980					
Apr.-June	95	96	99	100	99
July-Sept.	97	107	100	100	100
Oct.-Dec.	107	101	104	102	102

1981					
Jan.-March	102	84	107	110	97
Apr.-June	106	95	110	113	98
July-Sept.	95	94	113	115	99
Oct.-Dec.	108	100	114	113	100

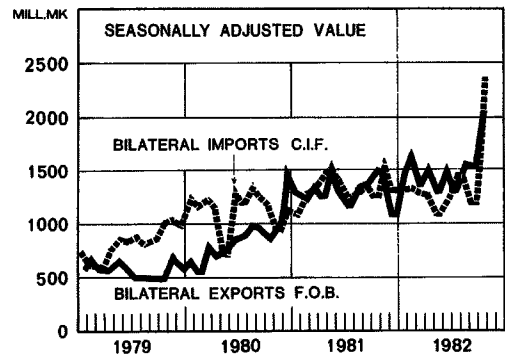
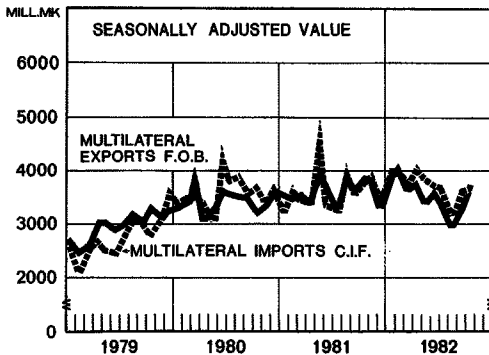
1982*					
Jan.-March	106	88	114	115	99
Apr.-June	103	92	115	114	101
July-Sept.	86	91	118	116	102



FOREIGN TRADE BY MAIN GROUPS

Mill. mk

Period	Exports, f.o.b.					Imports, c.i.f.				
	Agricultural and other primary products	Wood industry products	Paper industry products	Metal, engineering industry products	Other goods	Raw materials and producer goods	Fuels and lubricants	Finished goods		Other goods
								Investment goods	Consumer goods	
1976	804	2 892	7 860	6 891	6 058	17 828	1 581	4 966	4 103	77
1977	1 087	3 854	8 798	9 184	8 008	19 128	2 066	4 828	4 603	83
1978	966	4 641	10 402	9 593	9 604	20 431	2 224	4 801	4 830	52
1979	1 366	6 073	12 992	10 342	12 657	28 878	3 401	5 719	6 133	91
1980	1 403	7 742	15 751	11 546	16 353	38 622	4 088	7 989	7 440	111
1981	2 036	6 852	17 127	14 858	19 435	39 156	5 115	8 877	8 015	106
1981										
Nov.	70	579	1 514	1 513	1 969	3 614	474	705	707	4
Dec.	325	538	1 400	1 217	1 464	3 818	426	825	632	11
1982*										
Jan.	60	460	1 546	1 427	1 837	3 153	224	991	631	5
Feb.	352	457	1 438	1 398	1 827	3 089	267	649	778	3
March	356	461	1 622	1 240	1 615	3 190	231	736	823	3
April	57	569	1 453	1 266	1 734	3 492	265	777	843	2
May	220	536	1 469	1 280	1 613	3 249	267	701	682	19
June	80	583	1 445	1 789	1 519	3 229	469	640	638	6
July	45	421	1 293	1 571	955	3 042	449	713	613	27
Aug	58	481	1 398	1 029	1 295	3 583	499	625	728	25
Sept.	64	517	1 375	1 346	1 483	3 158	391	640	771	44
Oct.	62	566	1 585	1 724	1 690	3 607	580	766	846	83
Jan.-Oct.										
1981	1 641	5 735	14 213	12 128	16 002	31 724	4 215	7 347	6 676	91
1982*	1 354	5 051	14 624	14 070	15 568	32 792	3 642	7 238	7 353	217



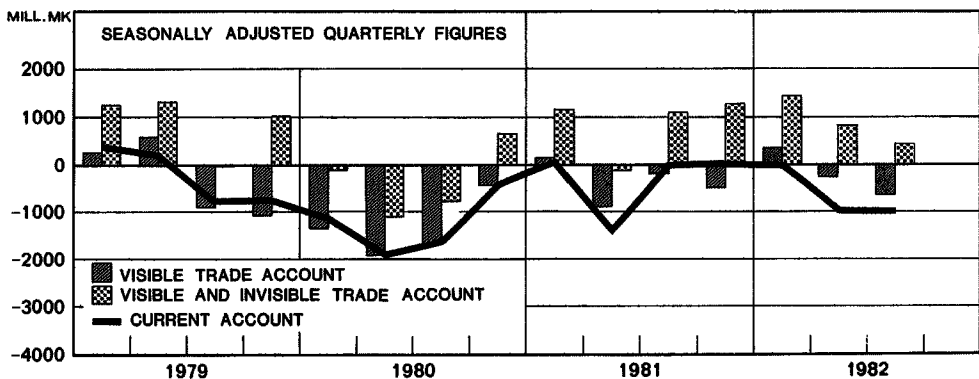
FOREIGN TRADE BY COUNTRIES

Mill. mk

Area and country	Exports, f. o. b.				Imports, c. i. f.			
	January—October				January—October			
	1981*		1982*		1981*		1982*	
	%	Mill. mk	%	Mill. mk	%	Mill. mk	%	Mill. mk
OECD countries in Europe	57.2	28 422	55.3	28 018	50.4	25 201	52.6	26 977
Austria	0.6	302	0.7	346	1.2	594	1.3	664
Belgium and Luxembourg	1.4	694	1.4	694	1.7	857	1.8	903
Denmark	3.2	1 591	3.8	1 943	2.2	1 108	2.4	1 215
France	3.9	1 943	4.2	2 109	3.2	1 592	3.2	1 626
Federal Republic of Germany	9.3	4 603	9.4	4 745	12.1	6 061	13.3	6 817
Italy	2.0	973	1.9	949	2.3	1 144	2.6	1 341
Netherlands	3.5	1 734	3.2	1 624	2.7	1 335	2.7	1 393
Norway	4.9	2 441	4.2	2 119	2.6	1 283	2.1	1 098
Portugal	0.3	133	0.2	115	0.5	238	0.6	312
Spain	0.7	364	0.8	404	0.6	304	0.6	318
Sweden	13.4	6 663	12.2	6 193	10.9	5 474	12.4	6 355
Switzerland	1.4	689	1.3	678	1.6	828	1.7	864
United Kingdom	10.9	5 432	10.4	5 291	8.2	4 088	7.3	3 757
Other	1.7	860	1.6	808	0.6	295	0.6	314
OECD countries outside Europe	6.0	2 988	5.9	3 014	12.2	6 112	11.8	6 019
Canada	0.7	325	0.7	376	0.6	318	0.9	478
Japan	0.7	360	1.1	564	3.8	1 878	4.2	2 130
United States	3.7	1 815	3.1	1 566	7.5	3 775	6.3	3 227
Other	0.9	488	1.0	508	0.3	141	0.4	184
CMEA countries	25.9	12 891	28.9	14 642	27.1	13 576	27.7	14 178
Czechoslovakia	0.2	114	0.4	197	0.6	313	0.6	288
German Democratic Republic	0.7	321	0.5	262	0.6	309	0.6	317
Poland	0.1	63	0.1	67	1.5	715	1.6	812
Soviet Union	24.2	12 043	26.8	13 548	23.4	11 721	24.0	12 296
Other	0.7	350	1.1	568	1.0	518	0.9	465
Latin America	2.2	1 083	1.1	565	2.0	998	2.3	1 158
Argentina	0.4	190	0.1	74	0.1	65	0.2	77
Brazil	0.3	159	0.3	142	0.6	308	0.7	368
Colombia	0.1	70	0.1	70	0.5	231	0.5	264
Other	1.4	664	0.6	279	0.8	394	0.9	449
Other	8.7	4 335	8.8	4 428	8.3	4 166	5.6	2 910
GRAND TOTAL	100.0	49 719	100.0	50 667	100.0	50 053	100.0	51 242
of which								
EFTA countries	20.7	10 295	18.8	9 528	17.0	8 484	18.3	9 358
EEC countries	35.4	17 617	35.5	17 982	32.8	16 423	33.8	17 308
OECD countries	63.2	31 410	61.2	31 032	62.6	31 313	64.4	32 996

BALANCE OF PAYMENTS

Period	Visible exports f.o.b.	Visible imports c.i.f.	Visible trade account	Transport, net	Travel, net	Other services, net	Visible and invisible trade account	Invest- ment income net	Un- requited transfers net	Other, net	Current account
1978	35 068	32 600	+2 468	+2 024	+141	+803	+5 436	-2 713	-211	+94	+2 606
1979	43 302	44 430	-1 128	+3 010	+157	+359	+2 398	-2 840	-430	+111	-761
1980	52 860	58 315	-5 455	+3 064	+320	+587	-1 484	-3 308	-454	+91	-5 155
1981*	60 260	61 688	-1 428	+3 367	+405	+1 104	+3 448	-4 359	-495	+134	-1 272
1979											
Apr.-June	10 847	10 193	+654	+745	+13	-71	+1 341	-963	-91	+25	+312
July-Sept.	10 210	11 573	-1 363	+792	+251	+76	-244	-671	-51	+33	-933
Oct.-Dec.	12 562	13 496	-934	+821	+5	+36	-72	-550	-84	+29	-677
1980											
Jan.-March	12 788	13 608	-820	+878	-103	+338	+293	-787	-169	-5	-668
Apr.-June	12 470	14 029	-1 559	+567	+80	+83	-829	-723	-100	+55	-1 597
July-Sept.	12 864	15 643	-2 779	+855	+298	+100	-1 526	-765	-102	+34	-2 359
Oct.-Dec.	14 738	15 035	-297	+764	+45	+66	+578	-1 033	-83	+7	-531
1981*											
Jan.-March	14 469	13 620	+849	+883	-87	+104	+1 749	-984	-129	+10	+646
Apr.-June	15 489	15 808	-319	+827	+78	-145	+441	-1 252	-127	+50	-888
July-Sept.	14 100	15 736	-1 639	+882	+443	+422	+111	-1 023	-108	+54	-966
Oct.-Dec.	16 202	16 524	-322	+775	-29	+723	+1 147	-1 100	-131	+20	-64
1982*											
Jan.-March	16 089	14 895	+1 194	+803	-158	+375	+2 214	-1 097	-213	-2	+902
Apr.-June	15 592	15 421	+171	+870	-95	+190	+1 136	-1 643	-185	+60	-632
July-Sept.	13 318	15 447	-2 129	+872	+137	+377	-743	-1 283	-160	+70	-2 116



