



BANK OF FINLAND

MONTHLY BULLETIN

Vol. XXIX. No. 10

OCTOBER

1955

THE FINNISH MARKET REVIEW

MONETARY SURVEY

In Finland, as is the case in other countries where the pace of economic activity is largely determined by the volume of exportation, the increase in exchange reserves during a boom such as the present one is a considerable inflationary factor in that it tends to increase the supply of money. During the current year the Government has further raised the amount of central-bank money in private hands by drawing on its balances with the Bank of Finland in order to cover a deficit due to large subsidies. To counterbalance this increase and neutralise its inflationary effects, the Bank has frozen part of it on cash reserve account and on the account for deposits against licences. In addition, the issue of special import licences necessitating payment within a short period has made it possible to restrict the supply of money at times when the need for such restriction has been most urgent. The same effect is produced by exporters voluntarily depositing part of their income from exports on account with the Bank of Finland. The following tables show, for the nine first months of the year, the changes in the principal factors influencing the amount of central-bank money and their effect on the outstanding amount.

The small increase in net foreign balances is evidence that the Bank of Finland has checked the growth of exchange reserves in spite of favourable export conditions. The deficit in State finances was to be anticipated, but the increase in advances to enterprises was unexpectedly great. Of the

<i>Main factors affecting central-bank money</i>	Effect on central-bank money	
	Jan.—Sept. 1955	Mill. mk
Net foreign balances, increase	+ 1,300	
Cheque account of the Treasury, decr.	+ 6,700	
Advances to business enterprises, incr.	+ 6,600	
Cash reserve account, increase	— 5,400	
Deposits against import licences, incr.	— 2,900	
Exporters' voluntary deposits, increase	— 1,100	
Other factors, net change	— 2,600	
	+ 2,600	
Rediscounts, decrease	— 1,700	
	<hr/>	
	Net change	+ 900
<i>Categories of central-bank money</i>	Change	
	Mill. mk	
Notes in circulation	+ 2,700	
Cheque accounts of banks	— 1,300	
Other cheque accounts	— 500	
	<hr/>	
	Net change	+ 900

latter increase, however, the major proportion relates to foreign credits and export prepayments received by firms with the Bank of Finland acting as intermediary. The Bank's advances proper increased by 2,200 mill. marks; during the last three months of the period they were decreasing.

Taken together, these three items indicate a rise of 14,600 mill. marks in central-bank money, but their effect was mainly neutralised by measures of monetary policy. The cash reserve accounts, the deposits against licences, and exporters' deposits between them disposed of 9,400 mill. marks, while the other counterbalancing items totalled 2,600 million. As, in addition, the commercial banks reduced their rediscounts by 1,700 mill. marks,

there remains a mere 900 million to represent the increase in central-bank money in the hands of the public and the banks. The lower table shows the influence of these changes on the various categories of central-bank money: notes in circulation increased by 2,700 mill. marks, while the cheque accounts of the banks and the public decreased by 1,800 million in all.

Despite the fact that the increase in central-bank money was restricted to a reasonably small amount, and that the credit institutions have been instructed to exercise great restraint in their lending, the banks' advances to the public have during the current year grown as much as they did in 1954. From the beginning of the year to the end of August, the credits granted to the public by credit institutions (excl. the Bank of Finland) increased by 30,300 mill. marks, as against 30,000 million during the corresponding period of 1954. This considerable growth was occasioned by the strong demand for credit, which was, in turn, caused by heavy investment, but also partly by the fact that, owing to shipment delays, exporters were late in repaying their seasonal credits.

Deposits in the credit institutions increased slightly less than did their lending. Up to the end of August total deposits by the public grew by 26,400 mill. marks, of which 3,100 million related to cheque accounts.

At the end of September the cash of the commercial banks amounted to 6,000 mill. marks and their rediscounts to 6,600 million, so that the balance was negative, minus 600 million. Thus, their lending ability was weaker than it was at the beginning of the year, the balance then being plus 1,100 million. The only means they possess further to increase advances is thus to increase rediscounts, but on the other hand the Bank of Finland, by charging penalty rates of interest on rediscounts, is trying to compel the banks to restrict their lending as much as is possible.

CASH RESERVE REQUIREMENTS

In February, eight-month agreements were made between the Bank of Finland and the private credit institutions, the latter undertaking to deposit on cash reserve account with the Bank of Finland a certain proportion of the increase in deposits above the

level of January 31. This proportion was 40 per cent for the big commercial banks, 30 per cent for the small commercial banks, and 25 per cent for savings banks and co-operative credit societies. (See Market Review, No. 3, 1955.)

As the experience gained from this procedure was fairly satisfactory, and as the economic situation still calls for a contractive monetary policy, in September new cash reserve agreements were concluded, to be in force until the end of January 1956. The principal change was the inclusion of consumers' co-operative societies among the credit institutions concerned. Their deposit quota will be 25 per cent, as in the case of savings banks and co-operative credit societies.

STOCK EXCHANGE

According to the Unitas index, share prices have mostly followed the changes in general business conditions. At the time of the Korean boom, there was a steep rise in quotations, for industrial shares in particular. When money grew tight and the export industries encountered difficulties, a period of decrease began, which lasted into the early part of 1953. Since then, share prices have been on the rise, except for a slight decrease in the first half of 1954. The rise in prices of industrial shares has been particularly strong during the current year, amounting to 68 per cent up to the end of September. Prices of bank shares have risen by 11 per cent. Too much importance should not be attributed to these figures, however, as dealing in stocks is of minor importance in Finland, the annual turnover of the Stock Exchange varying between 1,500 and 3,000 mill. marks.

The causes for the steep rise in quotations for industrial shares are difficult to ascertain. For one thing, it is a natural result of the booming trade conditions, but also it may be brought about by fears of inflation and by expectations of a growing yield of these shares, of bonus issues, etc. The net yield of industrial shares (after deduction of taxes) averages about one half of the yield of tax-free bank deposits. Index-tied bank deposits are also considerably more remunerative, and even index-tied Government bonds yield more than do industrial shares.

October 10, 1955.

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STATISTICS
1—2. STATEMENT OF THE BANK OF FINLAND¹⁾

	1954	1955		
	Mill. mk	Mill. mk		
	31/8	31/8	8/9	15/9
BALANCE SHEET				
Assets				
<i>Ordinary note cover</i>	33 695	38 616	39 273	39 801
Gold	6 973	6 882	6 882	6 882
Foreign exchange	25 966	29 265	29 922	30 450
Foreign bills	—	116	116	116
Foreign bonds	756	2 353	2 353	2 353
<i>Supplementary note cover</i>	39 448	46 836	45 982	47 025
Inland bills discounted				
In foreign currency	6 471	8 030	8 082	8 094
In Finnish currency	11 894	13 470	13 529	13 593
Rediscounted bills	1 083	5 336	4 371	5 338
Treasury bond loan	20 000	20 000	20 000	20 000
<i>Other assets</i>	11 406	11 282	12 085	12 476
Finnish bonds	2 233	2 064	2 061	2 040
Cheque accounts	8	58	354	68
Finnish coin	319	261	260	266
Other claims	8 846	8 899	9 410	10 102
Total	84 549	96 734	97 340	99 302
Liabilities				
<i>Notes in circulation</i>	45 850	50 376	49 969	49 734
<i>Short-term liabilities</i>	19 542	24 973	25 457	27 161
Foreign exchange accounts	8 083	5 818	5 212	4 988
Mark accounts of holders abroad	3 222	2 289	3 198	3 295
Cheque account of the Treasury	5 853	8 342	9 413	9 592
Cheque accounts of banks	371	3 946	3 929	5 680
Other cheque accounts	1 480	2 942	2 247	2 437
Other short-term liabilities	533	1 636	1 458	1 169
<i>Long-term liabilities</i>	6 215	8 395	8 455	8 468
Foreign	6 215	7 101	7 161	7 174
Finnish	—	1 294	1 294	1 294
<i>Equalization accounts</i>	3 346	2 627	3 060	3 527
<i>Bank's own capital</i>	9 596	10 363	10 399	10 412
Original fund	5 000	5 000	5 000	5 000
Reserve fund	3 683	4 479	4 479	4 479
Profits undisposed	36	—	—	—
Earnings less expenses	877	884	920	933
Total	84 549	96 734	97 340	99 302
STATEMENT OF NOTE ISSUE				
Right of note issue				
Ordinary cover	33 695	38 616	39 273	39 801
Supplementary cover (Upper limit mk 50 000 m.)	39 448	46 836	45 982	47 025
Total	73 143	85 452	85 255	86 826
Note issue				
Notes in circulation	45 850	50 376	49 969	49 734
Short-term liabilities	19 542	24 973	25 457	27 161
Undrawn on cheque credits	1 015	926	631	917
Note reserve	6 736	9 177	9 198	9 014
Total	73 143	85 452	85 255	86 826

¹⁾ The changes in the statement are explained on page 25.

