



# BANK OF FINLAND

## MONTHLY BULLETIN

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### THE FINNISH MARKET REVIEW.

#### THE MONEY MARKET.

The money market has been characterized partly by some recent seasonal circumstances, partly by a stringency continuing for several months. January—April is generally the period of the most active saving, but also of the most active demand for credit. This spring, too, seasonal conditions have produced a great demand for credits, chiefly for the financing of forest sales and lumbering. The tendency has been accentuated by the great need for credits which has been felt for a long time and does not seem to decline in spite of the raised interest rates. There has been no marked improvement in the ability of the banks to satisfy the demand for credit in the course of the spring — saving is still dull, in contrast to the normal tendency at this time of the year. Actually, deposits increased very much in March, but this did not make up for the poor result of the first two months of the year and April. The rate of interest on deposits was raised considerably on April 1st, but the effect of this increase is not felt yet.

Data regarding the *Commercial Banks* show a great increase in deposits in March, as against a reduction during the first two months of the year. The total deposits by the public increased by 2,741 million marks, but deposit accounts proper only by 425 million. By means of this increase the Commercial Banks were able to reduce their re-discounts in the central bank by close on 1,200 million marks and to add fully 900 million to their cash

reserves. April brought a new change for the worse. The deposit accounts of the public increased by about the same amount as in March, or by 415 million, but cheque accounts by 62 million only. Therefore, the total increase was only a modest 477 million, or much less than it had been in April 1947, viz. 721 million. In January—April the accumulation of deposits was only 1,502 million owing to the weak start of the year. During the same months of last year deposits increased slightly more, or by 1,537 million marks, the purchasing value of the mark being much greater then than at present.

The demand for credit has been exceptionally great all the spring. Money has been required principally for the payment of taxes, increased wages, and the financing of forest sales and lumbering. The rigidity of the money market was temporarily relieved in March, also because the demand for credit was less than for a long time past. While the credits granted by the Commercial Banks to the public increased by 1,458 million marks in January and by 672 million in February, the corresponding increase was only 366 million in March. In April the demand for credits again grew and is reflected in the rising grants of credit of the Commercial Banks, the rise being 2,215 million marks. In January—April credits grew by a total of 4,711 million as against 4,448 million in the same months last year. Accordingly, the credits granted in the first four months of this year exceeded deposits by 3,209 million. Owing to the

weakness of saving on the one hand, and the increase in the credits granted on the other, the Commercial Banks' cash reserves, which had greatly increased in March, were reduced to 3,417 million marks by the end of April. The tightness of the money market is revealed also by the fact that the Commercial Banks have continually been obliged to a large extent to have recourse to the central bank. The amount of bills re-discounted was particularly high in February and March, but fell towards the end of March and especially in April. At the end of April a new rise set in which was so steep, that on May 15 re-discounts reached the record figure of 4,837 million marks.

The effect of the great need of money characteristic of the situation on the money market this spring is reflected in the *Bank of Finland* returns. Bill credits to business enterprises grew very much in the beginning of the year, or to 16,320 million by the end of April as against 12,482 million at the end of December 1947. The amount of Treasury bills was considerably reduced in the beginning of the year, but began to rise again in the middle of March, reaching 18,400 million by the end of April. In the first two weeks of May it was further reduced, to 14,430 million. The reduction was made possible by the exceptionally large amounts of sales tax collected. Altogether the Bank's holdings of Treasury Bills were reduced by 4,070 million marks from the beginning of the year until May 15. The note circulation at the same time rose by 2,199 million to 27,361 million marks, reaching the highest point so far — 27,850 million — on April 30.

#### PRICES.

Prices have still tended to rise although in recent months at a slower pace than a year ago. The cost of living index (August 1938 — July 1939 = 100) fell somewhat

in February, as stated in the previous Market Review, but advanced again in March to 761 points and in April to 765 points; in December 1947 it had been 720 points. As this index was 546 points in April 1947, the rise was 40 per cent in one year. On the other hand, the wholesale price index (1935 = 100) has risen more definitely in the current year. It has advanced each month, in January—February rather slowly, but in March more steeply, by 41 points to 1,074, and in April to 1,079 points. In April 1947 the wholesale price index was 766 points. Nevertheless, the quiet phase of the inflation has continued.

#### TRADE AND INDUSTRY.

No figures are yet available regarding industrial activity in the first quarter of the current year. Foreign trade has been lively this year as it has been for some time past owing to the increase in domestic production and foreign credits received. In January—March commercial exports amounted to 8,845 million marks as against 3,915 million in the first three months of last year. For imports the corresponding figures were 11,836 and 6,267 million marks. Foreign trade has increased not only in monetary value, but also in volume. The quantity index for imports (1935 = 100) was 110 points in the first quarter of the current year as against 70 points in the same period of last year. For exports the corresponding figures were 69 and 41 points. In January—April commercial exports totalled 13,335 million marks and imports 16,781 million, the volume indices being 76 for exports and 116 for imports. Besides the commercial exports, Finland delivered war reparation goods to the Soviet Union to a value of 3,533 million marks in January—April, as against 2,709 million a year ago.

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## STATISTICS.

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

	1947 Mill. mk			1948 Mill. mk			
	30/4	30/11	31/12	31/1	23/2	31/3	30/4
<b>ASSETS.</b>							
I. Gold Reserve .....	2	2	2	91	135	135	224
Foreign Correspondents .....	1 931	685	621	1 395	1 799	2 452	446
II. Foreign Bills .....	291	328	312	308	318	339	333
Foreign Bank Notes and Coupons .....	14	21	31	21	11	24	22
Inland Bills .....	31 685	33 632	34 478	31 445	31 943	33 402	37 290
III. Loans on Security .....	24	24	24	24	24	22	22
Advances on Cash Credit .....	465	552	395	374	503	431	305
Bonds in Finnish Currency .....	235	218	216	213	209	206	204
» » Foreign .....	176	166	166	156	158	162	161
Bank Premises and Furniture .....	32	34	—	—	—	—	—
Sundry Assets .....	761	831	1 260	788	515	1 691	1 377
<b>Total</b>	<b>35 616</b>	<b>36 493</b>	<b>37 505</b>	<b>34 815</b>	<b>35 615</b>	<b>38 864</b>	<b>40 384</b>
<b>LIABILITIES.</b>							
Notes in circulation .....	21 566	25 809	25 162	23 258	24 448	26 776	27 850
Other Liabilities payable on demand:							
Balance of Current Accounts due to the Treasury	556	872	114	—	—	—	190
» » » » Others .....	798	633	2 884	1 182	1 048	1 587	1 356
Bank-Post-Bills .....	73	91	166	43	58	180	76
Foreign Correspondents .....	242	160	136	1 163	1 158	1 173	1 207
Foreign Clearing Accounts .....	6 594	2 262	2 269	2 587	2 712	2 898	3 307
Sundry Accounts .....	3	19	54	63	60	109	31
Capital .....	1 250	1 250	1 250	1 250	1 250	1 250	1 250
Reserve Fund .....	1 412	1 433	1 433	1 735	1 735	1 735	1 735
Bank Premises and Furniture .....	32	32	—	—	—	—	—
Earnings less Expenses .....	148	493	604	60	113	168	230
Undisposed Profits .....	21	—	—	302	2	2	2
Sundry Liabilities .....	2 921	3 439	3 433	3 172	3 031	2 986	3 150
<b>Total</b>	<b>35 616</b>	<b>36 493</b>	<b>37 505</b>	<b>34 815</b>	<b>35 615</b>	<b>38 864</b>	<b>40 384</b>

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

	1947 Mill. mk			1948 Mill. mk			
	30/4	30/11	31/12	31/1	23/2	31/3	30/4
<b>RIGHT TO ISSUE NOTES.</b>							
Gold Reserve and Foreign Correspondents .....	1 933	687	623	1 486	1 934	2 587	670
According to Law of Dec. 13, 1939 <sup>1)</sup> .....	31 990	33 981	34 821	31 774	32 272	33 765	37 645
Additional Right of Issue .....	1 800	1 800	1 800	1 800	1 800	1 800	1 800
<b>Total</b>	<b>35 723</b>	<b>36 468</b>	<b>37 244</b>	<b>35 060</b>	<b>36 006</b>	<b>38 152</b>	<b>40 115</b>
<b>AMOUNT OF ISSUE USED.</b>							
Notes in circulation .....	21 566	25 809	25 162	23 258	24 448	26 776	27 850
Other Liabilities payable on demand .....	8 266	4 037	5 623	5 038	5 036	5 947	6 167
Undrawn Amount of Advances on Cash Credit ....	5 4	376	533	559	430	502	628
<b>Total</b>	<b>30 336</b>	<b>30 222</b>	<b>31 318</b>	<b>28 855</b>	<b>29 914</b>	<b>33 225</b>	<b>34 645</b>
<b>NOTE RESERVE</b> .....	<b>5 387</b>	<b>6 246</b>	<b>5 926</b>	<b>6 205</b>	<b>6 092</b>	<b>4 927</b>	<b>5 470</b>
<b>Grand total</b>	<b>35 723</b>	<b>36 468</b>	<b>37 244</b>	<b>35 060</b>	<b>36 006</b>	<b>38 152</b>	<b>40 115</b>

<sup>1)</sup> Bills payable abroad in foreign currency, foreign bonds listed on foreign Stock Exchanges, interest coupons in foreign currency which have fallen due for payment, foreign bank notes, and inland bills falling due not later than within three months' time.

**Bank Rate since February 6, 1948, 7 1/4 %.**

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

End of Month	Notes in Circulation Mill. mk				Foreign Correspondents <sup>1)</sup> Mill. mk				Cover for the Issue of Notes Percentage of Liabilities Payable on demand				End of Month	
	1946	1947	1948	Monthly Movement	1946	1947	1948	Monthly Movement	1946	1947	1948	Monthly Movement		
Jan.	[13 598]				[1 283]				[115.46]					Jan.
Febr.	15 580	17 172	23 258	— 1 904	1 611	2 350	1 395	+ 774	112.10	110.38	115.26	+ 2.09	— 0.91	Febr.
March	15 631	18 896	24 448	+ 1 190	1 883	2 391	1 799	+ 404	112.75	110.59	114.35	— 0.91	— 4.94	March
April	17 323	20 944	26 776	+ 2 328	1 216	3 116	2 452	+ 653	113.10	110.07	109.41	— 4.94	+ 1.18	April
May	18 534	21 566	27 850	+ 1 074	1 038	1 931	446	— 2 006	111.95	111.82	110.59	+ 1.18		May
June	18 442	21 653			604	1 893			109.97	112.44				June
July	17 657	22 415			848	1 157			109.73	112.18				July
Aug.	17 269	22 956			775	1 248			108.35	113.78				Aug.
Sept.	17 986	23 945			1 365	762			109.11	114.11				Sept.
Oct.	19 076	24 484			1 586	776			110.27	112.96				Oct.
Nov.	19 667	25 129			1 475	464			109.92	113.73				Nov.
Dec.	19 492	25 809			1 977	685			110.62	114.71				Dec.
	18 233	25 162			1 915	621			108.59	113.17				

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

### 4. — BANK OF FINLAND, NOTE RESERVE, HOME LOANS AND RE-DISCOUNTED BILLS

End of Month	Note Reserve Mill. mk				Home Loans <sup>1)</sup> Mill. mk				Re-discounted Bills (Included in Home Loans) Mill. mk				End of Month	
	1946	1947	1948	Monthly Movement	1946	1947	1948	Monthly Movement	1946	1947	1948	Monthly Movement		
Jan.	[5 018]				[22 397]				[—]					Jan.
Febr.	4 379	4 561	6 205	+ 279	22 151	27 452	31 843	— 3 054	—	968	530	— 2 966	— 2 854	Febr.
March	4 461	4 737	6 092	— 113	21 794	28 699	32 470	+ 627	625	2 474	3 384	+ 2 854	— 1 187	March
April	4 731	4 852	4 927	— 1 165	24 433	30 580	33 855	+ 1 385	949	1 352	2 197	— 1 187	+ 373	April
May	4 687	5 337	5 470	+ 543	26 429	32 174	37 617	+ 3 762	934	998	2 570	+ 373		May
June	4 601	5 463			30 726	31 451			2 481	2 257				June
July	4 685	5 397			32 283	32 164			2 874	1 909				July
Aug.	4 336	5 832			32 837	32 033			1 646	687				Aug.
Sept.	4 617	6 021			32 920	33 242			2 156	730				Sept.
Oct.	4 989	5 641			33 043	32 859			1 679	466				Oct.
Nov.	4 777	5 917			31 845	33 699			1 048	369				Nov.
Dec.	4 839	6 246			30 312	34 208			1 959	2 537				Dec.
	4 245	5 926			29 409	34 897			2 458	3 496				

<sup>1)</sup> Inland bills, loans on security and advances on cash credit.