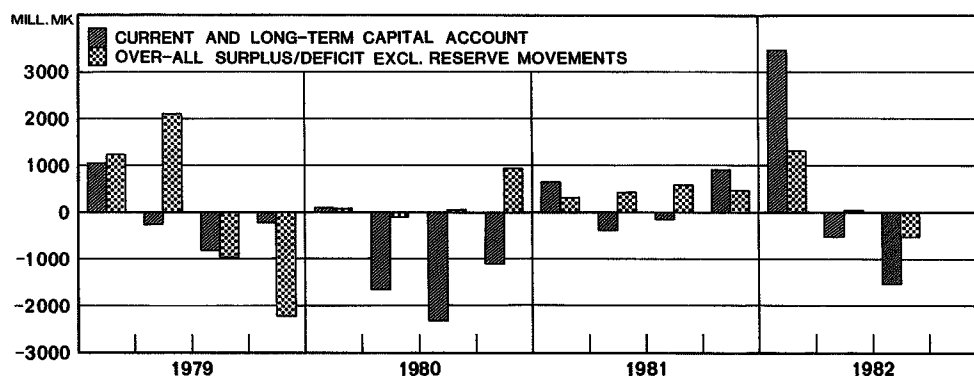
Drawings of long-term loans	Amortizations of long-term loans	Long-term export credits, net	Miscellaneous long-term capital items, net ¹	Long-term capital account	Current and long-term capital account	Short-term import credits and prepayments, net	Short-term export credits and prepayments, net	Short-term capital of authorized banks, net ²	Miscellaneous, short-term capital terms, incl. errors and omissions ²	Over-all surplus deficit excl. reserve movements ²	Bank of Finland foreign exchange reserves
+9 007	-5 743	-774	-225	+2 265	+4 871	+130	-2 188	-703	+479	+2 589	-2 589
+6 230	-4 843	-541	-337	+509	-252	+831	-834	+1 211	-834	+122	-122
+5 183	-4 140	-433	-428	+182	-4 973	+3 255	-967	+3 930	-250	+995	-995
+8 312	-4 643	-518	-826	+2 325	+1 053	-1 067	+437	-406	+1 786	+1 803	-1 803
+1 267	-1 453	-218	-174	-578	-266	+39	-62	+1 966	+423	+2 100	-2 100
+1 258	-892	-336	+70	+100	-833	+422	-354	-1 100	+880	-985	+985
+1 503	-872	+21	-187	+465	-212	+389	-355	-474	-1 573	-2 225	+2 225
+2 108	-1 113	-171	-65	+759	+91	+302	-31	+518	-797 ³	+83	-83
+1 076	-997	-39	-86	-46	-1 643	+1 498	-32	+1 666	-1 584	-95	+95
+1 126	-913	-36	-146	+31	-2 328	+711	-452	+1 189	+934	+54	-54
+873	-1 117	-187	-131	-562	-1 093	+744	-452	+557	+1 197	+953	-953
+1 404	-955	-227	-235	-13	+633	-473	+789	-163	-477 ³	+309	-309
+1 948	-1 213	+11	-233	+513	-375	+867	+790	-21	-831	+430	-430
+1 932	-797	-91	-200	+844	-122	+95	-571	-822	+2 008	+588	-588
+3 028	-1 678	-211	-158	+981	+917	-1 556	-571	+600	+1 086	+476	-476
+3 637	-806	-114	-166	+2 551	+3 453	-971	+569	-1 509	-230	+1 312	-1 312
+2 332	-1 555	-328	-323	+126	-506	-30	+571	+61	-51	+45	-45
+1 859	-883	-190	-249	+537	-1 579	-632	+507	-442	+1 602	-544	+544

Assets: increase —, decrease +. Liabilities: increase +, decrease —

¹ Including direct investment, net.

² Reserve movements of other foreign exchange holders have been transferred to the short-term capital account. The short-term capital of the authorized banks is shown separately.

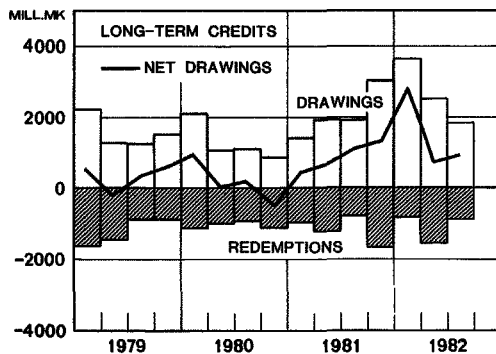
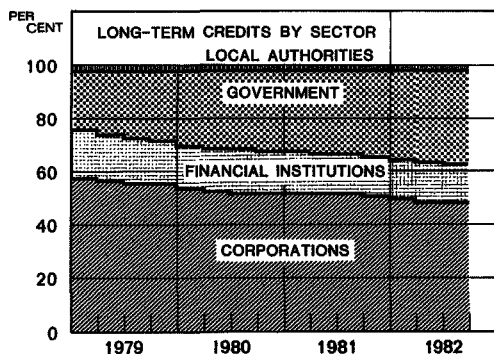
³ Including allocations of special drawing rights: 139 million in 1979, 133 million in 1980 and 131 million in 1981.



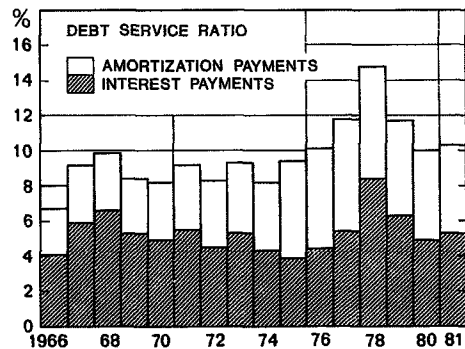
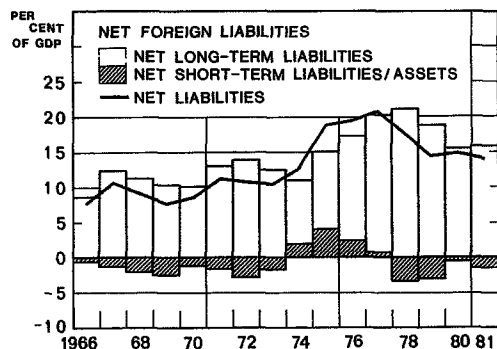
FINLAND'S FOREIGN ASSETS AND LIABILITIES

End of year and month	Long-term assets				Long-term liabilities					Net long-term liabilities (9-4)
	Export credits	Direct investment	Other	Total (1 to 3)	Financial loans	Import credits	Direct investment	Other	Total (5 to 8)	
	1	2	3	4	5	6	7	8	9	10
1978	2 978	1 850	956	5 784	27 716	5 612	1 885	231	35 444	29 660
1979	3 389	2 324	983	6 696	28 194	4 898	1 979	300	35 371	28 675
1980	3 872	2 806	1 051	7 729	29 730	4 377	2 075	340	36 522	28 793
1981*	4 673	3 426	1 317	9 416	35 536	4 444	2 183	391	42 554	33 138
1979										
Sept.	3 419	2 226	1 066	6 711	27 724	4 956	1 930	232	34 842	28 131
Dec.	3 389	2 324	983	6 696	28 194	4 898	1 979	300	35 371	28 675
1980										
March	3 625	2 456	932	7 013	29 122	4 692	1 971	288	36 073	29 060
June	3 534	2 539	967	7 040	28 887	4 517	1 990	268	35 662	28 622
Sept.	3 594	2 649	972	7 215	29 251	4 482	2 029	278	36 040	28 825
Dec.	3 872	2 806	1 051	7 729	29 730	4 377	2 075	340	36 522	28 793
1981*										
March	4 254	2 945	1 229	8 428	30 523	4 455	2 138	442	37 558	29 130
June	4 473	3 161	1 278	8 912	32 814	4 467	2 180	406	39 867	30 955
Sept.	4 559	3 329	1 282	9 170	34 414	4 377	2 168	392	41 351	32 181
Dec.	4 673	3 426	1 317	9 416	35 536	4 444	2 183	391	42 554	33 138
1982*										
March	4 960	3 616	1 415	9 991	38 669	4 623	2 263	709	46 264	36 273
June	5 361	3 741	1 471	10 573	39 847	4 456	2 313	696	47 312	36 739
Sept.	5 556	4 084	1 466	11 106	41 198	4 515	2 345	687	48 745	37 639

See explanations on page 24.