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

End of Month	Notes in circulation Mill. mk				Foreign Currency ¹⁾ Mill. mk				Cover for the Issue of Notes Percentage of Liabilities payable on demand ²⁾				End of Month
	1953	1954	1955	Monthly Movement	1953	1954	1955	Monthly Movement	1953	1954	1955	Monthly Movement	
	<i>46 153</i>				<i>9 646</i>				<i>114.7</i>				
Jan.	41 104	42 230	44 764	-3 138	11 079	14 233	26 456	+1 297	117.2	106.8	112.2	+0.6	Jan.
Feb.	44 238	46 225	48 151	+3 387	11 698	14 800	28 758	+2 302	114.4	103.5	109.9	-2.3	Feb.
March	44 078	44 658	48 746	+ 595	11 620	15 623	29 578	+ 820	110.9	103.0	109.9	± 0.0	March
April	43 804	45 508	49 713	+ 967	11 355	14 980	28 227	-1 351	111.7	104.5	112.8	+2.9	April
May	45 962	47 169	51 344	+1 631	11 106	14 655	25 920	-2 307	113.7	105.6	113.3	+0.5	May
June	43 247	44 605	49 584	-1 760	11 176	15 872	22 181	-3 739	116.7	106.7	112.6	-0.7	June
July	42 615	44 720	49 903	+ 319	11 658	17 811	23 202	+1 021	114.1	108.2	112.7	+0.1	July
Aug.	45 075	45 850	50 376	+ 473	12 821	17 992	25 758	+2 556	112.7	110.3	112.0	-0.7	Aug.
Sept.	43 185	45 080			12 882	20 104			110.1	110.5			Sept.
Oct.	42 759	46 498			13 734	21 252			109.0	111.9			Oct.
Nov.	45 590	48 711			13 985	23 778			109.2	113.5			Nov.
Dec.	45 019	47 902			13 835	25 159			106.8	111.6			Dec.

¹⁾ Net credit balances with foreign correspondents. ²⁾ Since August 1955 not fully comparable.

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

End of Month	Note Reserve ¹⁾ Mill. mk				Home Loans ¹⁾ Mill. mk				Rediscounted Bills (included in Home Loans) Mill. mk				End of Month
	1953	1954	1955	Monthly Movement	1953	1954	1955	Monthly Movement	1953	1954	1955	Monthly Movement	
	<i>11 939</i>				<i>46 915</i>				<i>17 217</i>				
Jan.	18 235	17 587	24 684	41 525	38 298	35 300	-6 801	14 315	3 068	2 309	-6 156	Jan.	
Feb.	18 610	17 756	23 175	39 695	36 442	35 636	+ 336	13 242	1 550	2 387	+ 78	Feb.	
March	18 987	15 646	21 722	37 314	38 263	37 446	+1 810	9 781	3 529	3 074	+ 687	March	
April	18 195	16 864	20 831	38 653	37 930	40 702	+3 256	11 093	2 944	5 386	+2 312	April	
May	14 429	15 878	19 113	43 711	39 654	42 777	+2 075	9 788	3 677	6 112	+ 726	May	
June	16 966	12 794	15 196	42 474	43 543	46 041	+3 264	8 273	7 679	9 020	+2 908	June	
July	15 848	19 092	12 302	42 462	37 937	49 589	+3 548	3 756	3 042	13 239	+4 219	July	
Aug.	14 838	23 132	12 341	42 926	34 681	40 552	-9 037	1 338	1 084	5 335	-7 904	Aug.	
Sept.	15 698	20 100		42 240	38 767			4 442	5 138			Sept.	
Oct.	15 301	22 665		41 992	36 963			5 665	3 596			Oct.	
Nov.	16 445	23 173		40 993	37 542			5 149	4 342			Nov.	
Dec.	12 273	17 948		44 173	42 101			8 268	8 465			Dec.	

¹⁾ IMF & IBRD cover, inland bills, loans on security, advances on current accounts and, since Sept. 1953, the Treasury Bond Loan 1953. ²⁾ Since August 1955 not fully comparable.

5. BANK OF FINLAND — BILLS AND BALANCE OF CURRENT ACCOUNTS

End of Month	Net claims on the State ¹⁾ Mill. mk			Private Bills (included in Home Loans) Mill. mk			Balances of Current Accounts due to others than the Treasury Mill. mk				End of Month
	1953	1954	1955	1953	1954	1955	1953	1954	1955	Monthly Movement	
	<i>14 739</i>			<i>14 678</i>			<i>4 033</i>				
Jan.	11 886	14 476	6 231	14 777	13 345	11 139	4 148	2 824	2 667	-1 247	Jan.
Feb.	10 226	16 621	4 446	15 720	12 769	11 393	1 118	2 049	1 690	- 977	Feb.
March	10 701	11 159	3 339	16 347	12 694	12 380	801	2 175	1 464	- 226	March
April	10 581	12 655	7 172	16 489	12 916	13 251	254	1 887	2 044	+ 580	April
May	15 824	14 911	9 278	17 857	13 892	14 553	1 653	2 331	1 931	- 113	May
June	15 133	7 695	8 201	18 906	14 004	15 120	2 027	3 609	2 235	+ 304	June
July	21 005	11 012	6 615	17 459	13 034	14 395	4 367	2 101	2 745	+ 510	July
Aug.	25 192	15 809	13 318	16 168	11 894	13 470	4 531	2 306	4 202	+1 457	Aug.
Sept.	19 848	8 013		15 782	11 548		5 279	1 618			Sept.
Oct.	16 584	10 560		14 456	11 306		4 277	1 749			Oct.
Nov.	18 519	11 116		13 874	11 338		3 180	1 582			Nov.
Dec.	14 381	6 192		13 812	11 941		4 338	3 914			Dec.

¹⁾ Up to August 1953 Treasury bills; thereafter the Treasury Bond Loan 1953 plus the IMF & IBRD cover minus the Current Account of the Treasury.

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

The figures in tables 3-6 are computed according to the old system and therefore do not, in all cases, accord with those in table 1-2. The system of computation will be changed beginning January 1956.

**6. BANK OF FINLAND
FOREIGN CLEARING ACCOUNTS**

End of Month	Net Claims (+) or Net Indebtedness (—) Mill. mk				
	1952	1953	1954	1955	Monthly Movement
	+3 297				
Jan.	+3 361	+4 174	+ 8 840	+3 708	— 239
Feb.	+4 545	+4 666	+ 9 628	+4 437	+ 729
March	+6 427	+6 154	+10 029	+4 734	+ 297
April	+6 930	+6 473	+ 9 940	+3 653	—1 081
May	+6 269	+5 300	+ 9 678	+4 526	+ 873
June	+4 970	+4 434	+ 8 503	+5 773	+1 247
July	+3 859	+5 651	+ 7 962	+6 053	+ 280
Aug.	+2 048	+5 938	+ 7 722	+5 227	— 826
Sept.	+1 672	+7 016	+ 7 113		
Oct.	+3 243	+8 122	+ 6 575		
Nov.	+3 867	+8 925	+ 5 392		
Dec.	+4 430	+9 597	+ 3 947		

**7. RATES OF EXCHANGE
QUOTED BY THE BANK OF FINLAND**

September 30, 1955		
New York	1 Dollar	231: —
London	1 Pound	646: —
Stockholm	100 Kronor	4 450: —
Copenhagen	100 Kroner	3 340: —
Oslo	100 Kroner	3 235: —
Paris	100 Francs	66: —
Brussels	100 Francs	462: —
Amsterdam	100 Guilders	6 090: —
Zürich	100 Francs	5 300: —
Frankfurt a/M	100 DM	5 500: —
Prague	100 Koruny	3 208: —
Vienna	100 Schillings	890: —
Lisbon	100 Escudos	804: —
Montreal	1 Dollar	233: —
Rio de Janeiro, nom.	100 Cruzeiros	1 260: —
Buenos Aires, nom.	100 Pesos	1 700: —
Moscow, nom.	100 Rubel	5 775: —