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

End of Month	Treasury Bills (Included in Home Loans) Mill. mk				Balance of Current Accounts due to the Treasury Mill. mk				Balance of Current Accounts due to others than the Treasury Mill. mk				End of Month	
	1946	1947	1948	Monthly Movement	1946	1947	1948	Monthly Movement	1946	1947	1948	Monthly Movement		
Jan.	[18 600]				[149]				[2 685]					Jan.
Febr.	17 950	18 000	17 830	— 670	— 213	160	— 20	— 134	888	1 087	1 182	— 1 702	— 134	Febr.
March	16 450	16 950	14 600	— 3 230	— 69	— 567	— 32	— 12	743	789	1 048	— 134	+ 539	March
April	18 150	19 300	16 900	+ 2 300	69	— 153	— 653	— 621	654	1 550	1 587	+ 539	— 231	April
May	19 550	20 300	18 400	+ 1 500	94	556	190	+ 843	1 068	798	1 356	— 231		May
June	21 750	17 500			— 139	— 17			1 047	1 221				June
July	22 500	18 400			64	144			860	853				July
Aug.	23 900	19 700			195	425			855	597				Aug.
Sept.	23 500	21 000			— 146	62			973	1 011				Sept.
Oct.	24 300	20 800			39	293			1 036	1 301				Oct.
Nov.	23 520	21 350			147	277			1 427	1 308				Nov.
Dec.	20 370	18 800			246	872			683	633				Dec.
	17 920	18 500			599	114			1 481	2 884				

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

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

		1946	1946	1946	1946	1946	1947	1948
		28/2—30/4	31/5	30/6	31/7	31/8—31/12	31/1—31/12	31/1—30/4
New York	1 Dollar	136:—	136:—	136:—	136:—	136:—	136:—	136:—
London	1 Pound	547:—	547:—	547:—	547:—	547:—	547:—	547:—
Stockholm	100 Kronor	3 230:—	3 230:—	3 230:—	3 790:—	3 790:—	3 790:—	3 790:—
Paris	100 Francs	114:—	114:—	114:—	114:—	114:—	114:—	63: 35
Brussels	100 Francs	310:—	310:—	310:—	310:—	310:—	310:—	310:—
Amsterdam	100 Guilders	—	—	5 120:—	5 120:—	5 120:—	5 120:—	5 120:—
Basle	100 Francs	3 175:—	3 175:—	3 175:—	3 175:—	3 175:—	3 175:—	3 175:—
Oslo	100 Kroner	2 750:—	2 745:—	2 745:—	2 745:—	2 745:—	2 745:—	2 745:—
Copenhagen	100 Kroner	2 830:—	2 830:—	2 830:—	2 830:—	2 830:—	2 830:—	2 830:—
Prague	100 Koruny	—	—	275:—	275:—	275:—	275:—	275:—
Montreal	1 Dollar	124:—	124:—	124:—	135: 50	135: 50	135: 50	135: 50
Lisbon	100 Eseudos	560:—	560:—	560:—	560:—	560:—	560:—	560:—
Rio de Janeiro	100 Cruzeiros	760:—	760:—	760:—	740:—	765:—	765:—	765:—

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

End of Month	Due to the Public				Due to other Credit institutions		Total			Monthly Movement	Credits from the Bank of Finland		End of Month
	Cheque Accounts		Deposits		Mill. mk		Mill. mk				Mill. mk		
	1947	1948	1947	1948	1947	1948	1946	1947	1948	1948	1947	1948	
	[13 695]		[17 564]		[4 171]		[35 308]				[2 896]		
Jan.	13 641	17 417	17 912	20 152	4 055	6 855	33 731	35 608	44 424	+ 88	722	530	Jan.
Febr.	12 507	15 685	18 101	20 335	3 990	5 934	32 833	34 598	41 954	- 2 470	2 438	3 384	Febr.
March	13 301	18 001	18 774	20 760	5 062	5 898	33 314	37 137	44 659	+ 2 705	1 476	2 201	March
April	13 857	18 063	18 939	21 175	5 515	5 982	34 076	38 311	45 220	+ 561	1 159	2 590	April
May	14 384		18 955		5 625		33 737	38 964			2 257		May
June	14 657		18 966		5 480		33 675	39 103			1 908		June
July	14 829		19 197		6 001		34 008	40 027			682		July
Aug.	14 779		19 646		7 059		34 072	41 484			728		Aug.
Sept.	16 426		19 514		6 867		34 488	42 807			466		Sept.
Oct.	16 767		19 270		6 933		35 431	42 970			374		Oct.
Nov.	16 217		19 098		5 824		34 438	41 139			2 542		Nov.
Dec.	17 754		19 981		6 601		35 430	44 336			3 502		Dec.

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

## 8. — COMMERCIAL BANKS. HOME LOANS.

End of Month	To the Public				To other Credit Institutions		Total			Monthly Movement		End of Month
	Inland Bills		Other Credits		Mill. mk		Mill. mk					
	1947	1948	1947	1948	1947	1948	1946	1947	1948	1947	1948	
	[10 176]		[18 598]		[755]		[22 293]					
Jan.	10 345	17 173	19 092	20 163	658	1 933	24 431	30 095	39 269	+ 566	+ 1 609	Jan.
Febr.	10 818	18 382	19 418	19 626	614	1 732	24 704	30 850	39 740	+ 755	+ 471	Febr.
March	11 984	18 939	19 280	19 435	873	1 700	26 015	32 137	40 074	+ 1 287	+ 334	March
April	13 707	20 830	19 515	19 759	942	1 681	27 175	34 164	42 270	+ 2 027	+ 2 196	April
May	14 639		19 487		1 086		28 576	35 212		+ 1 048		May
June	14 670		19 404		971		29 059	35 045		- 167		June
July	15 171		19 616		1 320		29 047	36 107		+ 1 062		July
Aug.	15 543		19 056		1 372		28 621	35 971		- 136		Aug.
Sept.	15 929		19 163		1 322		28 417	36 414		+ 443		Sept.
Oct.	16 236		19 854		1 711		28 903	37 801		+ 1 387		Oct.
Nov.	16 801		20 045		1 433		29 245	38 279		+ 478		Nov.
Dec.	16 589		19 289		1 782		29 529	37 660		- 619		Dec.

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

## 9. — COMMERCIAL BANKS. POSITION TOWARDS FOREIGN COUNTRIES.

End of Month	Claims <sup>1)</sup> Mill. mk				Indebtedness <sup>2)</sup> Mill. mk				Net Claims (+) or Net Indebtedness (-) Mill. mk				Monthly Movement		End of Month
	1945	1946	1947	1948	1945	1946	1947	1948	1945	1946	1947	1948	1947	1948	
Jan.	[125] 125	342	2 501	2 982	[247] 251	355	2 299	2 566	[-122] -126	- 13	+ 202	+ 416	-154	- 721	Jan.
Febr.	103	473	2 397	2 447	255	357	2 092	2 219	-152	+116	+ 305	+ 228	+103	- 188	Febr.
March	84	662	2 322	2 380	263	720	2 224	2 161	-179	- 58	+ 98	+ 219	-207	- 9	March
April	86	696	2 351	2 890	276	819	2 309	2 340	-190	-123	+ 42	+ 550	- 56	+ 331	April
May	91	781	2 588		274	982	2 450		-183	-201	+ 138		+ 96		May
June	95	796	2 815		283	999	2 474		-188	-203	+ 341		+203		June
July	86	672	3 351		296	868	2 442		-210	-196	+ 909		+568		July
Aug.	98	673	3 232		292	860	2 230		-194	-187	+1 002		+ 93		Aug.
Sept.	104	859	3 777		301	911	2 564		-197	- 52	+1 213		+211		Sept.
Oct.	176	1 169	3 975		313	919	2 792		-137	+250	+1 133		- 30		Oct.
Nov.	232	1 090	4 150		317	932	3 105		- 85	+158	+1 045		-138		Nov.
Dec.	385	2 460	4 085		352	2 104	2 948		+ 33	+356	+1 137		+ 92		Dec.

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

10. — FOREIGN PAYMENT POSITION OF ALL BANKS. <sup>1)</sup>11. — DEPOSITS IN POST OFFICE SAVINGS BANK. <sup>2)</sup>

End of Month	Net Claims (+) or Net Indebtedness (-) Mill. mk				Monthly Movement		Deposits Mill. mk				Monthly Movement		End of Month
	1945	1946	1947	1948	1947	1948	1945	1946	1947	1948	1947	1948	
Jan.	[-813] -822	-1 166	-4 806	-1 631	+ 347	-1296	[3 170] 3 355	5 319	7 365	8 581	+152	+ 187	Jan.
Febr.	- 875	- 398	-4 621	-1 525	+ 185	+ 106	3 337	5 370	7 481	8 418	+116	- 163	Febr.
March	- 991	-1 289	-3 762	-1 061	+ 859	+ 464	3 342	5 589	7 574	8 487	+ 93	+ 69	March
April	- 951	-1 487	-4 572	-3 185	- 810	-2124	3 413	5 712	7 527	8 509	- 47	+ 22	April
May	- 887	-6 509	-3 722		+ 850		3 749	5 784	7 609		+ 82		May
June	- 929	-8 486	-3 360		+ 362		4 112	5 846	7 692		+ 83		June
July	-1 332	-9 289	-1 940		+1 420		4 139	5 940	7 796		+104		July
Aug.	-1 379	-8 620	-1 968		- 28		4 130	6 488	8 086		+290		Aug.
Sept.	-1 507	-7 439	- 690		+1 278		4 494	6 647	8 094		+ 8		Sept.
Oct.	-1 624	-6 350	- 588		+ 102		4 681	6 777	8 123		+ 29		Oct.
Nov.	-2 543	-5 595	- 364		+ 224		4 784	6 845	7 956		-167		Nov.
Dec.	-1 556	-5 153	- 335		+ 29		5 417	7 213	8 394		+438		Dec.

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

<sup>2)</sup> According to figures supplied by the Post Office Savings Bank.

## 12. — DEPOSITS IN THE SAVINGS BANKS.

End of Month	Savings Accounts Mill. mk			Current Accounts Mill. mk			Total Mill. mk				Monthly Movement		End of Month
	1946	1947	1948	1946	1947	1948	1945	1946	1947	1948	1947	1948	
Jan.	[17 583] 17 465	19 637*	23 102*	[1 247] 916	1 228*	1 969*	[13 697] 14 004	18 381	20 865*	25 071*	+ 84*	+131*	Jan.
Febr.	17 603	19 834*	23 282*	923	1 263*	1 920*	14 216	18 526	21 097*	25 202*	+ 232*	+131*	Febr.
March	17 770	20 203*	23 506*	981	1 426*	1 953*	14 311	18 751	21 629*	25 459*	+ 532*	+257*	March
April	17 896	20 530*	23 951*	1 050	1 624*	2 030*	14 334	18 946	22 154*	25 981*	+ 525*	+522*	April
May	17 884	20 681*		1 156	1 654*		14 553	19 040	22 335*		+ 181*		May
June	18 303	20 763*		1 262	1 669*		15 004	19 565	22 432*		+ 97*		June
July	18 431	21 100*		1 260	1 787*		15 186	19 691	22 887*		+ 455*		July
Aug.	18 586	21 497*		1 353	1 798*		15 401	19 939	23 295*		+ 408*		Aug.
Sept.	18 628	21 567*		1 409	1 946*		16 294	20 037	23 513*		+ 218*		Sept.
Oct.	18 562	21 591*		1 363	2 132*		16 831	19 925	23 723*		+ 210*		Oct.
Nov.	18 593	21 519*		1 334	2 082*		17 201	19 927	23 601*		- 122*		Nov.
Dec.	19 461	22 897*		1 320	2 043*		18 830	20 781	24 940*		+1 339*		Dec.

According to figures supplied by the Central Statistical Office.

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

\* Preliminary figures subject to minor alterations.

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

End of Month	Deposits in Co-operative Credit Societies <sup>1)</sup>				Monthly Movement		Deposits in Consumers' Co-operative Societies <sup>2)</sup>				Monthly Movement		End of Month
	Mill. mk				1947	1948	Mill. mk				1947	1948	
	1945	1946	1947	1948			1945	1946	1947	1948			
Jan.	[4 507]						[1 268]						
Jan.	4 602	6 757	8 339	11 332	- 52	- 28	1 318	2 031	2 315	2 824	+ 53	+ 69	Jan.
Febr.	4 661	6 838	8 433	11 384	+ 94	+ 52	1 341	2 053	2 354	2 862	+ 39	+ 38	Febr.
March	4 804	7 118	8 962	11 687	+529	+ 303	1 354	2 085	2 414	2 938	+ 60	+ 76	March
April	4 842	7 304	9 292	12 015	+330	+ 328	1 363	2 112	2 459	3 074	+ 45	+ 136	April
May	4 978	7 405	9 407		+115		1 388	2 112	2 473		+ 14		May
June	5 150	7 534	9 604		+197		1 429	2 138	2 521		+ 48		June
July	5 246	7 606	9 838		+234		1 447	2 132	2 549		+ 28		July
Aug.	5 332	7 739	10 412		+574		1 465	2 127	2 573		+ 24		Aug.
Sept.	5 667	7 869	10 618		+206		1 599	2 126	2 584		+ 11		Sept.
Oct.	5 901	7 833	10 667		+ 49		1 690	2 130	2 586		+ 2		Oct.
Nov.	6 061	7 871	10 597		- 70		1 755	2 145	2 595		+ 9		Nov.
Dec.	6 926	8 391	11 360*		+763		2 036	2 262	2 755		+160		Dec.