Short-term assets				Short-term liabilities				Net short-term liabilities (18-14)	Net liabilities (10+19)	Debt service, flow	Of which amortization payments, flow
Bank of Finland	Authorized banks and other foreign exchange holders	Corporate sector	Total (11 to 13)	Bank of Finland	Authorized banks and other foreign exchange holders	Corporate sector	Total (15 to 17)				
11	12	13	14	15	16	17	18	19	20	21	22
6 545	4 731	8 698	19 974	1 478	6 379	7 309	15 166	-4 808	24 852	6 623	3 769
7 918	6 579	9 970	24 467	2 340	9 333	7 816	19 489	-4 978	23 697	6 457	3 472
9 895	9 560	12 532	31 987	3 089	16 240	11 849	31 178	-809	27 984	6 716	3 274
11 362	13 749	14 176	39 287	2 427	20 218	13 538	36 183	-3 104	30 034	7 930	3 494
8 601	4 205	9 508	22 314	1 579	7 620	7 808	17 007	-5 307	22 824	1 315	604
7 918	6 579	9 970	24 467	2 340	9 333	7 816	19 489	-4 978	23 697	1 087	502
8 708	6 936	10 224	25 868	3 113	10 179	7 865	21 157	-4 711	24 349	1 756	937
9 279	7 133	10 509	26 921	3 727	11 970	9 545	25 242	-1 679	26 943	1 518	730
9 250	7 478	11 469	28 197	3 605	13 539	10 567	27 711	-486	28 339	1 554	761
9 895	9 560	12 532	31 987	3 089	16 240	11 849	31 178	-809	27 984	1 888	846
9 703	10 149	12 357	32 207	2 680	16 543	12 409	31 632	-575	28 555	1 735	732
10 125	11 464	12 299	33 888	2 437	18 080	14 102	34 619	731	31 686	2 170	897
10 817	12 627	13 152	36 596	2 403	18 487	14 690	35 580	-1 016	31 165	1 638	595
11 362	13 749	14 176	39 287	2 427	20 218	13 538	36 183	-3 104	30 034	2 387	1 270
12 795	13 614	13 583	39 992	3 074	18 592	12 318	33 984	-6 008	30 265	1 776	600
12 846	14 322	13 118	40 286	3 077	19 349	12 530	34 956	-5 330	31 409	2 691	1 017
12 456	17 078	12 512	42 046	4 097	21 737	12 068	37 902	-4 144	33 495	1 843	542



PRICE INDICES

Period	Wholesale price index 1949 = 100	Basic price index for domestic supply 1975 = 100						Building costs 1980 = 100		
		Total	Origin		Purpose			Total	Wages in building trade	Building materials
			Domestic goods	Imported goods	Raw materials	Consumer goods	Investment goods			
1979	791	138.0	135.0	148.7	133.1	150.7	139.2			
1980	919	160.7	156.6	175.0	160.1	167.7	155.9	100.0	100.0	100.0
1981	1 044	182.4	178.6	196.0	185.3	185.3	173.3	110.1	109.6	110.0
1982										
March	1 103	192.8	192.0	195.7	195.4	198.0	182.2	115.7	116.8	115.0
April	1 106	193.3	192.5	195.9	194.7	200.3	184.0	116.8	117.1	116.4
May	1 110	193.9	193.4	195.7	194.8	201.2	185.9	117.0	116.1	117.0
June	1 120	195.6	194.4	199.9	197.5	201.9	186.1	117.5	116.1	117.5
July	1 120	195.8	194.4	200.7	196.8	203.7	186.8	117.4	116.1	117.7
Aug.	1 118	195.4	194.1	200.2	195.6	204.3	187.7	118.1	116.1	118.6
Sept.	1 124	196.4	194.9	201.6	196.5	205.6	188.6	118.6	116.1	119.2
Oct.	1 150	200.9	196.4	216.8	202.6	208.5	190.4	120.7	120.4	120.7
Nov.	1 157	202.2	197.2	219.9	203.8	209.2	192.5	121.2	120.4	121.6

Consumer prices 1977 = 100

Period	Total	Food	Beverages and tobacco	Clothing and footwear	Rent	Heating and lighting	Household goods and services	Health and medical services	Transport and communication	Education and recreation	Other goods and services
1979	115.9	108.8	129.4	116.3	113.1	114.4	114.4	124.1	120.2	115.5	118.4
1980	129.3	122.8	140.9	131.9	122.4	141.1	127.4	137.6	136.4	123.4	132.6
1981	144.8	138.9	157.4	146.6	140.4	168.1	138.0	150.1	148.9	136.3	150.8
1982											
March	155.0	152.4	176.5	152.9	148.5	183.3	143.4	163.0	157.8	141.8	160.6
April	156.1	155.3	176.5	154.8	148.5	178.2	145.5	163.1	156.6	144.8	164.0
May	158.6	156.7	176.5	155.3	159.2	178.4	146.0	165.5	157.9	145.4	164.8
June	158.9	157.3	176.4	156.0	159.2	178.4	146.4	167.1	157.6	145.8	164.9
July	160.1	161.1	176.5	154.7	159.2	178.4	148.7	167.1	158.9	146.1	166.1
Aug.	159.7	157.6	176.4	156.2	159.2	178.8	148.3	166.3	158.5	148.2	167.7
Sept.	160.1	158.0	176.6	159.4	158.3	179.4	148.8	166.3	158.8	149.0	167.9
Oct.	160.7	158.8	176.6	160.4	158.3	182.8	149.3	165.1	159.9	148.9	168.7
Nov.	161.3	159.6	176.6	161.8	158.3	181.6	149.6	166.4	160.4	150.3	169.5

WAGES

Index of wage and salary earnings 1975 = 100

Period	By industries				By institutional sectors			All salary earners	All wage earners	All employees
	Wage earners in			Employees in services	State employees	Municipal employees	Employees in private sector			
	Agriculture	Industry	Construction							
1980	179.3	170.5	146.1	166.0	162.2	156.8	169.8	166.2	167.6	166.9
1981	201.3	192.5	165.6	186.1	182.7	174.8	191.9	187.4	188.9	188.2
1981										
Apr.-June	199.5	194.3	163.9	185.0	182.2	174.1	192.0	186.8	189.3	188.0
July-Sept.	201.0	193.7	166.9	187.7	184.0	175.7	193.8	189.2	190.6	189.8
Oct.-Dec.	210.9	198.9	173.6	192.3	187.5	179.3	199.0	193.8	195.3	194.5
1982*										
Jan.-March	215.1	206.7	176.7	197.3	193.0	185.0	204.1	198.6	201.1	199.8
Apr.-June	223.3	214.2	179.0	206.8	201.2	195.3	212.2	207.3	209.1	208.2
July-Sept.	224.7	212.2	181.1	207.2	201.3	195.4	211.8	207.7	208.3	208.0

PRODUCTION

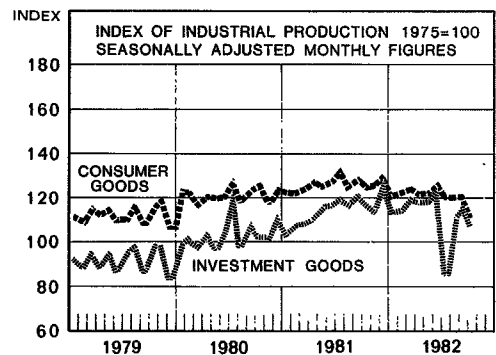
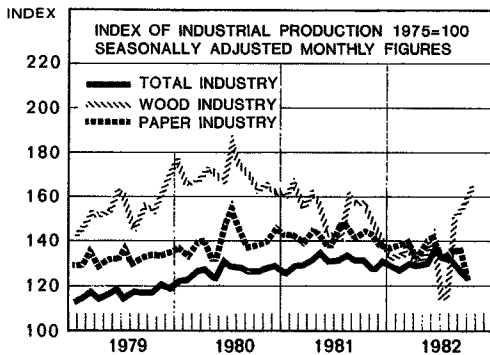
Volume indices of production 1975 = 100

Period	Gross domestic product	Industrial production	Agriculture	Forestry	Construction of buildings	Land and waterway construction	Transport and communication	Commerce	Public sector services	Others
1980*										
July-Sept.	117	116	193	96	111	90	123	107	125	114
Oct.-Dec.	126	136	84	168	121	92	131	114	127	120
1981*										
Jan.-March	114	129	73	143	79	89	111	95	129	116
Apr.-June	118	132	90	155	76	93	119	107	129	121
July-Sept.	116	119	160	80	100	91	124	108	130	117
Oct.-Dec.	128	141	80	149	122	96	134	116	132	124
1982*										
Jan.-March	114	129	70	135	74	88	113	96	134	119
Apr.-June	119	131	80	138	73	92	122	108	134	125
July-Sept.	117	115	193	66	100	93	122	110	136	121

PRODUCTION

Index of industrial production 1975 = 100

Period	Total	Investment goods	Consumer goods	Other producer goods	Special indices of manufacturing						Total adjusted for seasonal variations
					Food industry	Wood industry	Paper industry	Chemical industries	Non-metallic mineral industry	Metal industry	
1978	107.0	85.6	108.1	111.9	103.9	130.3	118.2	109.6	93.5	99.6	108.2
1979	118.3	93.7	113.7	127.0	110.8	155.6	134.0	123.7	102.3	110.3	119.0
1980	127.5	105.0	122.9	135.7	117.2	170.6	142.6	135.3	117.6	123.3	127.8
1981*	131.6	115.9	127.1	138.0	123.3	154.8	144.4	144.2	117.8	131.6	131.9
1981*											
Sept.	141.3	130.3	134.7	147.4	133.8	172.9	146.4	150.4	130.9	147.2	132.5
Oct.	146.1	130.9	142.5	152.0	149.0	166.7	158.9	146.2	127.4	147.3	132.5
Nov.	139.1	126.4	135.6	144.3	138.5	151.9	152.0	132.5	120.7	144.4	128.4
Dec.	134.4	132.8	132.7	135.6	125.8	133.1	130.7	124.4	108.9	146.3	132.1
1982*											
Jan.	130.7	115.8	125.6	137.3	108.1	120.6	145.8	134.8	98.2	134.5	130.1
Feb.	125.6	117.3	119.9	130.5	100.9	129.2	135.2	129.6	96.5	133.5	128.5
March	142.9	128.6	136.9	149.7	122.8	167.3	150.4	155.7	118.0	147.4	131.0
April	128.0	117.4	123.5	133.0	113.0	146.8	120.6	146.9	109.8	136.2	130.4
May	135.8	124.6	127.5	142.8	119.8	164.4	139.6	149.8	117.5	145.2	131.0
June	134.6	130.9	123.1	141.0	122.4	156.6	124.9	129.4	119.1	144.6	139.5
July	88.0	50.6	75.9	104.0	108.8	56.5	137.1	81.1	71.6	55.0	134.0
Aug.	131.9	107.6	121.4	143.6	121.4	138.3	147.3	136.5	125.8	124.6	131.4
Sept.	136.3	125.1	127.1	143.7	128.1	173.2	137.5	137.6	144.3	141.8	127.5
Oct.	133.5	120.1	126.2	140.5	141.3	167.3	134.1	133.1	133.5	136.1	123.8