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

End of Month	Due to the Public				Due to other Credit Institutions		Total			Credits from the Bank of Finland		End of Month
	Cheque Accounts		Time Deposits		Mill. mk		Mill. mk			Mill. mk		
	1954	1955	1954	1955	1954	1955	1953	1954	1955	1954	1955	
Jan.	<i>32 112</i>		<i>70 455</i>		<i>7 502</i>		<i>94 618</i>			<i>5 607</i>		Jan.
Feb.	32 743	36 909	71 633	84 806	8 785	14 838	95 390	113 161	136 553	2 033	2 308	Feb.
March	31 672	34 938	72 788	86 430	9 862	15 405	95 460	114 322	136 773	1 130	2 222	March
April	31 838	36 572	74 255	88 113	9 893	15 959	98 668	115 986	140 644	3 065	3 016	April
May	31 790	36 289	74 922	88 742	9 950	14 845	99 705	116 662	139 876	2 508	5 386	May
June	33 214	36 037	75 389	89 001	9 436	14 049	100 650	118 039	139 087	3 151	5 960	June
July	34 561	40 007	75 285	88 173	9 064	13 457	104 025	118 910	141 637	4 884	8 475	July
Aug.	34 319	34 979	75 827	88 776	10 481	13 854	106 000	120 627	137 609	3 002	13 219	Aug.
Sept.	34 177	37 788	77 249	90 961	11 302	17 063	109 184	122 728	145 812	1 108	5 375	Sept.
Oct.	32 891		76 909		10 634		107 569	120 434		4 477		Oct.
Nov.	34 832		77 107		10 696		109 034	122 635		3 431		Nov.
Dec.	34 008		77 933		10 692		108 223	122 633		3 524		Dec.
Dec.	34 914		83 444		11 696		110 069	130 054		7 564		Dec.

Tables 8—10 according to Finnish Official Statistics VII, D, Bank Statistics. Mortgage banks are not included.

9. COMMERCIAL BANKS — HOME LOANS

End of Month	To the Public				To other Credit Institutions		To the State		Total		End of Month
	Inland Bills		Other Credits		Mill. mk		Mill. mk		Mill. mk		
	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	
Jan.	<i>61 696</i>		<i>43 963</i>		<i>5 120</i>		<i>2 500</i>		<i>113 279</i>		Jan.
Feb.	62 713	73 489	44 134	55 985	5 797	7 980	3 000	3 500	115 644	140 954	Feb.
March	62 470	74 535	45 127	57 138	6 134	7 447	3 600	4 000	117 331	143 120	March
April	64 814	76 822	46 002	58 059	6 046	7 657	2 700	4 000	119 562	146 538	April
May	66 671	79 703	46 457	58 025	5 752	7 172	2 900	3 500	121 780	148 400	May
June	67 351	78 742	46 947	58 887	5 866	7 008	3 000	3 000	123 164	147 637	June
July	67 805	81 120	49 415	61 185	6 084	7 451	1 700	2 500	125 004	152 256	July
Aug.	69 351	82 667	49 659	62 329	6 831	7 177	2 000	2 500	127 841	154 673	Aug.
Sept.	69 736	81 883	50 079	61 266	6 790	8 465	2 500	2 500	129 105	154 114	Sept.
Oct.	70 056		51 688		7 392		1 000		130 136		Oct.
Nov.	70 847		53 145		7 761		1 000		132 753		Nov.
Dec.	70 659		54 018		7 020		1 000		132 697		Dec.
Dec.	73 234		55 721		7 166		500		136 621		Dec.

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

10. COMMERCIAL BANKS — POSITION TOWARDS FOREIGN COUNTRIES

End of Month	Claims Mill. mk			Indebtedness Mill. mk			Net Claims (+) or Net Indebtedness (-) Mill. mk				End of Month	
	1953	1954	1955	1953	1954	1955	1953	1954	1955	Monthly Movement		
	<i>7 539</i>			<i>7 282</i>			<i>+ 257</i>					
Jan.	8 002	5 847	7 471	7 417	4 122	5 288	+ 535	+ 1 725	+ 2 183	+ 794	Jan.	
Feb.	6 835	6 507	6 948	6 794	5 041	4 946	- 59	+ 1 466	+ 2 002	- 181	Feb.	
March	7 383	6 305	5 627	6 902	5 530	4 938	+ 481	+ 725	+ 689	- 1 313	March	
April	6 952	5 995	5 815	6 200	6 330	5 595	+ 752	- 335	+ 220	- 469	April	
May	4 581	7 238	6 674	3 824	6 910	5 943	+ 757	+ 328	+ 731	+ 511	May	
June	5 329	6 101	9 730	3 938	6 340	9 111	+ 1 391	- 239	+ 619	- 112	June	
July	5 717	7 529	9 088	3 923	6 731	8 491	+ 1 794	+ 798	+ 597	- 22	July	
Aug.	5 556	8 632	9 378	4 165	8 274	7 975	+ 1 391	+ 358	+ 1 403	+ 806	Aug.	
Sept.	4 671	8 613		3 854	8 333		+ 817	+ 230			Sept.	
Oct.	5 184	7 910		4 693	7 532		+ 491	+ 378			Oct.	
Nov.	6 404	8 658		5 528	7 676		+ 876	+ 982			Nov.	
Dec.	6 183	7 889		5 120	6 500		+ 1 063	+ 1 389			Dec.	

11. FOREIGN PAYMENT
POSITION OF ALL BANKS ¹⁾

End of Month	Net Claims (+) or Net Indebtedness (-) Mill. mk				End of Month
	1953	1954	1955	Monthly Movement	
	<i>+ 9 243</i>				
Jan.	+10 250	+19 176	+30 396	+2 692	Jan.
Feb.	+10 537	+20 514	+33 260	+2 864	Feb.
March	+12 296	+21 165	+33 087	- 173	March
April	+12 471	+20 350	+28 252	-4 835	April
May	+10 477	+20 315	+27 695	- 557	May
June	+10 415	+20 157	+24 768	-2 927	June
July	+12 518	+22 231	+26 758	+1 990	July
Aug.	+14 044	+22 280	+30 479	+3 721	Aug.
Sept.	+15 671	+24 470			Sept.
Oct.	+16 724	+25 257			Oct.
Nov.	+17 972	+27 371			Nov.
Dec.	+18 272	+27 704			Dec.

¹⁾ For the Bank of Finland the net result of the debit and credit accounts with foreign correspondents, foreign clearing transactions and the foreign debt, liabilities in foreign currency as well as foreign bills and the debt to IMF and IBRD are taken into account, and for the Commercial Banks their net position is taken into account according to table 10 above.

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

12. POST OFFICE SAVINGS BANK
DEPOSITS AND GIRO ACCOUNTS ²⁾

End of Month	Giro Accounts Mill. mk		Deposits Mill. mk				End of Month
	1954	1955	1953	1954	1955	Monthly Movement	
	<i>10 672</i>		<i>23 562</i>				
Jan.	7 273	7 661	24 190	27 464	30 120	+ 41	Jan.
Feb.	7 296	8 109	24 817	28 259	30 784	+ 664	Feb.
March	12 936	10 676	25 057	28 743	30 968	+ 184	March
April	7 194	9 294	25 014	28 688	30 822	- 146	April
May	7 391	8 462	25 227	28 687	30 672	- 150	May
June	15 263	10 920	25 181	28 432	30 641	- 31	June
July	7 874	8 825	25 072	28 612	30 927	+ 286	July
Aug.	7 592	8 797	25 691	29 088	31 715	+ 788	Aug.
Sept.	13 796		25 722	28 540			Sept.
Oct.	8 470		25 700	28 644			Oct.
Nov.	7 874		25 883	28 921			Nov.
Dec.	13 451		27 074	30 079			Dec.