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

**14. — DEPOSITS IN ALL CREDIT INSTITUTIONS. <sup>1)</sup>**

End of Month	Total Deposits due to the Public				Monthly Movement	
	Mill. mk				1947	1948
	1945	1946	1947	1948		
Jan.	[44 535]					
Jan.	45 061	59 332	70 534*	85 593*	+ 551*	+ 169*
Febr.	45 586	59 378	70 366*	84 182*	- 468*	-1416*
March	46 263	60 517	72 866*	87 632*	+2 800*	+3450*
April	46 420	62 351	74 405*	89 047*	+1 539*	+1415*
May	47 396	62 475	75 290*		+ 885*	
June	49 098	63 601	76 046*		+ 756*	
July	49 067	64 423	77 264*		+1 218*	
Aug.	49 285	65 664	79 070*		+1 806*	
Sept.	52 835	66 716	81 102*		+2 032*	
Oct.	54 874	67 988	81 388*		+ 286*	
Nov.	56 186	67 504	80 303*		-1 085*	
Dec.	61 417	70 017	85 429*		+5 126*	

<sup>1)</sup> Commercial Banks, Post Office Savings Bank, Savings Banks, Co-operative Credit Societies, Central Bank for Co-operative Credit Societies, Consumers' Co-operative Societies, and Mortgage Banks.

**15. — INSURANCES IN LIFE ASSURANCE COMPANIES.**

End of Month	New risks accepted <sup>1)</sup>			
	1947		1948	
	Number	Amount Mill. mk	Number	Amount Mill. mk
Jan.	14 135	834	14 093*	1 336*
Febr.	15 919	981	16 387*	1 620*
March	18 071	1 133	16 842*	1 709*
April	15 669	1 011	16 621*	1 772*
May	14 404	944		
June	14 719	983		
July	9 541	685		
Aug.	10 837	787		
September	13 214	1 038		
October	15 952	1 238		
November	18 527	1 540		
December	20 069	1 764		
Total	181 057	12 988	63 943*	6 437*
Jan.—April	63 794	3 959		

<sup>1)</sup> According to information supplied by the Finnish Life Assurance Companies.

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

Year and Quarter	Companies founded		Companies with increased Capital		Companies liquidated		Companies with reduced Capital		Net increase (+) or reduction (-)		Year and Quarter
	Number	Capital Mill. mk	Number	Increase of Capital Mill. mk	Number	Capital Mill. mk	Number	Reduction of Capital Mill. mk	Number	Capital Mill. mk	
1943	866	573	541	1 250	193	134	6	9	+ 673	+1 680	1943
1944	523	238	316	633	176	128	2	1	+ 347	+ 742	1944
1945	1 485	797	428	511	120	111	4	34	+1 365	+1 163	1945
1946	1 355	649	956	3 764	110	51	8	7	+1 245	+4 355	1946
1947	955	749	826	2 740	98	47	7	73	+ 857	+3 369	1947
1947											1947
Jan.—March	289	175	244	544	24	16	1	3	+ 265	+ 700	Jan.—March
April—June	253	176	167	646	10	6	—	—	+ 243	+ 816	April—June
July—Sept.	192	134	194	210	21	6	1	67	+ 171	+ 271	July—Sept.
Oct.—Dec.	221	264	221	1 340	43	19	5	3	+ 178	+1 582	Oct.—Dec.
1948											1948
Jan.—March	202	480	177	500	37	14	5	37	+ 165	+ 929	Jan.—March

Figures supplied by the Central Statistical Office.

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

\* Preliminary figures subject to minor alterations.



## 17. — BANKRUPTCIES.

Month	Bankruptcies <sup>1)</sup>					
	Number					
	1943	1944	1945	1946	1947	1948
January	15	7	10	13	15	8
February	8	10	7	8	14	8
March	8	4	6	10	8	13
April	10	12	3	7	10	
May	13	6	7	11	5	
June	9	2	12	6	12	
July	11	9	3	6	5	
August	4	12	8	6	8	
September	1	15	2	6	11	
October	7	10	11	17	8	
November	12	10	2	13	12	
December	11	8	8	5	7	
Total	109	105	79	108	115	
Jan.—March	31	21	23	31	37	29

<sup>1)</sup> Preliminary figures compiled by the Central Statistical Office from the reports sent in by the various Courts including all bankruptcy petitions, of which only about half will lead in due course to actual bankruptcy.

## 18. — STOCK EXCHANGE.

Month	Turnover of Stock Exchange <sup>1)</sup>					
	Mill. mk					
	1943	1944	1945	1946	1947	1948
January	24	30	29	54	83	122
February	26	38	41	75	84	105
March	29	44	117	65	70	106
April	34	27	108	57	81	147
May	48	41	81	144	106	
June	30	49	129	87	75	
July	28	31	114	59	70	
August	24	44	132	40	53	
September	59	51	219	87	166	
October	37	33	157	170	151	
November	40	53	94	206	110	
December	46	47	109	144	200	
Total	425	488	1 330	1 188	1 249	
Jan.—April	113	139	295	251	318	480

<sup>1)</sup> According to data supplied by the Stock Exchange Committee.

## 19. — STOCK EXCHANGE INDEX. 1935=100.

Month	Share Prices												Month
	All kinds				Bank Shares				Industrial Shares				
	1945	1946	1947	1948	1945	1946	1947	1948	1945	1946	1947	1948	
January	218	414	324	337	111	143	108	110	262	536	411	423	January
February	214	324	304	304	109	130	106	105	258	407	379	377	February
March	260	293	297	259	122	121	107	99	322	364	366	313	March
April	305	324	310	269	134	124	105	102	383	405	388	322	April
May	352	396	296		147	130	104		451	519	371		May
June	458	436	292		160	129	102		611	582	365		June
July	651	378	282		205	122	99		878	496	348		July
August	691	356	282		206	121	98		916	462	348		August
September	499	358	308		167	125	102		661	463	384		September
October	497	368	337		162	123	103		648	477	424		October
November	417	370	332		148	117	103		541	481	418		November
December	416	340	336		140	110	104		545	436	423		December
Whole year	415	363	308		134	125	104		540	469	385		Whole year

\*Units\* Index based on the prices quoted for the shares of 3 banks and 10 industrial firms.

## 20. — PUBLIC DEBT.

End of Year and Month	According to the Finance Accounts									Mill. Dollars <sup>2)</sup>	End of Year and Month
	Funded Debt			Short-term Credit			Total Public Debt				
	Foreign	Internal	Total	Foreign	Internal	Total	Foreign	Internal	Total		
1943	3 321	26 493	29 814	2 070	19 937	22 007	5 391	46 430	51 821	1 050	1943
1944	4 010	38 608	42 618	2 088	22 806	24 894	6 098	61 414	67 512	1 368	1944
1945	15 664	39 994	55 658	4 283	25 782	30 065	19 947	65 776	85 723	630	1945
1946	26 561	51 301	77 862	5 072	22 137	27 209	31 633	73 438	105 071	773	1946
1947											1947
November	33 295	56 980	90 275	5 076	19 935	25 011	38 371	76 915	115 286	848	November
December	33 484	57 292	90 776	5 073	22 251	27 324	38 557	79 543	118 100	868	December
1948											1948
January	33 618	57 963	91 581	5 077	19 542	24 619	38 695	77 505	116 200	854	January
February	34 677	56 962	91 639	5 077	16 214	21 291	39 754	73 176	112 930	830	February
March	35 100	56 427	91 527	5 092	20 625	25 717	40 192	77 052	117 244	862	March
April	36 044	56 169	92 213	5 093	20 035	25 128	41 137	76 204	117 341	863	April

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

## 21. — STATE REVENUE AND EXPENDITURE.

Year and Month	Total Revenue	Current Revenue <sup>1)</sup> derived from							Capital Revenue	Expenditure			Year and Month
		Income and Property tax <sup>2)</sup>	Excise on spirits, wines, etc.	Stamp duty	Sales tax	Interest and Dividends	Railways, Posts, Telegraphs <sup>3)</sup>	State Forests <sup>4)</sup>		Total	Current	Capital	
Mill. mk											Mill. mk		
1947 Jan.—Febr.	6 462	656	33	215	225	15	66	-164	3 646	11 123	8 843	2 280	1947 Jan.—Febr.
1948 Jan.—Febr.	10 839	4 517	33	390	411	13	472	-220	2 434	9 780	7 139	2 641	1948 Jan.—Febr.
1948 Budget	72 494	20 330	425	1 500	14 000	8 136	872	821	4 667	72 445	52 892	19 553	1948 Budget

Tables 21—23 according to preliminary monthly accounts kept by the Treasury, the Customs and the Board of Excise Revenue.  
<sup>1)</sup> The current revenue derived from Customs duty, and some other State receipts are specified in tables 22 and 23 below. — <sup>2)</sup> Including special and supplementary taxes on income and property but not the Capital Levy nor the surplus income tax and inheritance tax. — <sup>3)</sup> The figures given refer to net revenue.

## 22. — COLLECTION OF CUSTOMS.

Year and Month	Total Customs Receipts	Customs duty on		Fines, Light Dues, etc.
		Imported goods incl. storage charges	Exported goods	
Mill. mk				
1947 Jan.—April	917	900	0	17
Whole year	4 704	4 595	0	109
1948 Jan.—April	2 535	2 477	0	58
1948 Budget	5 557	5 500	1	56

## 23. — COLLECTION OF EXCISE DUES.

Year and Month	Total Excise Dues	Excise on				
		Tobacco	Spirits	Beer	Matches	
Mill. mk						
1947 Jan.—Febr.	723	600	17	16	38	1947 Jan.—Febr.
1948 Jan.—Febr.	726	498	17	16	41	1948 Jan.—Febr.
1948 Budget	4 940	4 000	155	270	250	1948 Budget

## 24. — VALUE OF IMPORTS AND EXPORTS.

Month	Imports (c. i. f.) Mill. mk			Exports (f. o. b., free exports) Mill. mk			Surplus of Imports (—) or Exports (+) Mill. mk			Month
	1946	1947	1948	1946	1947	1948	1946	1947	1948	
January	944	2 825	3 963*	957	1 961	2 505*	+ 13	- 864	- 1 458*	January
February	884	2 304	4 285*	681	1 170	3 354*	- 203	- 1 134	- 931*	February
March	1 330	1 138	3 588*	1 013	784	2 986*	- 317	- 354	- 602*	March
April	1 388	1 463	4 945*	1 067	2 107	4 490*	- 321	+ 644	- 455*	April
May	1 999	3 843		1 708	4 855		- 291	+ 1 012		May
June	2 511	3 939		1 965	4 582		- 546	+ 643		June
July	2 988	4 899		2 068	5 768		- 920	+ 869		July
August	2 729	4 014		2 505	5 498		- 224	+ 1 484		August
September	2 391	5 196		2 379	4 808		- 12	- 388		September
October	2 316	5 219		3 240	4 885		+ 924	- 334		October
November	2 269	4 972		2 907	5 018		+ 638	+ 46		November
December	2 525	7 159		2 561	3 792		+ 36	- 3 367		December
Total Jan.—April	24 274	46 971	16 781*	23 051	45 228	13 335*	- 1 223	- 1 743	- 3 446*	Total Jan.—April

Tables 24—29 according to Finnish Official Statistics I, A, Foreign Trade of Finland, Monthly Reports.  
 The term *Imports* covers all imported goods which are placed on the market either immediately after importation or after storage. *Exports* covers all goods exported from the open market, including re-exports. Goods are declared to the Customs by their owner, who must at the same time state the value of the goods as calculated at the frontiers of the country.

\* Preliminary figures subject to minor alterations.