LABOUR—TIMBER FELLINGS—INTERNAL TRADE

Period	Population of working age, 1 000 persons	Total labour force, 1 000 persons	Employed, 1 000 persons	Un-employed, 1 000 persons	Unemployment, % of total labour force	Commercial timber fellings, 1 000 solid cu. m	Retail sales volume index 1972 = 100	Wholesale volume index 1972 = 100
1978	3 578	2 253	2 084	169	7.5	32 280 ^r	110	120
1979	3 593	2 223	2 134	139	6.1	44 020 ^r	117	135
1980	3 606	2 315	2 203	112	4.8	47 840 ^r	119	141
1981	3 629	2 369	2 244	125	5.3	44 360 ^r	125	141
1982*								
Jan.	3 648	2 376	2 204	172	7.2	3 278	108	115
Feb.	3 649	2 378	2 219	159	6.9	4 260	107	126
March	3 654	2 335	2 175	160	6.9	5 781	120	148
April	3 656	2 363	2 201	162	6.8	5 243	125	142
May	3 655	2 406	2 276	130	5.4	3 564	125	142
June	3 659	2 574	2 436	138	5.4	2 582	131	144
July	3 659	2 586	2 441	145	5.6	1 167	136	123
Aug.	3 659	2 512	2 368	144	5.8	1 383	130	145
Sept.	3 663	2 436	2 295	141	5.8	2 401	130	156
Oct.	3 667	2 399	2 255	144	6.0	3 164		

CONSTRUCTION OF BUILDINGS¹

Period	Building permits granted					Buildings completed					Building-works under construction
	Total	Residential buildings	Farm buildings	Industrial and business buildings	Public buildings	Total	Residential buildings	Farm buildings	Industrial and business buildings	Public buildings	
Million cubic metres											
1979	48.64	19.83	6.34	16.46	3.46	38.30	17.49	4.39	11.76	2.75	47.62
1980	50.53	20.71	5.49	17.69	3.55	42.11	18.04	4.82	13.94	3.26	49.57
1981*	44.92	18.76	5.78	14.65	2.75	41.08	17.20	4.39	14.35	3.01	47.14
1981*											
Jan.-March	7.25	3.07	0.94	2.31	0.46	8.65	3.82	0.58	3.06	0.80	44.44
Apr.-June	16.95	7.85	2.79	4.74	0.65	8.04	3.91	0.58	2.64	0.52	50.83
July-Sept.	10.77	4.64	1.16	3.37	0.72	9.50	3.69	1.40	2.93	0.82	53.71
Oct.-Dec.	9.95	3.20	0.89	4.23	0.92	14.89	5.78	1.83	5.72	0.87	47.14
1982*											
Jan.-March	8.53	3.16	1.27	3.01	0.69	6.80	3.11	0.59	2.45	0.27	46.13
Apr.-June	18.46	7.66	3.09	5.78	0.74	8.45	3.71	0.60	2.91	0.74	50.72

¹ New series calculated by the Central Statistical Office.

EXPLANATIONS RELATING TO THE STATISTICAL SECTION

BANK OF FINLAND

Page 4. *Public sector*: Receivables = Government promissory notes + Bonds + Total coinage + Other public sector receivables. Liabilities = Cheque accounts + Counter-cyclical reserves + Counter-cyclical deposits + Capital import deposits + Other public sector claims.

Deposit certificates are interest bearing, freely transferable, term liabilities of the Bank of Finland. Their maturities range from one week to one year.

Page 5. *Domestic financial sector*: Other liabilities, net = Capital import deposits + Other financial institution claims — Till-money credits — Bonds — Other financial institution receivables.

Corporate sector: Permanent special financing schemes = Foreign bills + New export bills + Financing of suppliers credits. Liabilities, net = Deposits for investment and ship purchase + Counter-cyclical withholdings + Capital import deposits + Import levy deposits + Export deposits + Other corporate claims — Bonds — Other corporate receivables.

MONETARY POLICY INDICATORS

Page 6. All the figures except the Average lending rate of the commercial banks are mean values of daily figures for the month or year in question. The Average lending rate of the commercial banks is the mean value of end of the month lending rates weighted by credit outstanding. The annual figure of the Average lending rate is an unweighted average of the weighted average monthly rates.

Total central bank debt of the commercial banks = Discounted and rediscounted bills (until 30. 6. 1979, subsequently the banks have not been allowed to discount or rediscount bills) + net cheque account receivables from the commercial banks + call money debt + bond transactions with repurchase obligation — call money deposits by the commercial banks.

Actual central bank debt of the commercial banks = Total central bank debt — Postipankki's call money placements (or + Postipankki's call money overdrafts). Postipankki accounts for the bulk of the supply of call money from the deposit banks (supply of call money, see column 4 on page 5).

Credit quotas of the commercial banks at the Bank of Finland are the sum of individual quotas specifying the amount each bank eligible for central bank credit can borrow at the base rate. Before July 1979, a progressively rising interest rate was charged on credit in excess of the quota up to an absolute ceiling on quota-related debt. From July 1979, no bank may exceed its quota on average over the month. On any given day quota-related borrowing may not exceed 1.3 times the quota. The interest on this borrowing is the base rate.

Bank of Finland placements in the call money market = Demand for call money by the deposit banks — Supply of call money by the deposit banks. Average cost of the total central bank debt of the commercial banks: Net costs paid to the Bank of Finland by the commercial banks, as a percentage of their total central bank debt, per annum.

FORWARD EXCHANGE MARKETS IN FINLAND

Page 7. The figures for columns 1—6 are calculated by the Bank of Finland on the basis of monthly reports from the banks on their outstanding forward exchange positions at the end of each month. The figures for columns 7—9 are based on monthly averages of daily representative quotations, as reported by the banks to the Bank of Finland.

The banks' foreign currency positions shown in the chart at the bottom of page 7 are monthly averages of daily spot and forward positions vis-à-vis the Finnish mark as reported by the commercial banks to the Bank of Finland. The spot position includes all foreign currency-denominated assets and liabilities of the banks, excluding their outstanding forward contracts.

FOREIGN EXCHANGE RATES

Pages 8—9 *Exchange rates* are annual and monthly averages of the Bank of Finland's daily quotations. *Currency index* is annual and monthly average of daily index numbers. The chart at the bottom of page 8 shows the banks' forward selling rates for the US dollar as deviations from the spot rate.

DEPOSITS BY THE PUBLIC — ADVANCES TO THE PUBLIC — MONEY SUPPLY

Figures for deposits and advances are supplied by the Central Statistical Office.

Page 10. *Deposits by the public*. The central government and the financial institutions are mainly excluded from the public. From 1974 deposits include domestic deposits denominated in foreign currency.

Page 11. *Advances to the public*. The central government and the financial institutions are not included in the public. Postipankki's advances do not include loans granted by the State Investment Fund (INRA). Domestic credits in foreign currency are mainly granted by the commercial banks and the rest by Postipankki.

Money Supply M_1 = Finnish notes and coins in circulation — Finnish notes and coins held by the banks + Demand deposits held by the public (incl. Demand deposits at the Bank of Finland). Quasi-Money = Time deposits held by the public (incl. Time deposits at the Bank of Finland).

Note: Domestic deposits in foreign currency included in money supply since 1974. In the money supply the public includes non-monetary financial institutions.

STATE FINANCES

Page 12. Official figures computed by the Economics Department of the Ministry of Finance. Revenue and expenditure: Extra-budgetary funds and the aggregated net current deficit of State enterprises are included. Figures are reported on a cash payment basis. Debt: Foreign debt includes promissory notes given to international organizations.

FOREIGN TRADE

Pages 13—15. Figures supplied by the Board of Customs *Indices* (p. 13): The volume indices are calculated according to the Paasche formula and the unit value indices according to the Laspeyres formula. *Terms of trade*: the ratio of export indices to import indices. *Foreign trade by countries*: (p. 15): from January 1980 imports by countries of origin exports by countries of consignment.

BALANCE OF PAYMENTS

Pages 16—17. Figures are calculated by the Bank of Finland. In the current account, the figures for visible and invisible trade have been revised from 1970 so that they are in accordance with the revised System of National Accounts. In addition to the Board of Customs figures, exports include fuel for carriers but exclude stevedoring expenses and imports include seamen's duty-free imports, fuel for carriers and adjusted allowance for smuggling. On Jan. 1, 1980, foreign bonds were included in the convertible foreign exchange reserves of the Bank of Finland and not in the short-term capital account as earlier. The figures for other years have also been revised accordingly.

FOREIGN ASSETS AND LIABILITIES

Pages 18—19. Figures calculated by the Bank of Finland. Long-term assets: Other = financial loans development credits + Finland's subscriptions to international financial institutions. Long-term liabilities: Other = Leasing credits + subscriptions to international financial institutions paid in the form of bonds. Short-term assets: From 1978 the Bank of Finland's foreign bills are included in financing of exports and reclassified under the corporate sector.

Column 21. Debt service = Net investment income of short-term and long-term assets and liabilities + net amortisation payment of long-term foreign assets and liabilities, excl. amortisation payments of the Bank of Finland's reserves and oil credits.

Columns 21 and 22 during the year and the quarter.

Chart Debt service ratio: Debt service as a per cent of current account earnings. 1978 and 1979 debt service does not include amortisation of the Bank of Finland's reserve and oil credits.

PRICE INDICES

Page 20. All indices calculated by the Central Statistical Office.

WAGES — PRODUCTION

Pages 21—22. Figures supplied by the Central Statistical Office. Page 22. *Index of industrial production* calculated by the Central Statistical Office. The grouping, by branches of industry is in accordance with the Standard Industrial Classification (SIC) which is a version of the 1968 edition of the ISIC. The SIC facilitates international comparisons between Finnish statistics and corresponding data from countries which use the ISIC. The seasonally adjusted series is calculated by the Bank of Finland on the basis of the index of industrial production per working day according to a method resembling the U.S. Bureau of Census Method II.