13. DEPOSITS IN THE SAVINGS BANKS

End of Month	Savings Accounts Mill. mk			Current Accounts Mill. mk			Total Mill. mk				End of Month
	1953	1954	1955	1953	1954	1955	1953	1954	1955	Monthly Movement	
	<i>65 799</i>			<i>3 159</i>			<i>68 958</i>				
Jan.	66 537	77 953	93 679	2 971	3 365	4 170	69 508	81 318	97 849	+ 1 546	Jan.
Feb.	67 714	79 521	94 915	3 138	3 390	3 990	70 852	82 911	98 905	+ 1 056	Feb.
March	68 634	80 798	95 948	3 192	3 465	4 246	71 826	84 263	100 194	+ 1 289	March
April	69 685	81 841	96 910	3 436	3 563	4 129	73 121	85 404	101 039	+ 845	April
May	70 158	82 428	97 668	3 513	3 823	4 385	73 671	86 251	102 053	+ 1 014	May
June	69 905	82 062	97 285	3 394	3 686	4 445	73 299	85 748	101 730	- 323	June
July	70 522	82 743	98 210	3 834	4 040	4 498	74 356	86 783	102 708	+ 978	July
Aug.	71 158	83 602	99 791	4 029	3 889	4 458	75 187	87 491	104 249	+ 1 541	Aug.
Sept.	71 001	84 066		3 678	4 226		74 679	88 292			Sept.
Oct.	71 579	85 340		4 109	4 444		75 688	89 784			Oct.
Nov.	72 332	86 750		3 686	4 266		76 018	91 016			Nov.
Dec.	76 709	92 174		3 346	4 129		80 055	96 303			Dec.

According to figures supplied by the Central Statistical Office.

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

14. DEPOSITS IN CO-OPERATIVE CREDIT SOCIETIES AND CONSUMERS' CO-OPERATIVE SOCIETIES

End of Month	Deposits in Co-operative Credit Societies ¹⁾ Mill. mk					Deposits in Consumers' Co-operative Societies ²⁾ Mill. mk					End of Month
	1952	1953	1954	1955	Monthly Movement	1952	1953	1954	1955	Monthly Movement	
	<i>31 538</i>					<i>8 442</i>					
Jan.	32 233	39 242	45 067	55 500	+ 1 093	8 989	11 091	12 213	13 784	+ 369	Jan.
Feb.	33 380	40 163	46 002	56 407	+ 907	9 440	11 621	12 493	14 048	+ 264	Feb.
March	34 486	41 082	47 063	57 176	+ 769	9 793	11 696	12 793	14 335	+ 287	March
April	35 269	41 173	47 599	57 634	+ 458	10 047	11 690	12 896	14 464	+ 129	April
May	35 979	41 383	47 848	58 032	+ 398	10 374	11 694	12 867	14 585	+ 121	May
June	36 029	41 211	47 418	57 819	- 213	10 260	11 547	12 659	14 349	- 236	June
July	36 876	41 629	48 279	58 304	+ 485	10 293	11 461	12 566	14 309	- 40	July
Aug.	38 405	42 745	49 696	59 828	+ 1 524	10 292	11 461	12 621	14 406	+ 97	Aug.
Sept.	37 998	42 451	50 157			10 204	11 388	12 691			Sept.
Oct.	37 649	42 087	50 669			10 200	11 347	12 644			Oct.
Nov.	37 423	42 102	51 490			10 262	11 424	12 809			Nov.
Dec.	39 114	44 405	54 407			10 798	11 951	13 415			Dec.

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

15. DEPOSITS IN ALL CREDIT INSTITUTIONS¹⁾

End of Month	Time Deposits Mill. mk		Total Deposits due to the Public Mill. mk		
	1954	1955	1954	1955	Monthly Movement
	<i>228 762</i>		<i>266 669</i>		
Jan.	232 382	275 554	271 123	319 802	+ 6 499
Feb.	237 182	280 328	274 773	322 373	+ 2 571
March	241 848	284 345	279 734	328 365	+ 5 992
April	244 232	286 511	282 092	330 032	+ 1 667
May	245 475	288 094	285 092	331 373	+ 1 341
June	245 966	286 261	284 880	333 686	+ 2 313
July	245 878	288 492	287 458	330 980	- 2 706
Aug.	250 099	294 542	291 397	339 718	+ 8 738
Sept.	249 986		290 141		
Oct.	252 096		294 401		
Nov.	255 529		296 904		
Dec.	271 325		313 303		

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

16. INSURANCES IN LIFE ASSURANCE COMPANIES

End of Month	New risks accepted ¹⁾			
	1954		1955*	
	Number	Amount Mill. mk	Number	Amount Mill. mk
	<i>9 563</i>	<i>2 283</i>	<i>9 177</i>	<i>2 411</i>
Jan.	11 549	2 793	10 836	2 947
Feb.	12 172	3 004	12 113	3 383
March	11 004	2 645	10 335	2 955
April	10 204	2 457	9 684	2 757
May	9 593	2 346	9 372	2 807
June	7 709	1 921	6 801	1 823
July	7 936	1 941	8 231	2 277
Aug.	9 430	2 381		
Sept.	11 535	2 910		
Oct.	11 405	2 842		
Nov.	12 152	3 179		
Dec.	<i>124 252</i>	<i>30 702</i>		
Total	79 730	19 390	76 549	21 360

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

17. CHANGES IN NUMBER AND CAPITAL OF LIMITED COMPANIES

Year and Quarter	Founded		With increased capital		Liquidated or with reduced capital		Net increase (+) or reduction (-)				Year and Quarter
	Num-ber	Capital Mill. mk	Num-ber	Increase of Capital Mill. mk	Num-ber	Reduction of Capital Mill. mk	All companies		Housing companies		
							Num-ber	Capital Mill. mk	Num-ber	Capital Mill. mk	
1951	1 025	3 288	671	8 475	253	611	+ 783	+ 11 152	+ 172	+ 1 850	1951
1952	1 225	5 530	878	16 980	316	234	+ 916	+ 22 276	+ 237	+ 2 727	1952
1953	1 110	4 414	549	6 981	360	2 230	+ 773	+ 9 165	+ 250	+ 3 150	1953
1954*	1 305	7 487	464	4 716	373	583	+ 948	+ 11 620	+ 358	+ 3 930	1954*
1954											1954
April-June	351	1 605	114	1 070	85	56	+ 270	+ 2 619	+ 111	+ 1 233	April-June
July-Sept.	293	1 090	106	649	65	204	+ 230	+ 1 535	+ 82	+ 870	July-Sept.
Oct. - Dec.*	340	2 130	131	1 108	107	212	+ 237	+ 3 027	+ 89	+ 888	Oct. - Dec.*
1955											1955
Jan.-March*	346	1 458	130	3 288	88	85	+ 263	+ 4 661	+ 100	+ 1 093	Jan.-March*
April-June*	328	1 896	140	2 188	109	138	+ 221	+ 3 946	+ 110	+ 1 450	April-June*

Figures supplied by the Central Statistical Office.

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

* Preliminary figures subject to minor alterations.

18. BANKRUPTCIES

Month	Bankruptcies ¹⁾				
	Number				
	1951	1952	1953	1954	1955*
January	20	54	32	119	86
February	26	47	75	107	72
March	12	28	43	117	79
April	26	41	26	68	26
May	15	32	24	74	58
June	10	12	23	32	106
July	4	12	38	42	
August	15	10	11	68	
September	8	18	50	67	
October	41	75	112	103	
November	51	56	111	103	
December	11	44	67	76	
Total	239	429	612	976	
Jan.-June	109	214	223	517	427

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

19. STOCK EXCHANGE

Month	Turnover of Stock Exchange ¹⁾				
	Mill. mk				
	1951	1952	1953	1954	1955
January	237	187	106	125	169
February	248	166	127	136	207
March	264	203	127	173	309
April	281	194	214	131	182
May	219	243	172	139	191
June	238	107	201	124	196
July	162	148	207	122	130
August	230	156	301	110	171
September	216	136	283	122	
October	192	169	118	101	
November	215	127	144	148	
December	229	148	135	137	
Total	2 781	1 984	2 134	1 569	
Jan.-Aug.	1 929	1 404	1 455	1 060	1 555