## 25. — VALUE OF IMPORTS AND EXPORTS IN DIFFERENT CLASSES OF GOODS.

Classes of Goods	Imports (c. i. f.) Mill. mk					Exports (f. o. b.) Mill. mk.				
	Whole year		January—March			Whole year		January—March		
	1946	1947	1946	1947	1948*	1946	1947	1946	1947	1948*
Dairy produce, eggs, honey	702	203	1	81	130	107	34	23	9	—
Other animal products, live animals .....	606	688	96	168	226	67	1 098	17	81	71
Vegetables .....	9	13	1	2	5	0	32	—	4	1
Eatable fruit .....	74	247	2	17	73	14	12	0	5	4
Coffee, tea, spices .....	171	296	48	55	163	—	—	—	—	—
Cereals, milling products ..	3 088	6 586	592	981	1 932	—	0	—	—	—
Certain seeds and fruit, plants for industrial purposes ..	153	293	50	61	186	29	10	18	2	5
Raw materials for tanning and dyeing .....	78	122	10	5	20	—	—	—	—	—
Animal and vegetable fats	333	1 288	18	252	279	0	0	0	0	—
Meat and fish products ...	62	92	16	35	62	0	—	—	—	—
Sugar, sweets .....	846	1 250	173	210	303	—	7	—	1	3
Beverages, vinegars .....	166	236	18	22	42	19	152	0	11	54
Fodder .....	143	381	40	—	0	0	—	—	—	—
Tobacco .....	415	624	100	145	194	—	—	—	—	—
Minerals, ore .....	864	954	147	117	169	76	71	9	14	17
Mineral fuel and oils .....	3 643	6 317	379	533	1 489	0	0	—	0	0
Chemical and pharmaceutical products .....	1 010	1 768	175	204	413	39	127	2	11	36
Tanning and dyeing extracts, varnishes .....	340	808	39	93	207	2	13	0	1	0
Caseine, albumine, glues ..	263	394	27	35	72	1	0	1	0	—
Fertilizers .....	854	2 105	48	216	221	—	—	—	—	—
Hides, skins, leather and furs; manufactures of these materials .....	215	670	30	62	138	97	261	0	52	119
Rubber and rubber articles	656	968	43	95	225	0	1	—	0	1
Wood and wooden goods ..	21	51	2	2	15	9 744	19 467	624	1 374	2 419
Woodpulp .....	1	10	0	0	—	4 285	10 722	617	741	3 090
Cardboard and paper, their applications .....	38	61	6	7	17	6 915	11 001	1 128	1 213	2 450
Textile materials, textile goods .....	1 719	3 935	186	816	1 145	646	744	113	140	235
Footwear .....	101	206	21	31	45	4	0	—	—	0
Articles of stone and of other mineral material, glass ..	222	326	29	40	111	204	356	32	48	94
Base metals; articles made therefrom .....	3 433	7 708	449	826	2 098	445	581	28	124	137
Machinery, apparatus .....	1 428	2 449	167	392	667	41	103	4	15	28
Electrical machinery and apparatus .....	535	1 136	86	180	307	46	93	7	14	14
Transport material .....	1 533	3 879	82	446	634	10	29	0	1	10
Instruments, clocks and watches, musical instruments .....	111	245	14	28	72	5	9	1	2	2
All others .....	441	662	63	110	176	255	305	27	52	57
Total free trade	24 274	46 971	3 158	6 267	11 836	23 051	45 228	2 651	3 915	8 847
Reparation deliveries .....						8 775	10 405	1 384	2 089	2 402
Restitution goods .....						655	—	414	—	—

\* Preliminary figures subject to minor alterations.

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

Month	Wheat Tons			Rye Tons			Sugar Refined and unrefined Tons			Month
	1946	1947	1948	1946	1947	1948	1946	1947	1948	
January	5 242	17 065	1 871*	22 724	14 341	14 840*	1 659	1 501	4 130*	January
February	4 764	—	9 328*	2 403	12 817	21 825*	2 276	1 587	3 688*	February
March	3 953	7 774	10 917*	14 924	2 467	8 381*	2 161	1 431	4 172*	March
April	4 435	3 657	14 820*	1 049	18 239	2 129*	2 020	626	6 861*	April
May	0	12 700	—	9 459	2 601	—	1 963	2 529	—	May
June	16 011	2 099	—	40 308	9 333	—	2 410	7 802	—	June
July	17 454	11 004	—	21 047	9 192	—	4 892	6 040	—	July
August	30 274	9 488	—	15 312	14 257	—	3 690	5 168	—	August
September	12 735	9 434	—	19 861	26 608	—	3 112	3 773	—	September
October	1 551	90	—	8 829	30 138	—	3 531	13 765	—	October
November	—	18 476	—	213	7 533	—	3 656	3 892	—	November
December	—	—	—	—	26 354	—	1 128	350	—	December
Total	96 419	91 787	36 936*	156 129	173 880	47 175*	32 498	48 464	18 851*	Total
Jan.—April	18 394	28 496	36 936*	41 100	47 864	47 175*	8 116	5 145	18 851*	Jan.—April

Month	Raw Tobacco Tons			Coal and Coke Tons			Petrol Tons			Month
	1946	1947	1948	1946	1947	1948	1946	1947	1948	
January	167	215	319*	19 422	40 833	203 586*	—	7 545	13 325*	January
February	142	205	355*	23 868	50 620	88 621*	191	7 404	12 473*	February
March	152	254	336*	46 747	5 018	32 167*	36	8 697	15 028*	March
April	166	232	399*	73 911	61	111 205*	386	9 989	15 406*	April
May	197	247	—	88 959	24 555	—	1 201	10 137	—	May
June	144	245	—	70 041	112 824	—	4 122	12 854	—	June
July	102	124	—	154 693	223 939	—	5 279	15 222	—	July
August	208	345	—	95 672	140 047	—	6 969	16 454	—	August
September	198	328	—	126 632	233 278	—	5 819	16 086	—	September
October	192	353	—	95 977	245 516	—	6 315	15 637	—	October
November	182	331	—	62 322	164 656	—	6 457	12 428	—	November
December	108	216	—	79 719	252 630	—	5 554	16 295	—	December
Total	1 958	3 095	1 409*	937 963	1 498 977	435 579*	42 329	148 748	56 232*	Total
Jan.—April	627	906	1 409*	163 948	96 532	435 579*	613	33 635	56 232*	Jan.—April

Month	Raw Cotton Tons			Pig Iron Tons			Bar Iron and Bar Steel Tons			Month
	1946	1947	1948	1946	1947	1948	1946	1947	1948	
January	1 137	1 088	1 154*	101	10	613*	654	3 193	4 006*	January
February	441	3 430	1 088*	—	5	599*	1 825	3 789	8 320*	February
March	276	1 451	1 000*	150	20	632*	2 124	846	7 605*	March
April	1 402	—	15*	660	100	325*	2 694	1 005	9 262*	April
May	423	1 871	—	150	920	—	4 467	7 890	—	May
June	719	1 263	—	220	270	—	3 491	7 759	—	June
July	502	—	—	69	40	—	6 531	6 736	—	July
August	2 583	93	—	100	2 255	—	3 820	5 427	—	August
September	118	—	—	—	3 902	—	4 218	9 532	—	September
October	647	587	—	471	4 985	—	4 173	10 064	—	October
November	203	12	—	65	1 040	—	7 100	8 977	—	November
December	67	859	—	242	2 066	—	4 152	20 314	—	December
Total	8 518	10 654	3 257*	2 228	15 613	2 169*	45 249	85 532	29 193*	Total
Jan.—April	3 256	5 969	3 257*	911	135	2 169*	7 297	8 833	29 193*	Jan.—April

\* Preliminary figures subject to minor alterations.

## 27. — EXPORTS OF THE MOST IMPORTANT ARTICLES. 1)

Month	Wooden Houses and Barracks Tons			Round Timber All kinds excl. fuel 1 000 m <sup>3</sup>			Sawn Timber All kinds 1 000 standards			Month
	1946	1947	1948	1946	1947	1948	1946	1947	1948	
January	11 368	7 971	6 077*	24	30	35*	2	15	10*	January
February	9 949	8 393	11 641*	9	15	4*	0	5	10*	February
March	7 530	11 542	10 894*	15	—	1*	0	5	11*	March
April	471	10 159	21 324*	26	1	0*	0	4	7*	April
May	1 029	15 832		74	33		6	9		May
June	6 819	13 088		88	118		20	34		June
July	13 914	11 651		153	387		31	66		July
August	11 575	11 159		258	391		34	72		August
September	13 058	15 005		187	415		43	63		September
October	13 116	16 711		235	280		64	53		October
November	16 136	13 699		149	178		48	58		November
December	16 791	13 671		121	80		30	32		December
Total	121 806	148 881		1 339	1 928		278	416		Total
Jan.—April	29 368	38 065	49 936*	74	46	40*	2	29	38*	Jan.—April

1 standard sawn timber = 4,672 m<sup>3</sup>.

Month	Matches Tons			Plywood 1 000 m <sup>3</sup>			Bobbins (spools) Tons			Month
	1946	1947	1948	1946	1947	1948	1946	1947	1948	
January	24	205	26*	2	8	9*	41	67	158*	January
February	78	114	98*	1	7	14*	65	46	357*	February
March	53	4	100*	10	1	9*	256	—	184*	March
April	301	105	189*	9	10	13*	108	212	380*	April
May	126	424		16	22		212	511		May
June	260	195		12	20		123	252		June
July	148	36		8	14		212	145		July
August	180	80		9	12		86	154		August
September	154	31		10	10		162	369		September
October	278	47		14	17		146	251		October
November	114	6		9	15		158	466		November
December	87	249		10	19		217	260		December
Total	1 803	1 496		110	155		1 786	2 733		Total
Jan.—April	456	428	413*	22	26	45*	470	325	1 079*	Jan.—April

Month	Mechanical Pulp <sup>2)</sup> Tons			Sulphite Cellulose <sup>2)</sup> Tons			Sulphate Cellulose <sup>2)</sup> Tons			Month
	1946	1947	1948	1946	1947	1948	1946	1947	1948	
January	4 838	4 075	1 352*	14 419	19 410	29 651*	10 154	10 653	19 175*	January
February	1 697	1 162	3 267*	7 816	9 742	26 763*	7 785	8 591	27 342*	February
March	1 598	—	2 094*	11 082	1 166	27 084*	8 170	1 806	24 245*	March
April	1 037	142	9 541*	15 897	10 328	36 597*	11 546	10 750	37 194*	April
May	7 221	13 011		27 990	45 149		24 109	35 379		May
June	11 836	8 405		23 778	34 597		15 731	25 657		June
July	10 090	15 137		11 798	44 240		15 082	50 147		July
August	11 190	9 667		17 309	24 695		22 642	34 002		August
September	4 053	4 877		10 823	24 468		12 521	31 523		September
October	5 304	4 873		19 880	22 423		15 916	23 378		October
November	4 187	3 411		19 562	33 237		16 965	26 712		November
December	3 207	366		22 211	20 242		20 327	19 899		December
Total	66 258	65 126		202 565	289 697		180 948	278 497		Total
Jan.—April	9 170	5 379	16 254*	49 214	40 646	120 095*	37 655	31 800	107 956*	Jan.—April

<sup>1)</sup> Free exports. — <sup>2)</sup> Dry weight.

\* Preliminary figures subject to minor alterations.

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

Month	Cardboard All kinds Tons			Paper All kinds Tons			Newsprint (included in previous column) Tons			Month
	1946	1947	1948	1946	1947	1948	1946	1947	1948	
January	5 834	7 891	5 921*	23 867	24 094	23 848*	16 551	12 880	16 318*	January
February	3 761	2 675	3 021*	14 376	9 300	32 121*	7 588	4 953	17 935*	February
March	9 870	812	8 230*	20 378	9 919	21 698*	13 321	7 299	11 337*	March
April	9 486	8 170	8 620*	20 783	24 521	45 207*	13 354	15 389	31 769*	April
May	7 056	16 957		26 621	55 029		16 496	32 864		May
June	7 783	11 102		29 129	43 875		19 113	26 861		June
July	8 214	8 510		29 463	40 110		19 667	29 713		July
August	9 425	7 161		29 125	45 278		20 925	32 561		August
September	7 105	8 266		27 526	28 050		17 864	18 328		September
October	8 123	10 857		33 035	36 402		20 953	23 358		October
November	6 889	11 711		33 568	37 101		22 120	23 749		November
December	8 187	9 011		29 762	29 655		19 559	18 423		December
Total	91 733	103 123		317 633	383 334		207 511	246 378		Total
Jan.—April	28 951	19 548	30 792*	79 404	67 834	122 874*	50 814	40 521	77 359*	Jan.—April

## 28. — FOREIGN TRADE WITH VARIOUS COUNTRIES.

Country	Imports (c. i. f.)					Exports (f. o. b., free exports)				
	Whole year		January—March			Whole year		January—March		
	1946	1947	1947	1948*	1946	1947	1947	1948*		
	%	%	%	Mill. mk	%	%	%	Mill. mk	%	
Europe:										
Belgium .....	5.8	7.9	2.5	881	7.4	7.3	5.2	309	3.5	
Bulgaria .....	0.1	0.0	0.1	1	0.0	0.0	0.0	42	0.5	
Czechoslovakia .....	0.1	0.7	0.4	91	0.8	0.1	0.3	49	0.6	
Denmark .....	10.3	6.4	9.3	1 171	9.9	11.1	7.2	482	5.4	
France .....	2.6	4.3	2.3	542	4.6	3.8	3.9	416	4.7	
Germany .....	0.1	0.0	0.0	21	0.2	—	0.1	47	0.5	
Great Britain .....	21.4	17.5	15.4	2 310	19.5	26.7	30.0	1 965	22.2	
Greece .....	0.0	0.5	0.0	51	0.4	0.3	0.7	80	0.9	
Holland .....	1.8	4.7	3.4	511	4.3	3.1	4.5	357	4.0	
Italy .....	0.0	0.4	0.1	74	0.8	0.3	1.5	69	0.8	
Norway .....	2.7	3.9	2.7	157	1.3	2.4	2.0	205	2.3	
Poland .....	0.1	3.6	1.8	529	4.5	0.0	2.1	70	0.8	
Rumania .....	0.0	0.0	—	0	0.0	—	0.0	—	—	
Soviet Union .....	21.4	11.3	17.1	1 828	15.5	20.1	12.4	1 939	21.9	
Sweden .....	10.0	4.8	8.7	486	4.1	9.4	5.7	439	5.0	
Switzerland .....	0.4	0.8	0.7	176	1.5	1.0	0.9	77	0.9	
Turkey .....	0.4	0.5	0.7	50	0.4	0.0	0.4	8	0.1	
Other European countries	0.3	0.4	0.2	62	0.5	1.2	1.7	46	0.5	
Total for Europe	77.5	67.7	65.4	8 941	75.5	86.8	78.6	6 600	74.6	
Asia .....	0.0	0.2	0.1	12	0.1	1.2	1.5	33	0.9	
Africa .....	0.1	0.1	0.2	16	0.2	1.9	3.1	89	1.0	
United States .....	19.5	23.7	27.6	1 918	16.2	6.9	11.5	1 656	18.7	
Other States of North America .....	0.0	0.5	0.2	36	0.3	0.1	0.1	10	0.1	
South America .....	2.9	7.8	6.5	903	7.6	3.0	4.5	375	4.3	
Australia .....	0.0	0.0	0.0	10	0.1	0.1	0.7	34	0.4	
Grand total	100.0	100.0	100.0	11 836	100.0	100.0	100.0	8 847	100.0	

The country of import indicates the land in which goods were purchased, the country of export the land to which goods were sold.