LABOUR — TIMBER FELLINGS — INTERNAL TRADE — CONSTRUCTION OF BUILDINGS

Page 23. *Labour* figures supplied by the Central Statistical Office. *Commercial timber fellings* compiled by the Forest Research Institute, *Retailers' and Wholesalers' volume indices* supplied by the Central Statistical Office. *Construction of buildings* figures calculated by the Central Statistical Office.

SYMBOLS USED: * Preliminary, r Revised, 0 Less than half the final digit shown, . Logically impossible, .. Not available, — Nil S affected by strike — Break in series.

SOME PARTICULARS ABOUT FINLAND

FORM OF GOVERNMENT

From 1 155 to 1 809 Finland formed a part of the kingdom of Sweden. Connected from 1 809 with Russia, Finland was an autonomous country with the Emperor as Grand Duke until December 6, 1917, the date of Finland's declaration of independence. The republican constitution was adopted in 1919. The legislative power of the country is vested in Parliament and the President. The highest executive power is held by the President, elected for a period of 6 years. The President for the current term, January 27, 1982, to March 1, 1988, is Mauno Koivisto.

Parliament, comprising 200 members is elected by universal suffrage for a period of 4 years. The number of seats of the different parties in Parliament elected in 1979 is as follows: Social Democratic Party of Finland 52, National Coalition Party 47, Centre Party 36, Democratic League of the People of Finland 35, Swedish Party 10, Christian League of Finland 10, Finnish Rural Party 6 and Liberal Party 4.

INTERNATIONAL ORGANIZATIONS

Finland became a member of BIS 1930, IMF 1948, IBRD 1948, GATT 1950, UN 1955, IFC 1956, IDA 1960, EFTA 1961, ADB 1966, OECD 1969, IDB 1977 and AfDB 1982.

LAND

THE AREA is 337 000 square kilometres (Great Britain's area is 244 000 sq. km and Italy's area 301 000 sq. km). Of the total, inland waters form 9.4%. Of the land area (1980) 2.5 mill. ha (8.2%) are cultivated and 19.7 mill. ha (64.5%) are covered by forests.

OWNERSHIP OF LAND (1970). The total land area was distributed among different classes of owners approximately as follows: private 60.7%, State 29.4%, joint stock companies etc. 8.0%, municipalities and parishes 1.9%.

POPULATION

NUMBER OF INHABITANTS (1980): 4.8 million. Sweden 8.3, Switzerland 6.4, Denmark 5.1, and Norway 4.1 million.

DENSITY OF POPULATION (1980): In South Finland 46.8, in East and Central Finland 14.0, in North Finland 4.1 and in the whole country an average of 15.7 inhabitants to the square kilometre.

DISTRIBUTION BY AREA (1980): 40% of the population inhabit the rural areas, 60% towns and urban districts. The largest towns are: Helsinki (Helsingfors), the capital, 483 036 inhabitants, Tampere (Tammerfors) 166 228, Turku (Åbo) 163 680.

EMPLOYMENT (1981): Agriculture and forestry 11%, industry and construction 35%, commerce 14%, transport and communication 8%, financing, insurance, real estate and business services 6%, community and personal services 26%.

LANGUAGE (1980): Finnish speaking 93.5%, Swedish speaking 6.3%, others 0.2%.

EDUCATION (1981): Practically all persons over 15 years of age are literate. There are 6 universities (the oldest founded in 1 640) and 14 colleges of university standard.

CHANGE OF POPULATION (1980): births 13.2‰, deaths 9.3‰, change + 2.8‰, net immigration — 0.3‰. Deaths in France 10.1‰ and Great Britain 11.8‰.

TRADE AND TRANSPORT

NATIONAL INCOME (1981), in million marks: Gross domestic product at factor cost by industrial origin: agriculture 6 758 (4%), forestry and fishing 9 590 (5%), manufacturing 60 991 (33%), construction 13 447 (7%), trade, restaurants and hotels 21 508 (11%), transport and communication 15 358 (8%), banking and insurance 7 816 (4%), ownership of dwellings 13 066 (7%), other services 40 280 (21%), total 188 814. Index of real domestic product 121 (1975 = 100).

FOREST RESOURCES (1980). The growing stock comprised of 1 631 million m³ (solid volume with bark) of which 44% was pine and 38% spruce the remaining 18% being broad-leaved trees chiefly birch. Of the growing stock 690 million m³ was up to the standard required for logs, 56% of these being pine. The annual growth was 65 million m³ and the total drain calculated on the basis of roundwood consumption was 59 million m³.

AGRICULTURE (1980). Cultivated land 2.3 million hectares. Number of holdings 224 721 of which 155 277 are of more than 5 ha. Measure of self-sufficiency in bread cereals 70%.

INDUSTRY (1981). Gross value of industrial production 193 314 mill. marks, number of workers 419 443, salaried employees 144 692, motive power 8.0 mill. kW. Index of industrial production 132 for 1981 (1975 = 100).

STATE RAILWAYS (Dec. 31, 1981): Length 6 976 km.

MERCHANT FLEET (Sept. 30, 1982): Passenger vessels 154 (261 828 gross reg. tons), tankers 45 (1 093 633 gross reg. tons), dry cargo vessels 186 (850 088 gross reg. tons), other vessels 97 (15 101 gross reg. tons), total 482 (2 220 650 gross reg. tons).

MOTOR VEHICLES (Dec. 31, 1981): Passenger cars 1 279 192, lorries and vans 155 001, buses 9 054, others 9 384, total 1 452 631.

FINNISH AIRLINES (April 1, 1982): Finnair and Kar-Air have in use 2 DC-8, 1 DC-6-3T, 3 Super Caravelles, 9 DC-9-14/15, 5 DC-9-41, 12 DC-9-51, 3 DC-10-30, 2 Fokker F-27 and 2 Embraer Bandeirante. Companies have scheduled traffic outside of Finland to 38 airports and to 20 domestic airports.

FINANCE AND BANKING

CURRENCY. Since 1860, Finland has had its own monetary system. From 1877 until 1914 the country was on the gold standard, and returned to it in 1926. In 1931, the Central Bank's duty to redeem bank notes in gold was suspended and at the end of 1962 was entirely cancelled. The monetary unit is the mark (Finnish markka). The last par value of the mark was set on Oct. 12, 1967 and was 0.21159 grams of fine gold per mark (equivalent, at the time, to 4.20 marks per U.S. dollar). Since Nov. 1, 1977 the external value of the mark has been officially expressed in terms of a currency index. This index is trade-weighted and indicates the average change in the currencies which are important in Finnish foreign trade. The present currency weights are Rbl 23.5, Skr 16.6, £ 13.1, DM 13.2, \$ 9.5, other currencies 24.1. The permissible range of fluctuation is about 2.25 per cent of either side of the arithmetic mean. The fluctuation limits are 127.5 and 121.9.

THE CENTRAL BANK. The Bank of Finland (estab. 1811) functions under the guarantee and supervision of Parliament. Its Board of Management is appointed by the President of the Republic; the Bank Supervisors, nine in number, are elected by Parliament. The Bank has a head office in Helsinki and 12 branches in other towns.

OTHER CREDIT INSTITUTIONS (Dec. 31, 1981). There are two big and five small commercial banks with in all 891 offices, 274 savings banks, 371 co-operative banks, five mortgage banks, Postipankki and three development credit institutions. The co-operative stores accept deposits from their members. The Social Insurance Institution and fifty-five private insurance companies also grant credits.

RATES OF INTEREST (June 1, 1982). The base rate applied by the Bank of Finland on credit extended to the banks in the context of the quota facility is 8 ½%. The range of rates for other credits granted by the Bank of Finland is between 6% and 11%. Other credit institutions: time deposits 4 ¼%, 6 month deposits 5 ½%, 12 month deposits 7%; 24 month deposits 8 ¾% and sight deposits 1 ¼%. The highest lending rate 12 ½%.

CHANGES IN THE STRUCTURE OF THE ECONOMICALLY ACTIVE POPULATION IN FINLAND BETWEEN 1960 AND 1980

by Pekka Myrskylä, M.Pol.Sc.

Central Statistical Office of Finland,
Population and Housing Census 1980

For more than 200 years, the size and structure of the population in Finland were assessed by means of parish registers. Direct population census inquiries have been conducted every tenth year since 1950 in accordance with the recommendations of the United Nations. In addition, an interim census of more restricted content was taken in 1975.

Although the share of economically inactive persons in the total population has remained virtually the same throughout, changes have occurred in its age composition. The share of the aged has increased and, at the same time, a fall in the death rate has extended the average lifetime and period of retirement of the population. A fall in the birth rate has reduced the number of children, particularly in the 1970s (Chart 1).

ECONOMICALLY ACTIVE POPULATION

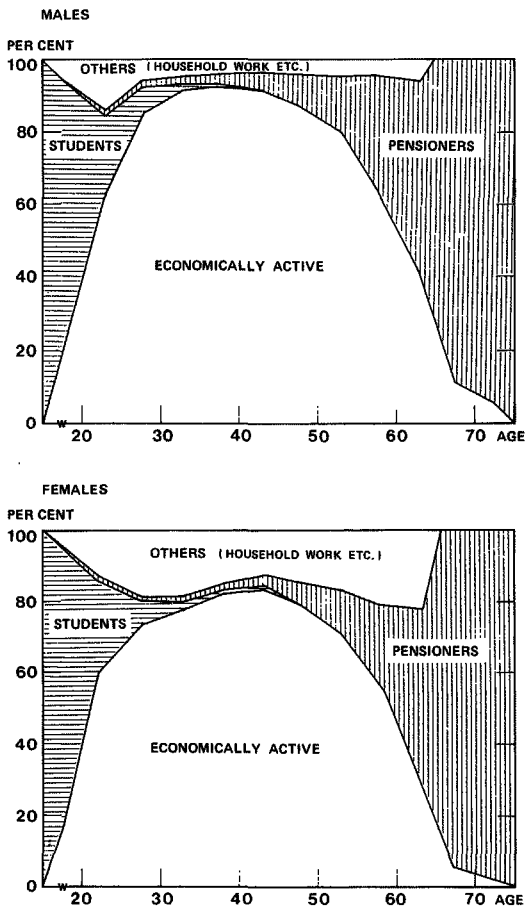
Table 1 shows that the share of economically active persons in the total population has remained constant at 46 per cent since 1960. The increase in the number of economically active persons, about 240 000 since 1960, can be ascribed entirely to a rise in female labour force participation rates. In 1980, the number of economically active women was 30 per cent higher than in 1960, and women now account for 47 per cent of the total labour force.