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

20. STOCK EXCHANGE INDEX 1948 = 100

Month	Share Prices									Month
	All kinds			Bank Shares			Industrial Shares			
	1953	1954	1955	1953	1954	1955	1953	1954	1955	
January	164	243	257	124	148	141	169	262	280	January
February	166	236	276	125	148	145	172	253	303	February
March	165	234	297	118	147	150	172	250	328	March
April	176	224	309	126	140	153	185	239	342	April
May	191	219	321	132	133	150	202	234	357	May
June	199	218	332	135	133	149	211	232	371	June
July	203	231	338	140	137	150	215	248	378	July
August	227	238	357	144	141	152	245	256	402	August
September	227	237		141	139		245	255		September
October	226	239		142	138		243	258		October
November	230	243		144	139		247	262		November
December	231	243		145	138		247	263		December
Whole year	200	234		135	140		213	251		Whole year

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

21. PUBLIC DEBT

	1952	1953	1954	1955				
	Dec.	Dec.	Dec.	April	May	June	July	August
	1 000 mill. mk							
Foreign debt	67.7	65.0	62.1	62.8	62.6	62.4	63.0	63.7
Ordinary loans	30.3	31.3	36.1	36.1	37.1	37.8	37.6	39.4
Indemnity bonds and similar obligations	11.5	10.2	8.8	8.6	8.7	8.6	8.6	6.8
Treasury bills	—	3.4	0.5	3.5	3.0	2.5	2.5	2.5
Cash debt (net)	11.5	11.3	4.3	3.2	4.4	6.0	4.4	12.1
Debt to the Bank of Finland (net)	14.8	14.4	6.8	7.2	9.3	8.2	6.6	13.3
Cash debt to the Post Office Savings Bank	20.1	17.0	18.6	10.3	9.3	15.1	10.8	11.6
less: Cash holdings	-23.4	-20.1	-20.6	-14.3	-14.1	-17.3	-13.0	-12.7
Domestic debt	53.3	56.2	49.7	51.4	53.2	54.9	53.1	60.8
Total debt	121.0	121.2	111.8	114.2	115.8	117.3	116.1	124.5
Total debt, mill. dollars	523.9	524.7	484.0	494.5	501.4	508.0	502.8	538.8

Adjusted figures, see Items in Nos. 1—2, 1955, p. 34.
* Preliminary figures subject to minor alterations.

22. STATE REVENUE AND EXPENDITURE

Revenue	July	Jan.—July		Expenditure	July	Jan.—July	
	1955	1955	1954		1955	1955	1954
	1 000 mill. mk				1 000 mill. mk		
Income and property tax (net) ..	5.8	28.4	25.6	Interest on public debt	0.7	3.6	3.6
Gross collections	5.9	51.7	49.6	Child allowances	0.1	9.9	9.8
Refunds and share of communes	— 0.1	— 23.3	— 24.0	Old age allowances	0.0	1.2	1.3
Other direct taxes	0.0	0.4	0.4	Compensations to war-disabled ..	1.0	3.8	3.4
Sales tax	5.0	23.7	30.4	Transfer of national pensions pre-			
Import duties	2.1	13.8	10.3	miums to N. P. Fund	0.0	2.1	2.7
Revenue from Alcohol Monopoly	1.8	11.1	9.9	Subsidies	2.3	12.4	4.4
Excise on tobacco	0.9	6.3	5.8	Payments from price equalization			
Other excises	0.4	2.3	2.4	fund	0.1	1.4	1.5
Stamp duty	0.8	4.8	4.2	Reimbursement of 1951 export tax	—	0.1	4.1
Payments for child allowances				State aid to agriculture	0.4	2.1	2.2
and national pensions	1.8	11.1	10.2	State aid to communal and private			
Receipts of price equalization fund	0.4	6.1	3.9	schools	1.3	8.0	8.5
Other revenue similar to taxes ..	0.1	2.1	2.5	Net losses of State enterprises .	0.1	2.8	2.7
Total taxes	19.1	110.1	105.6	Maintenance of roads	0.5	2.5	1.9
Interest and dividends	0.1	2.1	2.0	Total	6.5	49.9	46.1
Net profits of State enterprises .	—	—	—	Other current expenditure	5.0	34.9	33.2
Other current revenue	0.8	3.4	3.3	Current expenditure	11.5	84.8	79.3
Current revenue	20.0	115.6	110.9	Real investments	2.2	19.1	19.8
Capital revenue proper	0.4	2.9	2.9	(of which: unemployment relief) ..	(0.8)	(10.4)	(12.4)
Decrease in inventories	1.0	1.9	7.4	Other capital expenditure	6.4	18.2	13.2
Capital revenue	1.4	4.8	10.3	Capital expenditure	8.6	37.3	33.0
Total revenue	21.4	120.4	121.2	Total expenditure	20.1	122.1	112.3
Foreign loans	0.6	1.9	0.0	Redemption of foreign loans ...	0.0	1.3	1.5
Internal loans	0.2	4.9	5.2	Redemption of internal loans ..	0.3	3.4	5.8
Loans	0.8	6.8	5.2	Redemption of indemnity bonds			
Treasury bills (incr. +)	—	+ 2.0	— 0.6	and similar obligations	0.1	0.5	0.4
Deficit (+) or surplus (—)	— 1.7	— 1.8	— 5.6	Index premiums on II Indemnity			
Total	20.5	127.4	120.2	Bonds	0.0	0.1	0.2
				Redemptions	0.4	5.8	7.9
				Total	20.5	127.4	120.2

Adjusted figures, see Items in Nos. 1—2, 1955, p. 34.

23. VALUE OF IMPORTS AND EXPORTS

Month	Imports (e. i. f.) Mill. mk			Exports (f. o. b., commercial exports) Mill. mk			Surplus of Imports (—) or Exports (+) Mill. mk			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	12 051	10 775	10 804	8 417	9 219	11 483	— 3 634	— 1 556	+ 679	January
February	7 273	9 761	11 962	5 847	7 996	10 926	— 1 426	— 1 765	— 1 036	February
March	9 761	10 698	12 088	9 750	9 327	7 572	— 11	— 1 371	— 4 516	March
April	11 767	11 220	15 397	9 345	10 404	13 821	— 2 422	— 816	— 1 576	April
May	10 093	11 831	16 524	9 186	12 431	12 682	— 907	+ 600	— 3 842	May
June	9 986	11 874	15 252	12 180	14 557	16 273	+ 2 194	+ 2 683	+ 1 021	June
July	9 630	12 723	14 277	13 801	16 445	19 633	+ 4 171	+ 3 722	+ 5 356	July
August	9 719	12 032	16 759	12 900	14 788	20 242	+ 3 181	+ 2 756	+ 3 483	August
September	9 388	14 322		11 815	15 854		+ 2 427	+ 1 532		September
October	10 636	14 067		13 683	15 792		+ 3 047	+ 1 725		October
November	9 406	14 505		12 543	15 927		+ 3 137	+ 1 422		November
December	12 150	18 329		12 088	13 878		— 62	— 4 451		December
Total	121 860	152 137		131 555	156 618		+ 9 695	+ 4 481		Total
Jan.-Aug.	80 280	90 914	113 063	81 426	95 167	112 632	+ 1 146	+ 4 253	— 431	Jan.-Aug.

Tables 23—28 according to Finnish Official Statistics I, A, Foreign Trade of Finland, Monthly Reports.

* Preliminary figures subject to minor alterations.