\* Preliminary figures subject to minor alterations.

**29. — UNIT VALUE INDEX OF IMPORTS AND EXPORTS. 1935=100.**

Year and Month	Total Imports	Groups of Imported Goods				Total Exports	Principal Exported Goods				Year and Month
		Raw materials	Machinery	Food-stuffs	Other consumption goods		Sawn timber	Mechanical pulp	Dry cellulose	Paper	
1943	420	457	346	486	324	304	277	271	320	311	1943
1944	457	468	360	560	400	323	292	309	337	314	1944
1945	709	729	798	713	447	452	433	597	436	445	1945
1946	896	888	883	947	846	799	802	835	700	777	1946
1947											1947
Jan.—March	920	761	841	1 229	901	983	958	997	900	980	Jan.—March
Jan.—Nov.	950	946	876	1 037	903	1 167	1 171	1 254	1 140	1 031	Jan.—Nov.
Jan.—Dec.	950	941	898	1 030	912	1 175	1 177	1 257	1 148	1 049	Jan.—Dec.
1948											1948
January	1 135	999	1 456	1 310	1 055	1 292	1 303	2 016	1 223	1 038	January
Jan.—Febr.	1 078	997	1 130	1 224	1 068	1 308	1 334	1 969	1 255	1 104	Jan.—Febr.
Jan.—March	1 063	981	1 074	1 222	1 070	1 312	1 353	1 941	1 279	1 101	Jan.—March

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

**30. — TOTAL SALES OF WHOLESALE FIRMS.**

Month	Total Sales Mill. mk							Month
	1942	1943	1944	1945	1946	1947	1948	
January	677	981	1 046	1 412	2 840	3 456	5 514	January
February	821	1 073	1 206	1 482	2 957	3 897	8 348	February
March	923	1 306	1 360	1 585	3 470	4 617	7 594	March
April	914	1 266	1 246	1 626	3 680	4 241		April
May	1 007	1 329	1 411	1 848	4 039	5 327		May
June	1 138	1 099	1 043	1 759	3 731	4 675		June
July	1 186	1 106	948	1 400	3 402	4 633		July
August	1 072	1 167	1 229	1 847	3 911	5 302		August
September	1 125	1 308	1 023	2 420	4 040	6 438		September
October	1 098	1 337	1 077	2 954	4 622	6 470		October
November	1 076	1 302	1 191	3 186	4 551	6 415		November
December	1 188	1 429	1 419	3 267	5 024	7 311		December
Total	12 225	14 703	14 199	24 786	46 267	62 782		Total
Jan.—March	2 421	3 360	3 612	4 479	9 267	11 970	21 456	Jan.—March

Calculated by the «Usai Suomi». The figures represent approximately 95 % of the turnover of all wholesalers in Finland.

**31. — INDEX OF INDUSTRIAL PRODUCTION. 1935=100.**

Month	Home Industries										Exporting Industries					Month
	Value index					Volume index					Volume index					
	1943	1944	1945	1946	1947	1943	1944	1945	1946	1947	1944	1945	1946	1947	1948	
January	204	244	221	530	624	97	97	76	94	105	47	40	55	75	83	January
February	257	288	264	607	814			89	107	137	48	38	55	76	88	84
March	237	265	220	548	749	89	76	73	94	125	51	40	57	79	84	March
April	203	211	220	582	733			70	97	123	53	44	59	79		
May	208	222	220	528	681	77	78	69	88	113	51	47	66	80		May
June	201	199	239	561	691			69	93	115	40	50	63	80		
July	226	239	213	582	655	77	78	56	97	107	31	47	65	67		July
August	194	235	309	620	732			69	103	113	33	48	62	73		
September	184	199	341	676	799	75	72	72	112	123	32	52	70	82		September
October	179	195	390	609	850			76	101	126	32	56	69	82		
November	205	230	484	669	1 069	75	72	89	111	152	32	54	70	75		November
December	221	221	470	713	1 121			85	118	152	38	51	71	78		
Whole year	208	225	303	607	795	82	80	76	102	125	40	47	64	78		Whole year

«Unitas» index based on seasonally adjusted monthly figures.

## 82. — BUILDING ACTIVITY.

Month	Consumption of Cement in Finland <sup>1)</sup>						Plans approved in the Capital <sup>2)</sup>						Month
	1 000 tons						All buildings, 1 000 m <sup>3</sup>						
	1942	1943	1944	1945	1946	1947	1943	1944	1945	1946	1947	1948	
January							7.1	0.6	64.7	105.6	39.2	34.7*	January
February	23	28	31	46	27	54	18.3	0.3	35.5	91.8	28.4	71.3*	February
March							—	25.6	71.9	39.2	37.5	135.0*	March
April							4.8	2.9	116.8	97.1	64.3	80.2*	April
May	76	73	60	89	79	112	196.6	8.1	229.7	54.5	67.6		May
June							19.9	70.2	101.7	56.9	62.2		June
July							82.7	1.5	126.5	119.9	64.1		July
August	96	79	52	83	127	152	11.5	6.9	42.5	87.4	72.5		August
September							1.2	0.0	12.6	57.8	65.6		September
October							12.7	1.7	47.7	101.6	122.5		October
November	53	46	44	63	96	103	2.0	40.6	150.9	73.2	37.9		November
December							0.5	42.0	36.1	119.2	27.9		December
Total	248	226	187	281	329	421	357.3	200.4	1 036.6	1 004.2	689.7	321.2*	Total
							30.2	29.4	288.9	333.7	169.4		Jan.—April

<sup>1)</sup> Comprising the total quantity of cement delivered by the country's 2 cement factories and including the quantity imported which is, however, only a negligible part of the total consumption. — <sup>2)</sup> According to data compiled by the Municipal Building Surveyor's Office in Helsinki.

## 83. — FOREIGN SHIPPING.

Year and Month	Arrivals				Sailings				Year and Month
	Number of vessels		Net reg. tons		Number of vessel		Net reg. tons		
	Total	of which Finnish	Total	of which with Cargo	Total	of which Finnish	Total	of which with Cargo	
1945	1 360	768	930 358	384 412	1 412	810	973 256	323 805	1945
1946	3 024	1 557	2 338 761	1 482 639	3 020	1 571	2 332 110	1 844 150	1946
1947	4 020	1 926	3 568 942	2 362 715	3 989	1 895	3 492 515	2 684 134	1947
1947									1947
April	87	51	91 284	82 334	75	52	70 916	64 765	April
November	405	223	358 463	246 959	428	192	389 454	303 846	November
December	284	176	314 225	277 724	284	160	321 243	193 383	December
1948									1948
January	140	85	182 485	166 625	164	99	234 519	119 612	January
February	102	66	128 759	113 354	102	61	139 973	100 556	February
March	107	61	106 941	103 705	90	53	96 123	80 710	March
April	207	108	240 038	195 775	211	121	217 835	148 691	April

Figures supplied by the Statistical Office of the Shipping Board.

## 84. — STATE RAILWAYS.

Month	Weight of Goods transported				Axle-kilometres of goods trucks		Revenue (less Re-imburements)				Regular Expenditure				Month
	1 000 Tons				Mill. km		Mill. mk				Mill. mk				
	1945	1946	1947	1948	1947	1948	1945	1946	1947	1948	1945	1946	1947	1948	
Jan.	752	995	1 144	1 152	70	66	189	414	477	1 017	197	495	480	786	Jan.
Febr.	703	855	1 022	1 150	62	73	162	370	443	1 048	230	509	557	951	Febr.
March	886	1 052	1 118		69		203	459	479		218	479	587		March
April	947	1 073	1 167		73		224	500	552		237	465	540		April
May	988	1 189	1 326		77		236	484	616		367	520	693		May
June	1 046	1 231	1 282		68		279	575	646		314	497	782		June
July	996	1 363	1 492		68		294	596	880		284	511	702		July
Aug.	1 079	1 391	1 395		70		377	600	877		376	558	608		Aug.
Sept.	971	1 261	1 439		69		331	528	827		548	582	696		Sept.
Oct.	986	1 375	1 408		69		347	513	840		488	512	681		Oct.
Nov.	1 036	1 182	1 203		64		333	515	721		538	627	692		Nov.
Dec.	1 212	1 094	1 160		65		492	532	902		696	731	1 496		Dec.
Total	11 602	14 061	15 156		824		3 467	6 086	8 260		4 493	6 486	8 514		Total
Jan.—Febr.	1 455	1 850	2 166	2 302	132	139	351	784	920	2 065	427	1 004	1 037	1 737	Jan.—Febr.

According to Monthly Statistics of the Finnish State Railways.

\* Preliminary figures subject to minor alterations.



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

Month	Index for Goods in Finnish Wholesale trade										Articles of Import (c. i. f.)		Articles of Export (f. o. b.)		Month		
	Finnish Goods										Imported Goods						
	Total Index		Total		Products of agriculture		Products of forestry		Products of industry								
	1947	1948	1947	1948	1947	1948	1947	1948	1947	1948	1947	1948	1947	1948		1947	1948
Jan.	721	1 026	666	1 042	655	1 504	901	1 415	593	771	860	983	810	978	1 027	1 265	Jan.
Febr.	726	1 033	673	1 050	681	1 479	903	1 428	596	788	860	992	827	983	1 040	1 274	Febr.
March	759	1 074	717	1 106	903	1 456	903	1 457	598	879	860	995	838	986	1 041	1 271	March
April	766	1 079	726	1 103	941	1 393	903	1 458	599	894	866	1 019	847		1 159		April
May	775		729		946		903		603		889		840		1 158		May
June	781		735		970		909		603		895		850		1 162		June
July	799		755		967		982		613		909		854		1 175		July
Aug.	853		824		1 015		1 169		649		926		885		1 171		Aug.
Sept.	862		836		1 034		1 207		650		926		894		1 171		Sept.
Oct.	882		858		982		1 271		681		940		921		1 174		Oct.
Nov.	968		973		1 453		1 322		704		957		932		1 174		Nov.
Dec.	1 010		1 029		1 571		1 386		738		962		955		1 174		Dec.
Whole year	825		793		1 010		1 063		636		904		871		1 135		Whole year

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

**36. — COST OF LIVING INDEX.**

Month	1935 = 100																Month	
	Aug. 1938 - July 1939 = 100			1935 = 100														
	Total Index			Total Index				Foodstuffs		Rent		Fuel and light		Clothing		Taxes		
	1946	1947	1948	1945	1946	1947	1948	1947	1948	1947	1948	1947	1948	1947	1948	1947	1948	
Jan.	423	471	763	222	461	513	831	556	1 037	144	161	968	1 226	554	745	786	1 247	Jan.
Febr.	423	482	753	222	460	525	820	579	999	144	161	968	1 242	556	785	786	1 247	Febr.
March	431	524	761	223	470	571	829	675	990	144	161	970	1 317	557	809	786	1 247	March
April	434	546	765	225	473	594	833	727	975	144	161	971	1 326	560	816	725	1 331	April
May	437	559		228	476	609		753		144		970		566		725		May
June	450	567		264	490	618		771		144		973		567		725		June
July	463	595		306	504	648		786		161		976		570		1 103		July
Aug.	466	607		341	507	661		805		161		1 010		582		1 103		Aug.
Sept.	469	617		354	511	672		809		161		1 037		595		1 103		Sept.
Oct.	469	632		422	511	689		829		161		1 054		603		1 155		Oct.
Nov.	467	690		434	508	751		946		161		1 069		642		1 155		Nov.
Dec.	468	720		440	509	785		994		161		1 211		679		1 155		Dec.
Whole year	450	584		307	490	636		769		152		1 015		586		942		Whole year

Calculated by the Research Office of the Ministry for Social Affairs according to monthly reports from 32 different centres. For details concerning the calculation of the cost of living index see article in this Bulletin No. 6, 1937.