The vast majority of Finnish men are economically active at some period of their life. In the 1970s, an increasing number of young people began to postpone their entry into the labour force until 25 to 30 years of age in favour of full-time studies. At the same time, the economic activity of the oldest age groups began to decline along with the improvement in pension security. While in the early 1960s 40 per cent of men 65 years and over were economically active, their share had fallen to 7 per cent

TABLE 1. DISTRIBUTION OF POPULATION IN 1960—1980, BY MAIN TYPE OF ACTIVITY

	1960	Per cent	1970	Per cent	1980	Per cent
Total population ('000 persons)	4 446		4 598		4 785	
Economically active	2 033	100	2 118	100	2 222	100
Per cent of total population	46		46		46	
Males	1 232	61	1 226	58	1 187	53
Per cent of all males	58		55		51	
Females	800	39	839	42	1 035	47
Per cent of all females	35		38		42	
Economically inactive	2 413	100	2 480	100	2 563	100
Under 15 years of age	1 339	56	1 119	45	967	38
Students	53	2	268	11	418	16
Pensioners	318	13	578	23	819	32
Family members	654	27	463	19	201	8
Other (unknown)	49	2	52	2	158	...

CHART 1. THE POPULATION OF WORKING AGE IN 1980, BY MAIN TYPE OF ACTIVITY AND AGE



by 1980. In two decades, the number of pensioners increased 2.6 times to 820 000 persons, of which those receiving invalidity pensions accounted for 243 000. The number of recipients of invalidity pensions grew particularly during the first half of the 1970s, reducing somewhat the labour force participation rates for persons of working age.

The reduction in the labour force participation rates for men 65 years and over was mainly due to the fact that the retirement age of farmers began to fall. Moreover, retirement has been facilitated by the granting of special self-employed persons' pensions and farmers' pensions.

Differences in economic activity between men and women have narrowed appreciably. In the

major age groups, the female labour force participation rate is about 10 percentage points lower than that for males, whereas in other activities, mainly household work, the rate for women is higher than that for men. In addition, further education tends to be more common among women. There are no marked differences between men and women as regards retirement.

The labour force participation rates for women have undergone much greater changes than those for men. Even in the 1950s only about half of women were in employment, whilst the remaining 40 to 50 per cent were engaged in, e.g., household work.

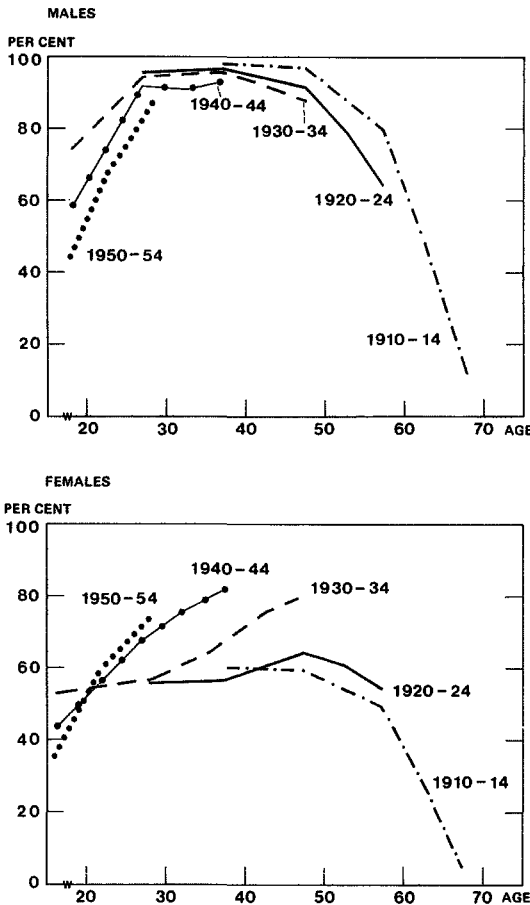
The 1960s saw a change in women's activity patterns with 60 to 70 per cent of young female age groups starting employment directly on completion of their education. At the same time, the labour force participation rate also rose in older age groups, even among those more than 50 years of age. While in 1960 60 per cent of women between 40 and 45 years of age were employed, the corresponding figure in 1980 was 83 per cent.

Chart 2 shows the labour force participation rates for the male and female birth cohorts born in 1910—1914, 1920—1924, 1930—1934, 1940—1944 and 1950—1954 in the census years of 1950, 1960, 1970, 1975 and 1980. As an example, the figures below show the movements in the labour force participation rates for males and females born in 1920—1924.

Census year	1950	1960	1970	1975	1980
Age	25—29	35—39	45—49	50—54	55—59
Participation rate, per cent					
Males	96	97	92	80	65
Females	57	57	64	61	55

The broad overall trends in society are clearly reflected in the curves indicating the male labour force participation rates: the increase in post-school education and training among the younger age groups and the extension of pension security schemes for the older age groups have reduced activity both at the

CHART 2. MALE AND FEMALE LABOUR FORCE PARTICIPATION RATES FOR FIVE-YEAR BIRTH COHORTS, (1910—1914, 1920—1924, 1930—1934, 1940—1944 AND 1950—1954), BY AGE



beginning and the end of working life. In all cases, the labour force participation rates for younger cohorts are lower than those for their predecessors (Chart 2).

Women's participation in the labour force is not quite as widespread as it is among men, and women tend to start working slightly later in life than men. On the other hand, patterns of female economic activity by age differ considerably from those for men: with the exception of the youngest age group, women's participation in the labour force has increased with age, a trend which continues for as long as observations are available, that is, up till the age of 50 years and over. The change in behavioural patterns took place among females born in the 1930s. Labour force participation

among those born in 1920—1924 reached a peak of 65 per cent at the age of 45 to 49 years and then began to fall. Among those born in 1930—1934, labour force participation has continued to increase up till the age of 50, the participation rate reaching 80 per cent. The younger the cohorts examined, the more sharply the labour force participation rate rises and the higher the level it reaches.

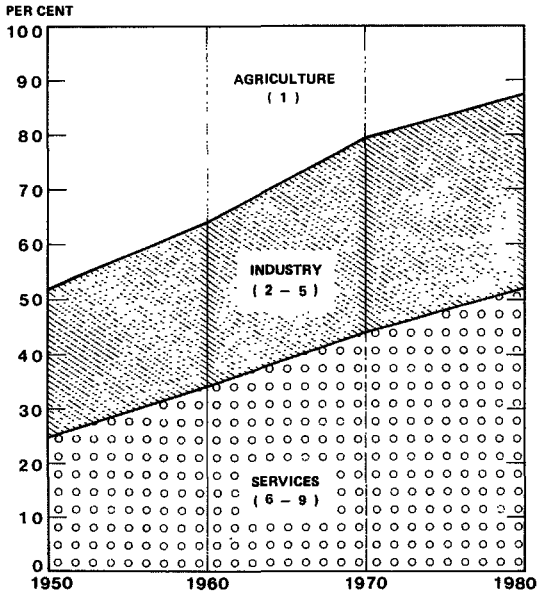
The statistics do not reveal directly the reasons for increased activity among women, which in certain age groups now matches the level for males. The vigorous growth in the demand for labour in sectors in which women play a larger part is probably the primary reason. In addition, the level of education of women entering the labour force is high, even higher than that of men. At the same time, the number of children has fallen rapidly, so that, for example, in 1980 the number of children below school age was 150 000 less than in 1960: longer maternity leave and the development of daycare schemes have made it possible for mothers to work while their children are still little. This especially explains the increasing activity among females of 25 to 35 years.

Hence, unlike men, the proportion of women in employment is, in all cases, higher in younger cohorts than in preceding ones. For instance, 74 per cent of all females born in 1950—1954 were employed before they were 30 years of age, whereas only 60 per cent, at most, of the women in their mothers' generation were in employment.

ECONOMICALLY ACTIVE POPULATION BY INDUSTRY

In common usage, the term «economically active» is often equated with a job, so that the number of economically active persons in a particular industrial sector can be considered to correspond approximately to the total number of jobs in that sector. In fact, this is frequently done despite the fact that the concept of job is somewhat problematic, as, for instance, in the case of employees engaged

**CHART 3. SECTORAL¹ DISTRIBUTION
OF ECONOMICALLY ACTIVE POPULATION
IN 1950—1980**



¹ The agricultural sector comprises ISIC division 1, the industrial sector ISIC divisions 2—5 and the service sector divisions 6—9.

in shift or part-time work. Similarly, it is difficult to identify the location of a job for some activities in transport and communication and in construction where a job is not confined to some fixed place. Unemployed persons are classified according to the jobs they held before becoming unemployed.

The industrial structure of the economically active population in Finland underwent very rapid changes in the 1950s and 1960s. The process of change continued in the 1970s at only a slightly slower pace. In the 1960s the number of persons engaged in agriculture declined by 41 per cent, and even in the 1970s by a further 35 per cent. The number of persons engaged in industry (including construction) increased by only about two to three per cent in the 1970s, as compared with an increase of 18 per cent in the 1960s (Chart 3).

Even though the total number of industrial jobs increased only a little, fast growth was recorded for the manufacture of metal products, the metal and engineering industries and the chemical industries. In certain labour-

intensive sectors, such as the food, beverages and tobacco industries and the textile industries, the number of jobs began to decline in the 1970s.

In the manufacture of paper and paper products and of wood and wood products, no secular trend can be observed. The number of workers engaged in construction has decreased, in part because of changes in production techniques. An increasing proportion of construction takes place in factories manufacturing pre-fabricated houses and components, and consequently this kind of activity is recorded under industrial categories 36 or 33 (Table 2).