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

Classes of Goods	Imports (c. i. f.) Mill. mk					Exports (f. o. b.) Mill. mk				
	Whole year		January — August			Whole year		January — August		
	1953	1954	1953	1954	1955*	1953	1954	1953	1954	1955*
Dairy produce, eggs, honey	412	40	400	12	962	2 094	2 933	1 222	2 147	1 659
Other animal products, live animals	709	621	342	279	606	187	1 036	109	428	238
Vegetables	93	76	90	65	319	1	1	0	1	—
Eatable fruit	2 150	3 173	1 324	2 231	2 794	10	29	2	11	2
Coffee, tea, spices	6 855	10 299	4 556	6 196	5 317	—	0	—	0	—
Cereals, milling products..	10 641	7 079	8 521	3 828	6 131	1 164	493	675	419	1
Certain seeds and fruit, plants for industrial purposes	591	1 205	540	917	1 279	636	125	287	77	45
Raw materials for tanning and dyeing	85	120	58	81	74	3	3	1	1	2
Animal and vegetable fats	2 530	2 310	1 621	1 386	1 307	38	370	36	185	1
Meat and fish products ..	432	344	147	180	254	0	0	0	0	0
Sugar, sweets	3 722	2 873	2 616	2 003	2 606	22	17	10	7	9
Beverages, vinegars	547	820	247	460	341	234	400	217	377	36
Fodder	1 109	1 267	903	717	1 878	196	21	126	21	—
Tobacco	1 554	1 635	1 003	1 090	1 002	—	0	—	0	0
Minerals, ore	1 198	1 855	603	1 051	1 191	1 120	1 244	618	620	741
Mineral fuel and oils	16 396	18 118	9 954	10 223	13 725	30	25	11	10	9
Chemical and pharmaceutical products	3 663	6 592	2 219	4 138	4 667	256	254	174	164	196
Tanning and dyeing extracts, varnishes	1 321	1 925	817	1 176	1 390	6	6	4	3	1
Casein, albumen, glues	336	538	197	355	410	2	13	0	11	0
Fertilizers	2 662	3 312	1 597	2 106	1 819	1	0	0	—	—
Hides, skins, leather and furs; manufactures of these materials	1 562	1 892	846	1 202	1 497	672	477	562	417	554
Rubber and rubber articles	1 359	2 247	890	1 215	2 225	18	18	7	11	15
Wood and wood goods ..	234	306	158	194	287	53 085	62 191	33 440	37 584	43 495
Woodpulp	11	7	5	3	13	22 256	29 880	14 239	18 722	24 420
Cardboard and paper, their applications	116	212	69	127	149	26 530	32 909	16 677	20 544	25 374
Textile materials, textile goods	14 883	20 077	9 728	13 022	13 809	1 115	1 726	662	1 076	1 268
Footwear	46	55	33	45	38	23	101	15	25	29
Articles of stone and of other mineral material, glass	793	1 360	501	783	970	466	556	270	314	418
Base metals; articles made therefrom	13 987	20 828	9 017	11 896	15 664	2 588	2 317	1 468	1 394	1 532
Machinery, apparatus	11 525	12 579	8 187	6 901	9 830	5 702	5 559	3 143	3 068	3 466
Electric machinery and apparatus	4 780	6 047	3 046	3 714	4 058	1 034	793	502	464	484
Transport material	11 851	15 761	7 789	10 016	12 026	11 077	12 066	6 374	6 622	8 142
Instruments, clocks and watches, musical instruments	1 082	1 634	714	995	1 402	54	94	25	62	26
All others	2 625	5 130	1 542	2 307	3 023	935	961	550	382	469
Total	121 860	152 137	80 280	90 914	113 063	131 555	156 618	81 426	95 167	112 632

* Preliminary figures subject to minor alterations.

25. IMPORTS OF THE MOST IMPORTANT ARTICLES

Month	Wheat Tons			Coffee Tons			Sugar Refined and unrefined Tons			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	20 956	9 376	25 451	2 075	2 083	1 849	5 725	4 206	9 254	January
February	793	20 531	38 997	1 791	1 250	1 167	7 469	3 995	10 949	February
March	17 208	21 393	18 766	1 583	2 980	2 480	7 771	6 621	10 331	March
April	54 317	13 317	15 008	1 917	1 867	3 232	13 572	7 540	16 406	April
May	35 461	12 539	32 160	1 841	2 448	1 782	12 360	15 092	14 230	May
June	26 780	11 540	10 312	1 988	1 942	2 690	13 820	10 409	10 701	June
July	30 041	21 274	15 848	1 827	2 807	1 735	10 187	16 550	13 620	July
August	23 694	3 804	32 139	1 914	1 709	3 638	14 353	11 602	19 454	August
September	15 726	6 611		1 779	2 969		10 924	14 036		September
October	5 975	3 298		920	2 485		11 391	7 360		October
November	6 952	32 565		2 501	2 455		5 995	2 012		November
December	11 260	54 402		2 881	2 961		9 568	2 972		December
Total	249 163	210 650		23 017	27 956		123 135	102 395		Total
Jan.-Aug.	209 250	113 774	188 681	14 936	17 086	18 573	85 257	76 015	104 945	Jan.-Aug.

Month	Raw Tobacco Tons			Coal and Coke Tons			Petrol Tons			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	411	402	453	188 777	187 653	281 094	15 094	23 447	17 404	January
February	396	464	413	99 657	98 357	208 344	20 200	25 760	25 824	February
March	407	492	446	82 223	91 244	208 820	19 680	25 419	27 212	March
April	399	470	367	84 619	76 466	111 328	25 797	22 585	26 049	April
May	367	402	454	87 770	135 382	218 635	20 251	25 333	22 879	May
June	375	332	463	165 568	145 935	257 993	39 597	31 661	32 675	June
July	229	381	130	193 076	173 954	180 240	31 299	20 089	36 545	July
August	455	475	479	203 479	219 231	234 792	30 141	38 031	26 314	August
September	497	475		230 275	173 527		28 333	36 074		September
October	395	456		245 954	374 019		22 907	34 313		October
November	439	461		253 010	279 933		21 638	25 731		November
December	362	311		191 188	317 827		28 690	31 114		December
Total	4 732	5 121		2 025 596	2 273 528		303 627	339 557		Total
Jan.-Aug.	3 039	3 418	3 205	1 105 169	1 128 222	1 701 246	202 059	212 325	214 902	Jan.-Aug.

Month	Mineral oils Tons			Fertilizers Tons			Raw Cotton Tons			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	32 420	47 937	62 685	5 286	31 024	32 507	1 020	4 405	505	January
February	40 823	45 711	56 024	2 362	32 209	23 002	1 524	732	609	February
March	28 171	56 082	74 195	22 526	26 080	20 154	1 293	2 595	1 253	March
April	25 588	57 560	59 759	15 813	53 312	39 055	463	980	865	April
May	30 205	39 571	58 016	44 074	41 288	41 187	724	762	2 618	May
June	41 881	39 074	48 247	27 578	23 217	33 489	518	393	602	June
July	25 557	38 505	44 947	36 172	40 932	34 782	—	2 614	2 061	July
August	23 031	35 528	58 089	40 683	33 673	18 756	2 369	1 939	1 965	August
September	40 861	47 784		19 214	51 843		348	0		September
October	44 061	54 699		56 144	38 254		—	414		October
November	40 739	68 391		38 715	38 344		371	1 469		November
December	42 061	63 614		34 319	28 510		1 607	3 002		December
Total	415 398	594 456		342 886	443 686		10 237	19 305		Total
Jan.-Aug.	247 676	359 968	461 962	194 494	286 735	242 932	7 911	14 420	10 478	Jan.-Aug.

* Preliminary figures subject to minor alterations.

25. IMPORTS OF THE MOST IMPORTANT ARTICLES — Continued

Month	Pig Iron Tons			Bar Iron and Bar Steel Tons			Sheet Iron and Steel Tons			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	124	2 018	677	9 388	4 517	4 166	7 846	8 178	9 672	January
February	20	1 451	285	3 614	3 319	6 252	7 893	6 450	9 686	February
March	30	3 436	1 024	2 813	5 906	7 840	7 605	6 839	9 821	March
April	130	4 594	453	2 841	7 657	9 745	5 968	13 889	9 376	April
May	57	3 623	711	3 037	9 674	11 136	6 518	8 844	17 751	May
June	50	5 123	738	2 320	7 656	14 389	2 786	11 452	19 013	June
July	327	8 086	830	1 945	9 169	9 101	5 899	10 924	13 030	July
August	5	5 870	695	1 588	8 978	14 830	3 660	14 055	27 867	August
September	272	1 699		1 519	10 342		4 731	14 107		September
October	150	1 712		2 768	8 322		5 655	21 137		October
November	1 857	3 765		4 083	6 176		8 905	19 436		November
December	3 424	9 026		4 189	13 324		11 890	22 537		December
Total	6 446	50 403		40 105	95 040		79 856	157 848		Total
Jan.-Aug.	743	34 201	5 413	27 546	56 876	77 459	48 175	80 631	116 216	Jan.-Aug.