**37. — BANK OF FINLAND BUILDING COST INDEX. 1935=100.**

Year	Total Index					Index of the Contractor					Index of Overhead Costs					Year
	I	II	III	IV	Aver.	I	II	III	IV	Aver.	I	II	III	IV	Aver.	
1937	.	.	.	.	120	.	.	.	.	120	.	.	.	.	115	1937
1938	.	.	.	.	127	.	.	.	.	127	.	.	.	.	121	1938
1939	129	130	134	141	134	130	130	134	141	134	124	124	128	134	128	1939
1940	151	157	165	172	161	152	158	165	173	162	141	147	154	157	150	1940
1941	180	189	195	199	191	181	191	196	201	192	164	173	178	182	174	1941
1942	212	226	231	243	228	213	227	233	245	230	193	206	204	215	205	1942
1943	244	252	259	264	255	246	254	261	266	257	216	223	230	233	226	1943
1944	267	271	272	283	273	269	273	274	286	276	236	240	241	245	241	1944
1945	299	396	503	529	432	302	399	507	534	436	259	342	435	457	373	1945
1946	564	613	657	683	629	570	619	664	689	636	489	530	569	591	545	1946
1947	706	733	781	935	789	708	734	782	937	790	679	715	762	911	767	1947
1948	1 125					1 115					1 246					1948

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

## CERTAIN PARTICULARS ABOUT FINLAND.

### 1. FORM OF GOVERNMENT.

Finland formed a part of the kingdom of Sweden from 1154 to 1809; from 1909 it was an autonomous Grand Duchy connected with Russia up to December 6, 1917, when Finland declared its independence, which was acknowledged by all the Powers including Soviet Russia. It became a republic in 1919. The legislative power of the country is vested in the Diet and the President. The highest executive power is held by the President chosen for a period of 6 years. The present President Juho Kusti Paasikivi is elected for the term March 11, 1946, to March 1st, 1952.

The Diet, composed of 200 members, is elected by universal suffrage. The proportions of the different parties in the Diet elected in 1945 are at present as follows:

	Number
Democratic League .....	51
Agrarian party .....	48
Social-Democratic party .....	48
Unionist party .....	29
Swedish party .....	14
Progressive party .....	9
Swedish Liberal Party .....	1

### 2. LAND.

THE AREA is 337 113 square kilometres (Great Britain's area is 245 000 sq. km and Italy's area 310 000 sq. km). Of the total area 9.4 % are inland waters. On an average 13.5 % of the land in the South of Finland is cultivated, 1.6 % in the North, 7.5 % of the whole land. Of the land area 21.7 mill. ha (53.5 mill. acres) or 70.9 % are covered by forests.

### 3. POPULATION.

NUMBER OF INHABITANTS (1945): 4.0 millions (of whom 0.2 million emigrants). Sweden (1945) 6.7, Switzerland (1945) 4.4, Denmark (1945) 4.1 and Norway (1941) 3.0 millions.

DENSITY OF POPULATION (1945): In South Finland 22.1, in North Finland 3.1 and in the whole country an average of 12.2 inhabitants to the square kilometre.

DISTRIBUTION (1945): 76.1 % of the population inhabit the country, 23.9 % the towns and urban districts. The largest towns are (1945): Helsinki (Helsingfors), the capital, 338 836 inhabitants, Tampere (Tammerfors) 87 123, Turku (Åbo) 81 494.

OCCUPATION (1940): agriculture 51.5 %, industry and manual labour 21.0 %, commerce 5.1 %, transport 4.5 %, other occupations 17.8 %.

LANGUAGE (1940): Finnish speaking 90.0 %, Swedish speaking 9.6 %, others 0.4 %.

RELIGION (1945): Lutheran 96.0 %, Greek-Orthodox 1.8 %, others 2.2 %.

EDUCATION (1945): Practically all persons over 15 years of age are literate. There are three universities (the oldest founded in 1640) and 7 colleges of university standard.

INCREASE OF POPULATION (1945): Births 24.1 ‰, deaths 12.7 ‰ (deaths in France in 1943 16.4 ‰ and in England in 1943 12.1 ‰) natural increase 11.5 ‰.

### 4. TRADE AND COMMUNICATIONS.

FOREST RESOURCES (1945): The growing stock of the forests is 1 370 million cub. m (48 379 million cub. feet). The stock of standing timber measuring 6 in. at a height of 18 ft. amounts to 1 031 million trees. Of this number pine is represented by 63.8 %, spruce by 30.1 %, the conifers thus constituting 93.7 % or 966 million trees, leaf-trees, mostly birch,

6.3 % or 65 million trees. The annual increment is 41 million cub. m (1 441 million cub. ft.). The total removal in the felling season 1945/46 was 47 million m<sup>3</sup> (1 672 million cub. ft.).

AGRICULTURE (1945): Cultivated land 2.3 million hectares, divided as follows: area under cultivation under 10 hectares 38.1 %, 10—50 ha 54.4 %, 50—100 ha 7.2 %, over 100 ha 5.3 %. Cultivated land is divided between the different kinds of crops as follows: 56.2 % hay, 13.2 % oats, 6.2 % rye, 6.1 % wheat, 5.9 % barley, 3.0 % potatoes, 9.4 % other. The number of dairies in 1944 amounted to 512.

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

INDUSTRY (1944): Number of industrial concerns 4 559, workpeople 180 546, gross value of products of industry 37 872 million marks.

LENGTH OF RAILWAYS (1946): 4 928 km, of which 4 687 km State railways and 241 km private. The gauge is in general 1.524 m.

MERCHANT FLEET (1946): Steamships 333 (279 523 gross reg. tons), motor vessels 68 (23 750 gross reg. tons), sailing ships with auxiliary engine 135 (13 681 gross reg. tons), other sailing ships 13 (2 794 gross reg. tons). Total 549 (329 758 gross reg. tons).

### 5. FINANCE AND BANKING.

CURRENCY. Since 1860 Finland has its own monetary system. From 1877 up to 1914 the currency maintained its stable gold value, and after the disturbances caused by the war a gold standard was again introduced from January 1st, 1926. The unit of currency is the mark (Finnish 'markka' = 100 pennä). According to the monetary law of December 21, 1925, a gold coin of 100 marks' value shall contain 3 <sup>11</sup>/<sub>10</sub> grams of fine gold. Since October 12, 1931, the redemption of bank notes in gold is, however, suspended.

STATE FINANCES. According to the finance accounts for 1946 the State revenue was 104 345 million marks of which 66 400 million marks were current revenue, and State expenditure 100 106 million marks, of which 76 159 million marks were current expenditure. The principal sources of revenue were as follows: direct taxes 30 724, indirect taxes 6 866, sales tax 13 536, interest and dividends, etc. 5 836, State property and undertakings (net) 2 073, and capital revenue 37 945. For Public Debt see table 20 in this issue.

MUNICIPAL FINANCES. According to the finance accounts for 1943 expenditure amounted to 4 792 million marks. Income from taxation was 2 360 million marks, taxed income 29 308 million marks. The municipal income tax (non-progressive) averaged 8.1 % of the ratepayers' income.

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

THE COMMERCIAL BANKS (1946): Number 7, possess 460 offices, where all kinds of banking business is transacted. There is one banking establishment per 8 095 inhabitants.

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

OTHER BANKS (1946): Mortgage banks 5, Savings banks 470, Co-operative Credit Societies 890 and a Central Bank for the latter.

## FINLAND'S FOREIGN TRADE IN 1947.

BY

T. G. MÄTHELIN, MAG. PHIL.

HEAD OF THE STATISTICAL DEPARTMENT OF THE BOARD OF CUSTOMS.

In 1947 foreign trade took a long stride towards recovery. The volume of imports reached 93 per cent of the figure for the „normal” year 1935, compared with only 51 per cent in 1946. Free, or commercial, exports increased correspondingly from 47 to 62 per cent, and total exports, i. e. including reparation goods to the Soviet Union, from 67 to 83 per cent. Imports have thus increased by 82 per cent, and free exports by 32 per cent in one year.

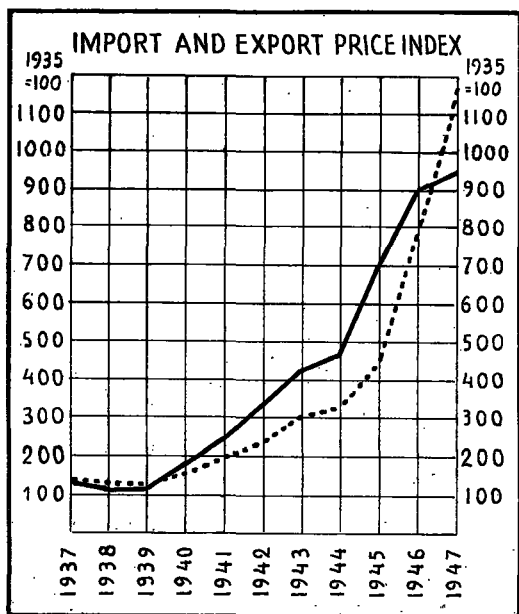
These volume figures appear to denote a strong passivity in the balance of payments between free exports and imports, though in actual fact this was not the case. Prices developed very favourably for Finland, for whereas imported goods had become only 6 per cent dearer since the preceding year, Finland received up to 50 per cent more for the goods she exported. The following figures of total exports and imports show that the deficit in the foreign trade balance was not particularly large.

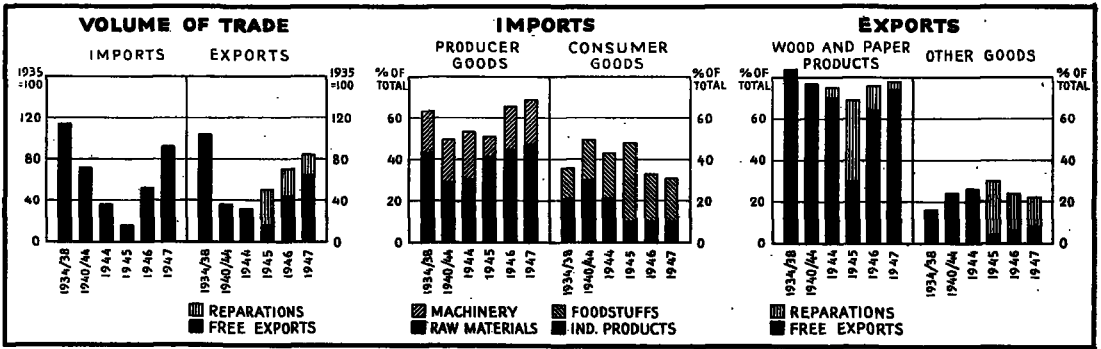
	1946 Mill. mk	1947 Mill. mk
Free exports (fob) .....	23,051	45,228
includes transfer of German assets .....	—	2,032
War reparation deliveries .....	9,430	10,405
All exports .....	32,481	55,633
Imports (cif) .....	24,274	46,971
Surplus of total exports .....	8,207	8,662
Balance of free exports and imports .....	-1,223	-1,743

The value of both commercial exports and imports nearly doubled from 1946 to 1947. The balance of trade was markedly active in both years if war reparations are included, but slightly passive if it is calculated on the basis of commercial exports only. Nevertheless a closer analysis of these figures reveals that the commercial balance was really active. The reason is that the Finnish trade statistics are based on cif prices for imported goods and fob prices for exported goods, and if the latter are increased by the costs for freight, insurance, etc. paid by the buyers and amounting to roughly 10 or 15 per cent of the fob value, the commercial exports will be larger than imports in both years. This is the case even if the total of free exports is reduced by the value of the goods Finland delivered in 1947 to the Soviet Union instead of German assets here. These deliveries increased the apparent surplus of imports by 2,032 million marks, or from 1,743 millions to 3,775 millions.

### EXPORTS.

It has already been pointed out that total exports in 1947 were over four-fifths of the pre-war volume. This result must be regarded very satisfactory in view of the many adverse circumstances, such as the loss of territory and the shortage of fuel and man-power, which have affected





production since the war. Free exports — slightly under two-thirds of the pre-war volume — were further affected by the war reparations, seeing that these, besides consisting in part of Finland's regular export goods, engage considerable productive forces which otherwise could serve the export trade. Yet it should be noted that the proportion of war reparations in total exports fell from 29 per cent in 1946 to 19 per cent in 1947.

The following figures illustrate the composition of *free exports*:

	1946 Mill. mk	1947 Mill. mk
Timber and timber products ..	9,744	19,467
Paper industry products .....	11,200	21,723
Total .....	20,944	41,190
Other goods .....	2,107	4,038
Total exports .....	23,051	45,228

The timber and paper industry products now dominate this list still more than before the war. Before 1939 they were between 80 and 85 per cent of all exports, now the proportion is 91 per cent. Formerly, „other exports” consisted partly of foodstuffs — 8 to 10 per cent of all exports — the rest being chiefly manufactured goods, e.g. metal, mineral and textile goods. Now exports of foodstuffs are practically nil and the only important goods in this group — 9 per cent of all exports — are textiles, some of which are manufactured in Finland from the customers' own raw materials, copper and copper products, and ceramics.