In a similar fashion, certain specialized service sector enterprises undertake auxiliary activities such as accounting, wages calculation, various data-processing tasks and transport services, for clients in industry and trade. This transfer of tasks to service sector enterprises partly explains the almost two-fold increase in the activities of the category »Financing, insurance, real estate and business services» in the 1970s. Category 93 »Social and related community services» (education services, health care, social services etc.) registered the sharpest absolute increase, 142 000 persons.

THE LEVEL OF EDUCATION OF THE ECONOMICALLY ACTIVE POPULATION

About 1.5 million Finns, or nearly 40 per cent of all persons 15 years and over, possess vocational qualifications obtained after completing their basic education. More than 100 000 new vocational qualifications are achieved every year. While twenty years ago only 16 per cent of the persons employed had received vocational training, the corresponding figure in 1980 was 48 per cent. New entrants to the labour force have a distinctly higher level of education than those leaving. About 70 per cent of those now entering the labour force for the first time have received further education, while the corresponding figure for those retiring is only 20 per cent.

TABLE 2. ECONOMICALLY ACTIVE PERSONS IN 1970 AND 1980, BY INDUSTRY

ISIC category	Number of economically active persons		Change, per cent 1970—1980
	1970	1980	
Agriculture (1)	429 000	279 000	— 35
Mining and quarrying (2)	7 000	10 000	+ 45
Manufacturing (3)	524 000	550 000	+ 5
Manufacture of food, beverages and tobacco (31)	65 000	62 000	— 5
Textile, wearing apparel and leather industries (32)	86 000	73 000	— 15
Manufacture of wood and wood products (33)	64 000	70 000	+ 10
Manufacture of paper and paper products (34)	88 000	86 000	— 2
Manufacture of chemicals and chemical, petroleum, coal rubber and plastic products (35)	36 000	42 000	+ 17
Manufacture of non-metallic mineral products (36)	24 000	22 000	— 8
Basic metal industries (37)	16 000	19 000	+ 24
Manufacture of fabricated metal products, machinery and equipment (38)	140 000	168 000	+ 21
Other manufacturing industries (39)	6 000	7 000	+ 13
Electricity, gas and water (4)	18 000	25 000	+ 35
Construction (5)	177 000	157 000	— 11
Wholesale and retail trade and restaurants and hotels (6)	328 000	307 000	— 6
Wholesale trade (61)	72 000	80 000	+ 11
Retail trade (62)	188 000	173 000	— 8
Restaurants and hotels (63)	68 000	54 000	— 20
Transport, storage and communication (7)	150 000	176 000	+ 17
Transport and storage (71)	110 000	129 000	+ 17
Communication (72)	40 000	47 000	+ 18
Financing, insurance, real estate and business services (8)	72 000	119 000	+ 65
Financing (81)	29 000	44 000	+ 49
Insurance (82)	10 000	12 000	+ 21
Real estate and business services (83)	33 000	63 000	+ 93
Community, social and personal services (9)	384 000	550 000	+ 43
Public administration (91)	82 000	120 000	+ 47
Sanitary and similar services (92)	7 000	19 000	+158
Social and related community services (93)	195 000	337 000	+ 73
Recreational and cultural services (94)	15 000	26 000	+ 71
Personal and household services (95)	84 000	48 000	— 43
Total	2 118 000	2 222 000	+ 5

There are no marked differences between men and women in the number and level of qualifications attained (Table 3).

Economically active females have slightly more higher level qualifications than do males. As the economically active population comprises an almost equal number of females and males, the two categories are very homogeneous with respect to education.

The level of education varies quite significantly by industrial category (Table 4).

The level of education is highest in the industrial categories which expanded most rapidly in the 1970s. In these categories, practically all new employees have received vocational training. In the declining industries such as agriculture and trade, the number of employees without any vocational training has

TABLE 3. ECONOMICALLY ACTIVE POPULATION BY LEVEL OF EDUCATION, PER CENT

		Inter- mediate level qualifica- tions ¹	Higher level qualifica- tions ²	No voca- tional training
Total economi- cally active population	100.0	38.6	10.4	51.6
Males	100.0	38.4	10.2	51.4
Females	100.0	37.6	10.6	51.2

¹ For instance, diplomas acquired in vocational training schools.

² Degrees received in universities and colleges.

fallen particularly sharply. For example, in the trade sector the total labour force declined by 21 000 persons in the 1970s, whereas the number of untrained persons fell by 65 000. In mining, quarrying, and manufacturing, the total labour force increased by 35 000 persons, while the number of untrained employees fell by 75 000. The majority of those leaving the declining industrial sectors go into retirement. For those forced to leave these sectors while still of working age, the prospects are daunting. Owing to their lack of training, their chances of being placed in the service (8) or financial (9) sectors are slim, because generally entrants to these sectors are required to have at least intermediate — often higher — level education.

TABLE 4. PERCENTAGE DISTRIBUTION OF THE LEVEL OF EDUCATION OF THE ECONOMICALLY ACTIVE POPULATION IN 1980, BY INDUSTRIAL CATEGORY

ISIC category	Total	Inter- mediate level qualifica- tions	Higher level qualifica- tions	No voca- tional training
Agriculture (1)	100	27	1	72
Mining, quarrying and manufacturing (2—4)	100	40	6	54
Construction (5)	100	37	4	59
Wholesale and retail trade (6)	100	37	7	56
Transport, storage and communication (7)	100	36	4	60
Financing, insurance, real estate and busi- ness services (8)	100	43	19	38
Community social and personal services (9)	100	43	25	32

THE PROCESS OF CHANGE IN THE INDUSTRIAL STRUCTURE OF THE ECONOMICALLY ACTIVE POPULATION

Only to a minor extent do changes in the industrial structure of the labour force occur as a result of people shifting to jobs in other industrial categories. Most economically active persons retain the occupation they choose on entering the labour force for the rest of their working life. By examining the sectoral breakdown of employment for the same persons at different times, a rough picture can be obtained of changes between the main sectors at the individual level. For instance, no great changes took place in the 1970s in the sectoral structure of people born in the period 1931—1935 (see Table 5).

TABLE 5. SECTORAL DISTRIBUTION OF ECONOMICALLY ACTIVE PERSONS BORN IN 1931—1935 IN 1970 AND 1980

	1970 35—39 years of age, per cent	1980 45—49 years of age, per cent
Agriculture	18	16
Industry	35	33
Services	47	51

Changes in the industrial structure of the economically active population are primarily due to the fact that the industrial categories expanding their work force recruit a larger proportion of the young persons entering the labour market than do the declining branches. This can be seen by comparing the sectoral breakdown of persons in some specified age group in different years (see Table 6).

In 1960, agriculture recruited about 25 per cent of the new entrants to the labour force, but by 1980 this figure had fallen to 7 per cent. As a consequence, the labour force in expanding sectors is getting younger as the average age falls, whereas it is ageing in the declining sectors such as agriculture.

Chart 4 shows that in agriculture the number of persons in a particular age group almost

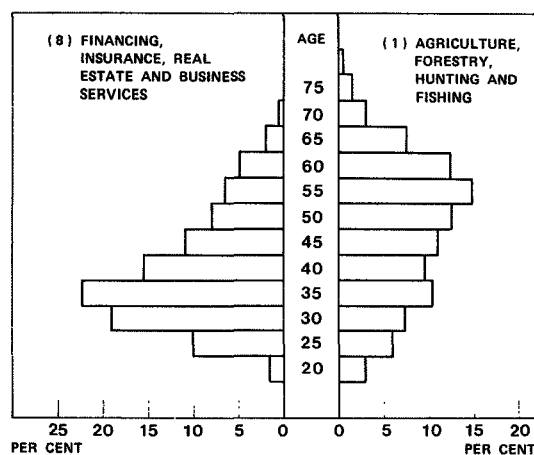
TABLE 6. SECTORAL DISTRIBUTION OF ECONOMICALLY ACTIVE PERSONS IN THE 25—29 YEARS AGE GROUP IN 1960, 1970 AND 1980

	1960 Per cent	1970 Per cent	1980 Per cent
Agriculture	25	11	7
Industry	35	35	37
Services	40	54	57

invariably rises as age increases, whereas in financing and insurance the age composition is fairly heavily biased towards the younger age groups. The average age of persons engaged in agriculture has risen to 44.8 years, as compared with 36.7 years in, e.g., financing and insurance. The decline in the number of persons engaged in agriculture is likely to accelerate in the near future, since one-quarter of the workforce is expected to retire during the current decade and another quarter during the 1990s.

Using the Censuses of 1960 and 1970, the Central Statistical Office of Finland carried out a sample survey on shifts between industrial sectors in the labour force in the 1960s at the individual level. The results of the study confirmed the findings obtained from the analysis carried out by means of age groupings. For example, of the population engaged in agriculture in 1960, 47 per cent still worked in the same sector in 1970 and 35 per cent had joined

CHART 4. AGE COMPOSITION OF ECONOMICALLY ACTIVE PERSONS ENGAGED IN AGRICULTURE AND IN FINANCING AND INSURANCE IN 1980



the ranks of the economically inactive population, mainly because of retirement. Only 18 per cent had moved to the industry or service sectors. Moreover, these inter-sectoral shifts generally take place during the first years of employment. There have been even fewer shifts from industry and services to other sectors.

PROFESSIONAL STATUS AND EMPLOYERS OF WAGE AND SALARY EARNERS

Excluding wage and salary earners, all other categories of professional status declined in the 1970s in absolute terms (Table 7).

TABLE 7. ECONOMICALLY ACTIVE POPULATION BY PROFESSIONAL STATUS

Professional status	1970	1980	Percentage change
Employers	52 000	40 000	—24
Persons working on own-account	250 000	174 000	—30
Wage and salary earners	1 652 000	1 858 000	+12
Unpaid family workers	157 000	105 000	—33

The division between wage and salary earners, persons working on own-account and employers is fairly vague, because often persons regarding themselves as own-account workers formally hold a limited company for tax purposes. Although these self-employed persons are the sole employees of such companies, they are nevertheless classified as wage and salary earners in accordance with the official juridical form of the enterprise.