26. EXPORTS OF THE MOST IMPORTANT ARTICLES ¹⁾

Month	Wooden Houses and Huts Floor area 1 000 m ²			Round Timber All kinds excl. fuel 1 000 m ³			Sawn Timber ¹⁾ All kinds 1 000 standards			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	19	49	6	47	116	134	49	39	38	January
February	36	88	17	24	60	117	13	21	29	February
March	126	89	17	76	74	70	27	12	17	March
April	115	72	74	66	127	96	34	21	27	April
May	49	95	65	172	276	226	40	36	49	May
June	6	73	43	318	467	541	79	78	80	June
July	93	53	34	381	623	789	120	113	106	July
August	103	37	6	349	558	967	85	102	128	August
September	74	53		297	468		67	89		September
October	118	66		262	397		56	85		October
November	78	76		208	274		63	76		November
December	80	37		188	180		55	61		December
Total	897	788		2 388	3 620		688	733		Total
Jan.-Aug.	547	556	262	1 433	2 301	2 940	447	422	474	Jan.-Aug.

Month	Matches Tons			Plywood 1 000 m ³			Bobbins (spools) Tons			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	83	111	95	17	16	26	148	81	124	January
February	78	82	127	11	17	31	44	125	158	February
March	127	199	114	22	25	17	83	151	117	March
April	61	73	164	20	27	40	78	172	232	April
May	111	114	62	15	30	31	166	104	141	May
June	104	70	77	17	25	22	67	156	142	June
July	128	67	42	21	26	24	53	179	91	July
August	29	47	80	10	15	25	107	33	103	August
September	82	18		16	30		56	158		September
October	134	86		23	21		131	138		October
November	125	122		19	30		95	160		November
December	116	75		25	36		115	80		December
Total	1 178	1 064		216	298		1 143	1 542		Total
Jan.-Aug.	721	763	761	133	181	216	746	1 006	1 108	Jan.-Aug.

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

* Preliminary figures subject to minor alterations.

26. EXPORTS OF THE MOST IMPORTANT ARTICLES — Continued

Month	Mechanical Pulp ¹⁾ Tons			Sulphite Cellulose ¹⁾ Tons			Sulphate Cellulose ¹⁾ Tons			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	18 038	16 843	16 444	39 984	36 898	40 900	22 268	24 091	31 219	January
February	6 911	12 277	11 731	23 542	37 106	63 265	13 872	19 313	35 728	February
March	12 420	14 696	10 548	50 328	44 431	43 003	41 821	26 761	25 988	March
April	19 496	11 639	14 276	37 233	49 246	62 806	25 483	32 780	40 805	April
May	18 892	25 425	14 647	35 430	47 679	49 973	22 964	37 073	23 054	May
June	14 839	20 297	19 979	33 103	55 658	60 087	36 780	35 071	53 790	June
July	13 244	17 857	19 069	27 655	47 789	61 555	22 974	32 020	43 405	July
August	17 498	10 381	19 034	49 017	45 106	71 876	23 254	26 100	45 197	August
September	26 622	17 056		43 035	48 440		29 309	34 194		September
October	18 656	13 604		42 922	55 249		27 801	29 650		October
November	20 739	17 068		36 351	53 070		26 153	38 821		November
December	16 177	16 034		45 524	59 723		30 244	39 118		December
Total	203 532	193 177		464 124	530 395		322 923	374 992		Total
Jan. - Aug.	121 338	129 415	125 728	296 292	363 913	453 465	209 416	233 209	299 186	Jan. - Aug.

Month	Cardboard All kinds Tons			Paper All kinds Tons			Newsprint (included in previous column) Tons			Month
	1953	1954	1955*	1953	1954	1955*	1953	1954	1955*	
January	9 983	11 230	11 634	48 944	56 245	57 067	35 637	33 686	32 494	January
February	8 666	10 235	17 190	30 401	51 092	68 556	18 699	28 520	34 380	February
March	11 096	13 712	9 643	68 284	59 241	45 304	42 733	32 169	21 405	March
April	9 906	16 345	18 689	57 866	67 053	96 203	34 040	36 115	50 317	April
May	9 004	12 683	15 867	55 299	63 383	73 706	34 553	34 043	34 430	May
June	10 711	12 118	13 396	56 412	56 371	71 704	32 564	28 360	35 645	June
July	9 984	13 329	12 766	53 396	62 681	74 570	33 697	30 559	40 458	July
August	7 011	10 558	13 542	62 111	60 904	82 140	35 279	33 373	43 011	August
September	9 630	13 326		53 196	64 763		31 377	33 708		September
October	10 866	15 822		67 726	79 172		36 762	40 419		October
November	11 545	14 899		58 849	56 064		32 222	24 192		November
December	12 414	16 438		64 109	73 871		34 618	36 606		December
Total	120 816	160 695		676 593	750 840		402 181	391 750		Total
Jan. - Aug.	76 361	100 210	112 727	432 713	476 970	569 250	267 202	256 825	292 140	Jan. - Aug.

¹⁾ Dry weight.

27. UNIT VALUE INDEX OF IMPORTS AND EXPORTS 1935-100

Year and Month	Total Imports	Groups of Imported Goods				Total Exports	Principal Exported Goods				Year and Month
		Raw materials	Machinery	Food-stuffs	Other consumption goods		Sawn timber	Mechanical pulp	Dry cellulose	Paper	
1951	1 946	2 133	1 585	1 955	1 594	2 801	2 605	3 258	3 835	2 374	1951
1952	1 841	1 946	1 586	2 017	1 396	2 614	2 457	2 797	2 900	2 298	1952
1953	1 695	1 677	1 633	1 935	1 361	2 074	2 499	2 011	1 702	1 762	1953
1954	1 631	1 497	1 786	1 962	1 331	2 123	2 602	2 008	1 924	1 835	1954
1954 Jan. - Aug.	1 663	1 538	1 752	2 002	1 363	2 093	2 582	2 003	1 908	1 821	1954 Jan. - Aug.
1955 Jan. - March	1 631	1 506	1 960	1 863	1 245	1 939	2 688	2 034	1 938	1 892	1955 Jan. - March
Jan. - April	1 597	1 499	1 816	1 837	1 229	1 959	2 714	2 052	1 971	1 895	Jan. - April
Jan. - May	1 607	1 520	1 807	1 828	1 232	2 009	2 712	2 063	1 983	1 888	Jan. - May
Jan. - June	1 607	1 545	1 757	1 793	1 253	2 105	2 710	2 072	1 985	1 892	Jan. - June
Jan. - July	1 607	1 547	1 768	1 787	1 253	2 197	2 742	2 091	1 992	1 898	Jan. - July
Jan. - Aug.	1 609	1 551	1 788	1 783	1 250	2 235	2 751	2 109	1 996	1 898	Jan. - Aug.

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

* Preliminary figures subject to minor alterations.