The composition of *war reparation exports* differs greatly from that of free exports, and the following values are

obtained if the same nomenclature as above is used:

	1946 Mill. mk	1947 Mill. mk
Timber and timber products .....	1,968	1,223
Paper industry products .....	1,636	1,688
Total .....	3,604	2,911
Other goods .....	5,826	7,494
Of these: vessels .....	1,713	2,674
machinery .....	2,480	2,506
railway rolling stock .....	494	834
electric machinery and equipment .....	490	641
copper and copper products .....	354	382
iron and steel .....	159	372
All exports .....	9,430	10,405

The share of timber and paper products in the war reparations fell from 38 per cent in 1946 to 28 per cent in 1947, and of other goods it increased from 62 to 72 per cent. This change in the composition indicates, on the one hand, that more timber and paper products became available for free exports, and on the other hand the increasing pressure on the so-called home market industries, chiefly shipbuilding and engineering. In a small country like Finland it is natural that the high proportion of metal industry products in war reparations has led to considerable structural changes in industrial activity.

The composition of total exports including war reparations is thus very different from that of free exports. The proportion of timber and paper industry products is 76 per cent of all exports in 1946 and 79 per cent in 1947, whereas the proportion of other goods is 24 and 21 per cent respectively.

Exports of the principal commodities in 1946 and 1947 are shown below:

	1946			1947		
	Free Exports	War Reparations	Total	Free Exports	War Reparations	Total
	000's omitted					
Round timber, cub. metres .....	1,304	337	1,641	1,928	186	2,114
Sawn timber, standards .....	278	82	360	416	37	453
Prefabricated houses and barracks, kgs .....	121,806	35,820	157,626	148,881	16,092	164,973
Plywood, cub. metres .....	110	27	137	155	20	175
Mechanical pulp, kgs .....	66,258	21,630	87,888	65,126	22,937	88,063
Sulphite cellulose, kgs .....	202,565	55,318	257,883	289,697	48,845	338,542
Sulphate cellulose, kgs .....	180,948	27,967	208,915	278,497	25,451	303,948
Board and cardboard, kgs .....	91,728	9,209	100,937	103,112	9,272	112,384
Newsprint, kgs .....	207,511	10,108	217,619	246,378	—	246,378
Printing paper, other qualities, kgs .....	49,073	9,972	59,045	60,056	10,506	70,562
Wrapping paper, kgs .....	53,067	2,680	55,747	66,745	1,601	68,346
Pig iron, kgs .....	11,787	—	11,787	7,335	—	7,335
Copper, kgs .....	5,104	5,489	10,593	6,202	4,823	11,025
Machinery, electrical and other, kgs .....	587	25,274	25,861	875	25,829	26,704

With a few minor exceptions, exports of all classes of commodities have increased since 1946. The advance was particularly marked in sawn timber, plywood, chemical pulp and newsprint. Practically the whole increase was in the free exports, which incidentally profited from lower war reparation deliveries of round timber and prefabricated houses.

#### IMPORTS.

Imports in 1947 were not large enough to satisfy the great post-war demand for commodities, although they amounted to nine-tenths of the pre-war volume — a level that must be regarded as satisfactory under the circumstances. The domestic output of agricultural products is still far from normal, so that large quantities of grain and other foodstuffs have to be imported. At the same time the reparations and other industries as well as agriculture call for larger imports of machinery and raw materials than before. As the possibilities of importation are limited by the shortage of foreign exchange, it has so far been necessary to confine imports of consumer goods proper, such as textiles, etc., to fairly small quantities. This is clearly reflected in the following figures:

	1946 Mill. mk	1947 Mill. mk
Raw materials and semi-manufactured goods .....	10,754	22,719
Machinery and vehicles .....	4,887	10,105
Food and luxuries .....	6,311	9,635
Other consumer goods .....	2,322	4,512
<b>Total imports .....</b>	<b>24,274</b>	<b>46,971</b>

Since 1946, there has been an increase in all groups. The smallest is that of „other consumer goods” which to-day is only ten per cent of the total imports, as against more than the double, or 21 per cent, in 1935. In 1946 and 1947 imports of food and luxuries were 26 and 21 per cent respectively of all imports, the corresponding pre-war figure being only 15 per cent. These two groups of consumer goods were together 36 per cent of all imports in 1946 and 31 per cent in 1947. The corresponding proportion in 1935 was also 36 per cent. The 1947 figure was exceptionally low. The proportion of machinery and vehicles was 20 per cent in 1946 and 21 per cent in 1947, and in 1935 approximately the same, or 19 per cent. Imports of raw materials increased from 44 per cent in 1946 to the record figure of 48 per cent in 1947. Thus the combined imports of the producer goods included in these two groups amounted to the high figure of 69 per cent of total imports in 1947, compared with 64 per cent in 1935, and the increase in industrial activity in 1947 — about 20 per cent according to the „Unitas” index — is partly to be ascribed to them. In agriculture there has been no corresponding rise up to now, though last year's large imports of fertilizers are expected to show results in this year's crops.

The following table shows imports of some important commodities in 1946 and 1947:

	1946 Metric tons	1947 Metric tons
Wheat, grain .....	96,419	91,787
Rye, grain .....	156,129	173,880
Raw coffee .....	3,736	5,290
Sugar .....	32,498	48,464
Raw tobacco .....	1,958	3,095
Nitrogenous fertilizers ..	21,283	58,766
Phosphatic fertilizers ...	91,981	239,053
Potassic fertilizers .....	36,685	74,975
Oil-cakes and groats ....	11,260	20,560
Raw cotton .....	8,518	10,654
Wool .....	1,432	3,222
Cotton fabrics .....	265	719
Woollen fabrics .....	211	439
Coal and coke .....	928,861	1,497,886
Iron and steel bars ....	45,249	85,532
Iron and steel sheets and plates .....	32,834	50,512
Petrol .....	42,329	148,748
Automobiles and chassis	4,433 1)	3,538 1)

Imports of practically all commodities enumerated above increased in 1947, and particularly those of fertilizers, oil-cakes, coal and coke, iron and steel bars, and petrol. Imports of grain are many times larger than before the war. In 1939, for example, imports of wheat were only 22,000 tons, and of rye less than 15,000 tons. As regards iron and steel bars, iron and steel sheets and plates, and petrol, last year's imports were larger than pre-war, but the demand for them here was also larger. The same applies to coal and coke, total imports of which equalled the 1939 tonnage. Imports of coffee were only one-fifth of the pre-war figure, and those of sugar one-half. Tobacco purchases, again, were not far from the pre-war level. Imports of cotton and wool were comparable to pre-war quantities, but part of these raw materials were imported only to be processed in Finnish mills for the account of foreign customers. The quantity of cotton fabrics imported was roughly one-third, and that of woollen fabrics only slightly over one-fourth of the pre-war quantities.

#### TRADE WITH DIFFERENT COUNTRIES.

Finland's foreign trade, like that of many other European countries, is to-day

based in a certain measure on bi-lateral trade agreements. In 1947, such agreements were concluded with 16 countries, and they covered about half of Finland's total foreign trade. The other half was traded with Great Britain and countries outside Europe, chiefly the United States. The figures below show total free exports and imports to and from the principal countries in 1947.

	Imports Mill. mk	Free Exports Mill. mk
Great Britain .....	8,201	13,579
U. S. A. ....	11,139	5,193
Soviet Union .....	5,306	5,607
Denmark .....	3,017	3,239
Belgium—Luxemburg ....	3,725	2,343
Sweden .....	2,252	2,590
Netherlands .....	2,202	2,055
Argentina .....	2,361	1,427
France .....	2,018	1,740
Poland .....	1,712	948
Norway .....	1,835	922
Brazil .....	1,236	508

Thus Finland's leading trade partners are Great Britain, U. S. A. and the Soviet Union. Great Britain is the biggest buyer of Finnish goods, and the United States the principal supplier of imported goods. The large excess of imports over exports in Finnish-American trade is a result of the credits Finland has received in the United States during the past years. On the other hand, the excess sterling exchange yielded by trade with Great Britain, could largely be used for importing goods from other countries. The Soviet Union is Finland's largest customer after Great Britain, and trade with that country is fairly well balanced. It should be noted that in the above list the imports and exports are attributed to the selling or buying country respectively, although the statistical imports from Great Britain, U. S. A. and the Soviet Union include large quantities of goods originally produced in other countries, and Finnish exports to Sweden and Norway, for instance, include items shipped for re-exportation.

1) Number of units.

## THE POST-WAR LAND REFORM IN FINLAND.

BY

MAUNO LAISAARI, LL. B.

### THE BACKGROUND.

Under the Armistice Agreement of September 19, 1944, concluded with Great Britain and the Soviet Union, Finland ceded to the Soviet Union the greater part of Carelia, part of the commune of Salla and the district of Petsamo, and also surrendered on lease for a period of fifty years the territory of Porkkala. The entire population of these territories moved to present-day Finland. Roughly half of these nearly 500,000 people had been occupied in agriculture and its branches.

Before this, land-ownership conditions in general were unsatisfactory, chiefly because the farms, under the succession laws and for certain other reasons, had been divided into too small units. Further, some of the farms, which after 1918 rose under the law that allowed holders of leased land to buy it, were too small, and it was considered opportune, when settling the fate of the displaced agricultural population, to carry out a land reform which should simultaneously solve both problems. The Government had also promised to grant land to those ex-servicemen who desired it, and thus Finland had to face, in her difficult post-war economic period, a task that was complicated and far-reaching, both in theory and in practice.

Finland's land reform greatly differs from that of countries where the main issue was the division of large estates for those in need of land. Finland is a country of small farms. An estate of 100 hectares of tilled land or more is considered large. In 1941, such estates numbered 755, or 0.2 per cent of the total number of holdings; since then they have decreased. Those with 50—99 hectares of tilled land numbered 2,568 (0.8 per cent), and those with less

than 15 hectares 272,985, or 86.6 per cent of the total number. Under such circumstances land reform becomes very complicated and obviously involves the clearing of hitherto untilled land.

The basis of the reform is the Land Expropriation Act of May 5, 1945, under which land can be given to farmers from the ceded territories, to the war-disabled, war widows and their families, war orphans, married ex-servicemen, certain categories of tenants, and finally to such farm labourers as lost their occupation through the expropriation. Moreover, land can be granted to add to too small holdings. Displaced farmers are given preference because their re-settlement, besides being highly important for the increase of agricultural production, is a major social issue under the present difficult housing and occupational conditions.

### THE SURRENDERERS OF LAND.

All land-owners have to surrender land and are divided into categories according to the order of surrendering. Land shall first be taken from State land, next from neglected farms and those belonging to real estate speculators, from companies, from benefit estates held by clergymen and organists, from estates belonging to the Church, communes, foundations and societies, and finally from all estates of which the owners are not farmers by profession or do not need land for the pursuit of their occupation. Only after this, and if it becomes apparent that these categories cannot provide enough land for the settlement scheme, land can be taken from private owners, who are classified as secondary surrenderors. Yet every private landowner must be left with enough land to enable him to

continue living on it as a farmer and to support his family. For this purpose a farm is regarded as requiring a minimum of 15 reduced hectares of cultivated soil and enough forest to provide wood for home consumption and for sale. If the landowner has children he may keep an additional 15 hectares of land plus forest for the first two children and half of that for each of the others. The expropriation of land from these secondary surrenderors shall first apply to large estates and affect them more severely than the others; therefore the Government has fixed a progressive scale beginning with farms of 25 hectares of tilled land, from which 10 per cent or 2.5 hectares can be taken. The percentage increases with the size of the estate to a maximum of 80 per cent for one of 800 hectares or more of tilled land.

The Act arranges for the provision of farms, homesteads, fishing-sites, dwelling-sites, building-plots, so-called compensation forests, common forest land and pastures; for the acquisition of additional land for too small farms and additional common water areas; also for the acquisition of any more land that may prove necessary, such as sites for co-operative agricultural machinery centres. As regards the location of these holdings, dwelling-sites and building-plots are provided where their owners can be sure of permanent employment, homesteads where intensive farming is possible owing to accessible markets or where sufficient permanent employment is available or where the soil and communication facilities are exceptionally good, and fishing-sites at the seashore or among the coastal islands. As to the farms of which the owners shall be able to live exclusively on agriculture, they are to be provided wherever the conditions are suitable.

#### PRICE OF LAND AND CONDITIONS OF PAYMENT.

Surrenderors are paid the current local price on December 31, 1944 for land serving the same purpose as that for which it is expropriated. The surrenderor may also sell voluntarily, and certain provisions of the law actually aim at making this the normal procedure. The price of such

land is not to be higher than that of expropriated land, but the seller has the opportunity of accepting an offer more advantageous than the Treasury bonds given by the State. These are 4 per cents made out in the receiver's name and redeemable after fifteen years from the date of issue. If the sale is voluntary the seller and buyer may agree on the offer, but if the buyer lacks funds the State may make up the amount in bonds bearing 5 1/2 per cent interest and redeemable after ten years.