The sharp fall in the number of unpaid family workers is due to the decline in the number of persons engaged in agriculture. The number of wage and salary earners has increased by 206 000, partly because of the rise in the number of economically active persons and partly because of changes in professional status in the population. Wage and salary earners can be further classified according to the juridical form of their employers. At present, limited companies, excluding those state-owned, constitute the largest category of employer in Finland, providing work for 40 per

TABLE 8. WAGE AND SALARY EARNERS BY THE JURIDICAL FORM OF THEIR EMPLOYERS

Employer	Wage and salary earners					
	in 1970	Per cent	in 1980	Per cent	Change in 1970—1980	Per cent
Limited companies other than state-owned	657 000	40	737 000	40	+ 80 000	+12
Local government	194 000	12	337 000	18	+143 000	+74
Central government	187 000	11	226 000	12	+ 39 000	+21
Private persons	209 000	13	141 000	8	— 68 000	—33
Co-operative enterprises	119 000	7	113 000	6	— 6 000	— 5
State-owned limited companies	67 000	4	96 000	5	+ 29 000	+42
Partnerships	92 000	6	95 000	5	+ 3 000	+ 4
Associations	80 000	5	93 000	5	+ 13 000	+17
Form unknown	49 000	3	19 000	2	— 30 000	
Wage and salary earners, total	1 654 000	100	1 858 000	100	+204 000	+12

cent of all wage and salary earners. Local government is the next largest employer with 18 per cent.

FUTURE DEVELOPMENTS IN THE INDUSTRIAL STRUCTURE OF THE ECONOMICALLY ACTIVE POPULATION

Future changes in the industrial structure of the labour force are likely to display the same trends observed in the 1960s and 1970s. The share of services will increase further, with the major part of this growth being centred on community and social services. The numbers of employees engaged in transport and communication and in financing and insurance may increase still further, whereas the decline in trade which started in the 1970s is expected to continue in the 1980s as well.

Although the overall share of industry in the total labour force should hardly grow at all, the chemical and the metal industries are likely to increase their shares within the industrial sector, whereas the shares of other industries are expected to remain constant or decline. The labour force engaged in industry, construction and trade has declined partly because various tasks have been transferred to specialized enterprises in the service sector. This trend is expected to intensify. In view of the high average age of farmers, the fall in the number of persons employed in agriculture is likely to accelerate in the 1980s as there will be more

people retiring from the workforce than entering it. Trends in the structure of the economically active population will be marked by an increasing preponderance of females and a growing share of wage and salary earners engaged in office and clerical work in the public sector.

Compared with other Nordic countries, the industrial structure of the labour force in Finland still has a fairly long period of change ahead of it. The present sectoral distribution is broadly similar to that of Norway in 1970, but it is still far from that of Sweden.

In Sweden, the number of persons engaged in industry reached a peak of 45 per cent in 1960, since when it has steadily declined. In Finland, the share of persons engaged in industry increased until 1975, when it was 37 per cent. The industrialization phase between a predominantly agrarian society and a service-dominated society seems likely to be clearly less pronounced in Finland than in Sweden.

TABLE 9. SECTORAL DISTRIBUTION OF ECONOMICALLY ACTIVE POPULATION IN NORWAY, SWEDEN AND FINLAND IN SELECTED YEARS

	Agriculture Per cent	Industry Per cent	Services Per cent
Finland in 1980	13	33	52
in 1970	20	35	44
Sweden in 1975	6	38	56
in 1970	8	40	51
Norway in 1970	12	37	51

N.B. Norway and Sweden have not yet published figures for 1980.

ITEMS

Trade agreement between Finland and the U.S.S.R. for 1983. The annual protocol concerning the trade between Finland and the U.S.S.R. for 1983 was signed in Helsinki on December 13, 1982. This time the negotiations on the exchange of goods for the year ahead took longer than usual, primarily because of the imbalance in trade between the two countries. In the course of 1982, Finland accumulated a receivable on the clearing account well in excess of the credit limit allowed on the account. During the autumn, however, agreement was reached on measures which enabled a significant reduction in the payments imbalance. This, in turn, made it possible to fix the total value of Finland's exports to the U.S.S.R. in the trade agreement for 1983 at the same level as last year. Hence, the trade between the two countries can, in general, be expected to remain at the high level of 1982. Moreover, the export and import quotas in the protocol have been set so that the agreed credit limit of 300 million roubles will not be exceeded. The total value of Finnish exports (incl. construction projects) is estimated to amount to approximately 19 billion marks.

Finnish exports will, as before, centre on metal industry products. Exports of ships will be markedly higher than in previous years, reaching a total value of about 4.5 billion marks. In contrast, exports of most consumer goods are expected to decline notably. Forest industry exports have been set at broadly the same levels attained in previous years. The value of construction projects by Finnish firms in the Soviet Union is estimated to total about 2.8 billion marks, slightly more than in 1982.

As in earlier years, energy imports will account for the major part of Finnish imports from the U.S.S.R. in 1983. This includes 8 million tonnes of crude oil, the same amount as in 1982.

Imports of machinery and equipment and of certain chemicals will show an increase on the previous year, a development which will contribute to restoring the balance in the trade between Finland and the Soviet Union.

Supplementary budgets. The third and fourth supplementary budgets for 1982 were approved by Parliament in November and December, respectively. Together, the four supplementary budgets involve a 4 191 million mark or 6.5 per cent addition to expenditure in the ordinary budget. In all, budgeted central government expenditure for 1982 totals 69 108 million marks, 16.5 per cent more than for 1981. In volume terms, this represents an increase of about 7 per cent in budgeted expenditure on the previous year. Budgeted central government revenue, including state borrowing of 8 475 million marks, amounts to 68 297 million marks. However, taking into account the various savings, unutilized appropriations and income not accrued in 1982, the central government budget is balanced at a level of some 68 050 million marks, or approximately 29 per cent of GDP.

The marked real growth of central government expenditure and the increased borrowing this entails reflect a shift to a more reflationary stance in fiscal policy in the course of 1982.

The third supplementary budget consists of outlays of 448 million marks for measures to relieve unemployment during the winter of 1982—83.

The fourth supplementary budget provides for increased expenditure of 1 799 million marks. As usual, most of this is attributable to greater-than-expected rises in costs. Similarly, there has been an unforeseen additional accrual of income of 1 114 million marks.

The largest individual item of expenditure in the fourth supplementary budget is an outlay of 835 million marks for agricultural price subsidies to cover the increased differential between producer prices and world market prices. As a result of a good harvest in 1982, the export and domestic use of production

surpluses have increased. The supplementary budget also includes an allocation of 169 million marks for the increase in interest payments and redemptions of central government debt caused by exchange-rate changes and higher indebtedness.

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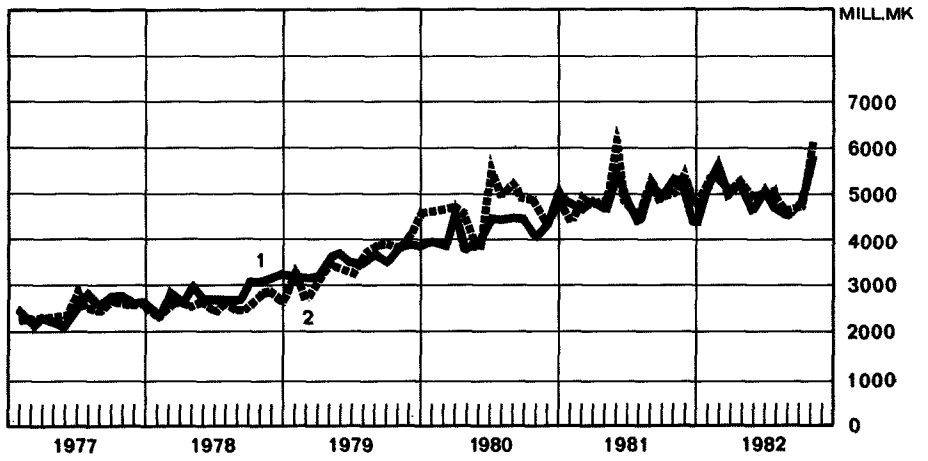
Information

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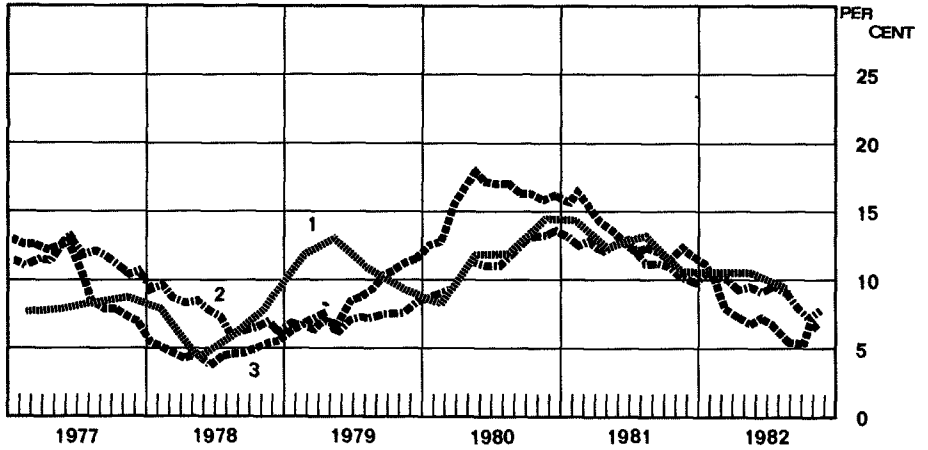
FOREIGN TRADE, 1977-82

- 1. Exports f.o.b.
 - 2. Imports c.i.f.
- Seasonally adjusted monthly figures



PRICES AND WAGES, 1977 - 1982

- 1. Index of wage and salary earnings 1975 = 100, quarterly figures
 - 2. Consumer price index 1977 = 100, monthly figures
 - 3. Basic price index for domestic supply 1975 = 100, monthly figures
- Percentage change on previous year



PRODUCTION, 1977-82

- 1. Total index of industrial production 1975 = 100, seasonally adjusted monthly figures
- 2. Volume index of gross domestic product 1975 = 100, seasonally adjusted quarterly figures