The receiver of land pays the price of it or re-pays the loans advanced by the State for purchasing it or for other legitimate purposes (building, buying furniture, and clearing the land) in 5 per cent annuities, 3 per cent representing interest and 2 per cent amortization. No annuities are paid during the first five years after the buyer has taken possession of the land. The displaced agricultural population, having received, under the Second Indemnification Act (May 5, 1945), compensation for property lost on the territories ceded or leased to the Soviet Union, shall use the indemnity bonds thus received for paying to the State the price of the land provided, and the loans advanced by the State for land-purchase, building, furniture and clearing. The compensation paid under the Second Indemnification Act consists of bonds bearing an inflation clause — their price is tied to the wholesale price index for Finnish goods — therefore bonds given in payment for land must be accepted, with a single exception, at their nominal value, i. e. without any inflation increment, whereas the debtor is credited with the inflation increment in repaying all other loans to the State. In this way the displaced person gets the new land at the price quoted on December 31, 1944, or in other words on the same price basis as he received compensation for the farm he had lost. If, on the other hand, the displaced farmer receives a piece of uncleared land with no buildings, the building and clearing cost him more as the inflation progresses; but because of the inflation clause operating in respect of loans granted for this purpose, his position is roughly the same as that of the person



who received a farm ready to occupy and work, the price of which was fixed on the basis of the price-level in 1944.

At first sight one might consider the surrenderors of land greatly prejudiced because the bonds delivered in payment bear no such inflation clause. This disadvantage, however, is more apparent than real, and for the following reason: the compensation due by virtue of the Second Indemnification Act is paid from funds collected by a levy on all property, including agricultural estates, and land-owners are entitled to pay this levy in the very bonds received for the land surrendered. In practice, however, the matter is not quite so simple, for the levy percentage, which is calculated on the whole property, is in most cases not the same as the percentage according to which land must be surrendered. If a landowner is compelled to surrender more land than corresponds to the levy imposed on him, he is at a disadvantage in comparison with other payers of the levy. For this reason surrenderors of land are justified in contending that the economic burden due to the cessions and lease of territory is heavier for owners of farm-land — excluding the displaced population — than for others.

#### THE ADMINISTRATION OF THE ACT.

The administration of the Land Expropriation Act is in the hands of the Settlement Division of the Ministry of Agriculture, assisted by a consultative Land Board. The local executive organs are the Land Redemption Boards and the Settlement Boards. Appeal from the decisions of the Land Redemption Boards is open to an Examination Court, whose decisions can, in certain cases, be submitted to the Supreme Court. According to Finland's principles of legal procedure a protest can always be lodged with the Supreme Court against the decisions of the Examination Court, if it is contended that its action has not been legal.

The administration of the Land Expropriation Act was to a certain extent facilitated by the fact that Finland in 1940 had surrendered approximately the same territory as in 1944 and that a re-settle-

ment of the then displaced agricultural population had begun under the so-called Emergency Settlement Act of June 28, 1940. The execution of this Act was, however, suspended after the territories ceded and leased to the Soviet Union had been re-united with Finland on December 6, 1941. The greater part of the displaced population then returned to their former homes and the expropriated areas remaining in the hands of the State were let to other farmers. It has been calculated that approximately 25 per cent of the necessary fields, pastures and arable land had been expropriated when the re-settlement was suspended, and most of the expropriation measures were allowed to drop.

A total of 154,710 applications for land have been made under the Land Expropriation Act; 39,241 of these being filed by displaced persons. They were grouped as follows according to the types of land demanded: 40,249 farms, 32,848 homesteads, 2,875 fishing-sites, 25,405 dwelling-sites and 37,794 building-plots. The Act did not get properly started before the end of Summer 1945. Up to October 1, 1946, 14,606 applicants had received land. This figure includes 8,100 displaced persons who have priority in the matter and of whom about 20 per cent were settled. By the end of May 1947, 27,208 applicants had received land, 51 per cent of them being displaced persons. As by that time another 9,500 displaced persons had bought land through voluntary sale, and 4,851 persons had revoked their application and 2,335 had refused to accept the land offered, thereby losing their rights to land, besides which a number of applications were rejected for other reasons, roughly 68 per cent of those entitled to land had been re-settled. As to the other categories the majority of the applicants were still waiting for their land. By March 1, 1948, 36,693 occupation agreements had been made, 18,100 of these referring to displaced persons. As 3,070 displaced persons had refused to make occupation agreements and some more voluntary sales had taken place, it is obvious that the first phase of the re-settlement of the displaced population (viz. the creation of farms and other

land-units and the turning over of these to the new holders) will soon be completed. In other respects the execution of the Act will take a very long time yet. The creation of fishing-sites, in particular, has met with difficulties, because the population of the coastal regions most suitable for them is largely Swedish-speaking, and by a governmental decision the number of people placed in a Swedish district may not change the proportion between the language groups by more than two per cent.

According to statistics compiled by the Settlement Division of the Ministry of Agriculture the area of land expropriated under the Land Expropriation Act up to March 1, 1948, included 276,784 hectares of tilled or arable land, and 721,805 hectares of other land, or a grand total of 998,589 hectares. Measures aimed at procuring an estimated 40,523 hectares of tilled or arable land and 106,965 hectares of other land, or altogether 147,488 hectares were still awaiting final decision. Besides this, 117,118 hectares of tilled and arable land and 204,819 hectares of other land — or 321,937 hectares in all — had been procured by the same date by voluntary sale or lease for the purposes of the Land Expropriation Act. We thus find that 393,902 hectares of tilled and 926,624 hectares of other land, making a total of 1,320,526 hectares, had been procured under the scheme up to March 1, 1948. The occupation agreements concluded and the division of this area between the different types of land were as follows:

	Number of agreements	Hectares
Farms .....	11,392	987,158
Homesteads .....	4,696	179,603
Dwelling-sites .....	6,791	26,083
Building-plots .....	7,642	5,020
Fishing-sites .....	335	7,479
Pastures .....		8,606
Common forest land .....	497	16,000
Other types of land .....		2,532
Additional land areas .....	5,340	88,045
<b>Total</b>	<b>36,693</b>	<b>1,320,526</b>

With regard to the different categories of surrenderors the area was divided as follows:

	Hectares
State .....	405,906
Owners of neglected farms .....	60,514
Real estate speculators .....	2,802
Companies, foundations and societies ..	237,460
Communes .....	60,059
Church .....	65,425
Landowners who are not mainly farmers	125,026
Secondary surrenderors .....	273,110
Other landowners, not compelled to surrender land .....	90,224
<b>Total</b>	<b>1,320,526</b>

The surrenderees are classified as follows:

	Hectares
Displaced persons .....	844,684
War-disabled .....	35,424
War widows .....	4,334
War orphans .....	286
Ex-servicemen .....	134,265
Labourers from expropriated farms ...	9,999
Tenants .....	29,650
Receivers of additional land .....	83,900
Unsettled .....	177,984
<b>Total</b>	<b>1,320,526</b>

As we have already pointed out, the small-farm structure of Finnish agriculture made it necessary to create a large number of so-called „cold farms” i.e. those lacking buildings, cultivated fields and even roads. The number of such units created before March 1, 1948, was 1,587 homesteads, 3,994 farms and 71 joint farms, or 5,652 units in all. These statistics do not include fishing-sites, dwelling-sites and building-plots, for obviously these are practically always supplied without buildings.

The task of clearing the „cold farms” and in general of erecting the necessary buildings on the areas supplied under the Act, and making them profitable, is one of the most difficult problems arising from the land reform. No reliable estimates are available of the money involved, but it is probably not far from equal to the whole burden of compensation for property lost in the war, or about 35,000 million marks according to the price-level of 1944. The continuous shortage of building materials, the commitments of the State, and the wiping out of the war damage to agriculture, industry and other means of production, are all factors which hamper and retard the land reform.

## ITEMS.

**Finland's short-term foreign accounts.**

Data are now available regarding Finland's short-term foreign debts and credit balances at the end of 1947. The particulars are neither complete nor exact in all respects, yet on the whole they give a correct idea of the movements of short capital between Finland and foreign countries. The figures are calculated at current rates of exchange.

	1946 Dec. 31 Mill. mk	1947 Dec. 31 Mill. mk
<i>Indebtedness:</i>		
Government .....	4,179	4,180
Bank of Finland .....	1,519	1,899
Clearing accounts .....	7,480	3,322
Commercial Banks .....	363	452
Bank guarantees .....	583	4,037
Other known debts .....	1,274	690
	Total 15,398	14,580
<i>Credit balances:</i>		
Bank of Finland .....	5,041	6,468
Clearing accounts .....	59	1,050
Commercial Banks .....	2,678	4,343
Other known balances .....	131	198
	Total 7,909	12,059
<i>Net debit balances</i> .....	7,489	2,521

External debts decreased by 818 million marks in 1947 and were 14,580 million on December 31. There was a reduction of 4,158 million marks on clearing accounts, the greater part of it, or 3,048 million, consisting of the discharge of the debt to the Soviet Union on account of former German property in Finland, the remainder resulting from ordinary commercial transactions. The increase in bank debts and bank guarantees is a consequence of the general progress in foreign trade. It is accompanied by a corresponding increase in all kinds of credit balances the total of which increased by 4,150 million marks last year, or to 12,059 million. Net short term debit balances were reduced by 4,968 million in the course of the year.

**Trade agreements.** A trade agreement was made between Finland and Denmark at the end of March involving an exchange of goods valued at 100 million Danish crowns in each direction. The meat bought from Denmark has no doubt had a favour-

able influence on the prices of meat, and with the aid of Danish butter the fat rations have been greatly increased.

In April an agreement was made with France regarding the exchange of 9 million francs' worth of commodities which means a considerable increase since last year. France sells such goods as phosphates (185,000 tons), potassium salts (5,000 tons), soda, paints and textiles. Instead Finland delivers sawn timber, paper, cellulose, and other woodworking products.

**The food and clothing situation.** The conditions of consumption show signs of improvement. The necessary cereals are secured for one year ahead as, according to a trade agreement, the Soviet Union will deliver 250,000 tons of cereals this year. As 450,000 tons of artificial fertilizers have been procured from abroad (in 1936-1940 204,300 tons on an average) to make up for arrears in the maintenance of the fields, agricultural prospects seem good. The situation in regard to meat and sugar is also satisfactory, while it is weak in regard to textiles and milk. The textile industry now produces about 75 per cent of the pre-war quantity. Milk production is only about two thirds of the normal owing to weak fodder and a reduction in the number of milking cows.

The development of the caloric value of the daily food rations of persons in intellectual or light manual work in recent years is seen from the following figures:

May, 1941 .....	1,526
" 1942 .....	1,089
" 1943 .....	1,293
" 1944 .....	1,338
" 1945 .....	1,119
" 1946 .....	1,396
February, 1948 .....	1,601

The rations have included cereals, milk, butter, margarine and sugar, and up to the end of 1946 also meat, which was de-rated in 1947. Potatoes which are very important in Finnish consumption are not included in the above figures.

**The fuel situation.** As previously mentioned (see p. 37 in this Bulletin Nos. 4—6, 1947), forest trade became free of all control on June 1st, 1947. As it was apparent that the necessary supply of firewood was not coming forth, the Government took steps to reintroduce the control of this commodity, making the necessary proposal to the Diet on October 3, 1947. Yet, on May 5, 1948, the proposal was withdrawn because the fuel situation has greatly improved. This is due to various trade agreements, as a result of which imports of coal will increase by 50 per cent since last year, and to the fact that firewood can be transported from districts where there is a surplus to those where there is a shortage, compulsory cuttings thus being superfluous.

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**Merchant fleet.** At the end of April 1948 the merchant fleet totalled 644 vessels (504,139 gross reg. tons). This included 383 steamers of 415,802 gross reg. tons, 96 motor vessels of 61,764 tons, 154 sailing vessels with auxiliary motors of 14,654 tons, and 11 sailing vessels of 11,919 tons. The sea-going vessels, i. e. those of 500 gross reg. tons or more, numbered 197 (442,681 gross reg. tons). On the eve of World War II the corresponding figures were 284 and 593,800 tons. This year 5 steamers totalling 7,085 tons and the motor vessel „Aruba” of 9,819 tons have been bought. The „Aruba” is the largest vessel of the Finnish merchant marine. In spite of the purchases the fleet is rather old, 1908 being the average year of construction. The vessels acquired in 1947—1948 were built in 1919 on the average.

## BANK OF FINLAND

(Cable address Suomenpankki)

### BOARD OF MANAGEMENT:

Tuomioja, Sakari, Governor  
Kivialho, K.  
Raittinen, Paavo  
Kekkonen, Urho  
Sundman, C. G., ad. int.

### HEADS OF DEPARTMENTS:

Suviranta, Br., Economic Adviser	Österlund, P.-E., Clearing
Leinonen, Esko K., Secretariat	Kajantie, A., Control
Tudeer, A. E., Institute for Economic Research	Tauriala, T., Foreign currency
Engberg, G., Personnel	Wahlman, Rob., Cash
Westling, Gunnar, Office	Jens, J., Foreign correspondence
Blomquist, P., Accounts	Helander, J., Foreign currency control
	Räikkönen, P., Documentary credits