28. FOREIGN TRADE WITH VARIOUS COUNTRIES

Country	Imports (c. i. l.)					Exports (f. o. b.)				
	Whole year		January—August			Whole year		January—August		
	1953	1954	1954	1955*		1953	1954	1954	1955*	
Europe:	%	%	%	Mill. mk	%	%	%	%	Mill. mk	%
Belgium—Luxembourg ..	2.7	3.0	2.9	3 141	2.8	2.8	2.9	2.7	3 656	3.2
Bulgaria	0.1	0.2	0.2	20	0.0	0.2	0.1	0.1	118	0.1
Czechoslovakia	3.4	2.7	2.9	3 514	3.1	0.6	0.7	0.6	900	0.8
Denmark	3.0	2.4	2.5	4 119	3.6	3.5	3.4	3.6	3 537	3.1
France	5.7	6.1	6.0	6 760	6.0	4.5	4.7	4.8	5 293	4.7
Germany, Democratic Rep.	1.9	2.6	2.9	3 262	2.9	1.4	1.7	1.8	2 137	1.9
Federal Rep.	7.7	6.7	6.5	9 653	8.5	7.0	7.4	7.0	9 867	8.8
Greece	0.8	0.4	0.5	426	0.4	0.5	0.4	0.4	618	0.5
Holland	6.2	6.5	8.0	3 928	3.5	4.6	4.5	4.4	5 383	4.8
Italy	1.1	1.2	1.4	1 178	1.0	0.9	1.4	1.3	1 236	1.1
Jugoslavia	0.1	0.1	0.1	118	0.1	0.0	0.2	0.2	68	0.0
Norway	1.6	1.9	1.5	2 468	2.2	0.8	1.3	1.1	1 531	1.4
Poland	6.8	4.2	3.9	5 636	5.0	2.1	2.1	2.1	2 210	2.0
Rumania	0.0	0.1	0.1	702	0.6	0.1	0.3	0.3	856	0.8
Sweden	4.3	4.5	4.1	5 426	4.8	3.2	2.7	2.7	1 964	1.7
Switzerland	1.6	1.1	1.0	1 511	1.3	0.3	0.7	0.7	1 213	1.1
Turkey	0.9	0.7	0.9	629	0.6	1.3	1.5	1.2	834	0.7
United Kingdom.....	15.8	18.8	19.2	23 032	20.4	22.0	22.5	22.9	27 637	24.5
USSR	21.4	17.8	17.6	16 604	14.7	25.4	21.5	23.2	20 557	18.3
Rest of Europe	2.8	3.1	3.4	3 346	3.0	2.6	3.4	3.4	3 278	2.9
Total for Europe	87.9	84.1	85.6	95 478	84.5	83.8	83.4	84.5	92 893	82.4
Argentina.....	1.5	2.1	2.1	3 455	3.1	0.9	1.8	1.2	2 626	2.4
Brazil	2.3	5.5	5.1	4 892	4.3	1.3	2.1	2.3	2 777	2.5
Canada	0.2	0.0	0.1	152	0.1	0.1	0.1	0.1	52	0.0
United States	5.0	4.6	3.5	5 429	4.8	7.2	5.8	6.0	6 668	5.9
Rest of America	0.6	0.3	0.1	282	0.2	0.9	0.9	0.9	829	0.7
Africa	0.4	0.5	0.5	811	0.7	2.2	2.3	2.3	2 219	2.0
Asia	2.1	2.9	3.0	2 490	2.2	3.3	3.1	2.3	3 888	3.5
Australia & New Zealand	0.0	0.0	0.0	79	0.1	0.3	0.5	0.4	680	0.6
Grand total	100.0	100.0	100.0	113 063	100.0	100.0	100.0	100.0	112 632	100.0

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

29. WHOLESALE TRADE

Month	Total Sales Mill. mk			
	1952	1953	1954	1955
January	17 974	15 944	16 206	18 134
February	19 886	16 998	17 949	20 305
March	20 304	19 134	21 288	23 087
April	21 092	19 966	22 604	25 776
May	22 994	20 502	23 228	25 700
June	19 702	20 893	21 658	25 684
July	20 980	19 821	21 722	23 171
August	20 054	22 475	23 587	
September	23 320	24 088	24 258	
October	23 018	22 730	22 475	
November	21 355	20 937	24 013	
December	20 551	22 589	24 818	
Total	251 230	246 077	263 806	
Jan. - July	142 932	133 258	144 655	161 857

Calculated by the «Unsl Suomi». The figures represent about 50 % of the turnover of all wholesalers in Finland.

* Preliminary figures subject to minor alterations.

30. SALES OF PETROL

Wholesale for Traffic 1 000 tons					Month
1951	1952	1953	1954	1955	
17.4	15.2	22.2	20.7	22.9	January
16.8	18.4	21.0	21.6	22.1	February
18.3	19.2	21.6	23.6	27.6	March
19.3	20.0	22.2	26.4	25.2	April
22.5	26.1	29.5	27.7	27.0	May
24.2	27.0	29.0	30.9	34.9	June
26.1	28.4	23.8	31.3	34.2	July
24.7	28.1	28.4	29.8		August
23.4	25.6	27.9	28.9		September
24.8	25.7	28.8	28.6		October
23.0	20.9	24.5	27.8		November
26.2	22.1	30.4	24.1		December
266.7	276.7	309.3	321.7		Total
144.6	154.3	169.3	182.2	193.9	Jan. - July

Figures supplied by the Ministry of Communications and Public Works.

31. VOLUME INDEX OF INDUSTRIAL PRODUCTION 1948 - 100

Month	Total Industry			Home Market Industry			Export Industry			Month
	1953*	1954*	1955*	1953*	1954*	1955*	1953*	1954*	1955*	
January	121	129	142	127	131	143	106	126	140	January
February	118	133	145	122	134	145	108	129	146	February
March	126	147	164	129	146	163	117	149	166	March
April	124	139	148	132	142	150	106	132	142	April
May	123	148	153	132	150	154	105	144	150	May
June	122	135	151	134	140	154	97	126	146	June
July	101	116	122	102	109	111	99	134	147	July
August	124	143		131	145		109	139		August
September	140	156		145	159		127	148		September
October	149	159		156	159		133	159		October
November	140	157		145	161		128	149		November
December	135	146		139	149		124	139		December
Whole year	127	142		133	144		113	140		Whole year
Jan.-July	119	135	146	125	136	146	105	135	148	Jan.-July

Calculated by the Central Statistical Office.

32. BUILDING ACTIVITY ¹⁾

Year and quarter	Buildings completed						Buildings under construction at end of period	Building licences granted	Consumption of cement 1000 tons	Year and quarter
	Total	Dwelling houses	Farm buildings	Industrial premises	Business premises	Official buildings				
	Volume in millions of cubic metres									
1952	21.06	8.84	5.74	2.10	0.99	2.04	20.75	21.14	751	1952
1953	20.09	8.44	5.66	1.83	0.70	2.25	22.66	23.86	856	1953
1954	22.02	9.36	5.24	2.16	1.38	2.87	22.85	25.64	932	1954
1954										1954
April - June	2.97	1.44	0.68	0.14	0.17	0.36	28.10	8.59	345	April - June
July - Sept.	7.02	2.75	1.85	0.75	0.28	1.07	27.08	5.83	310	July - Sept.
Oct. - Dec.	8.90	3.86	2.40	0.58	0.89	0.97	22.85	5.96	186	Oct. - Dec.
1955										1955
Jan. - March*	3.20	1.56	0.20	0.59	0.17	0.57	19.11	5.01	106	Jan. - March*
April - June*	3.20	1.52	0.59	0.35	0.19	0.36	24.89	8.61	323	April - June*

¹⁾ New series, relating to the whole country. The figures concerning building activity are supplied by the Central Statistical Office and those concerning the consumption of cement, by the Cement Association.

33. FOREIGN SHIPPING

Year and Month	Vessels arrived				Vessels departed				Goods transported 1 000 tons		Year and Month
	Number		1 000 net reg. tons		Number		1 000 net reg. tons		Imports	Exports	
	Total	Finnish	Total	with Cargo	Total	Finnish	Total	with Cargo			
1951	9 079	3 051	5 853	3 590	9 052	3 051	5 846	4 978	5 537	7 527	1951
1952	8 443	3 131	5 946	4 046	8 426	3 094	5 957	4 607	5 475	5 911	1952
1953	6 693	2 624	5 045	3 198	6 721	2 629	5 055	4 321	3 950	5 518	1953
1954	7 409	2 619	5 983	3 864	7 426	2 612	5 959	5 030	5 353	6 712	1954
1954											1954
Jan. - Aug.	4 624	1 645	3 604	2 279	4 583	1 666	3 547	3 071	2 884	4 012	Jan. - Aug.
1955											1955
June	976	298	700	442	974	316	706	586	602	802	June
July	1 145	318	783	423	1 161	344	788	688	522	999	July
August	1 167	351	802	413	1 216	359	839	724	August
Jan. - Aug.	5 193	1 811	4 282	2 851	5 167	1 848	4 262	3 508	Jan. - Aug.

Figures supplied by the Statistical Office of the Shipping Board.

* Preliminary figures subject to minor alterations.

34. STATE RAILWAYS

Month	Weight of goods transported 1 000 tons			Axle-kilometres of goods trucks Mill. km			Revenue (less Re-imburements) Mill. mk			Regular Expenditure Mill. mk			Month
	1953	1954	1955	1953	1954	1955	1953	1954	1955	1953	1954	1955	
January	1 145	1 292	1 404	63	69	74	1 666	1 646	1 806	1 609	1 510	1 639	January
February	1 019	1 333	1 451	63	78	78	1 531	1 706	1 808	1 922	1 868	1 971	February
March	1 328	1 492	1 090	80	91	60	1 899	1 996	1 440	1 965	1 759	1 758	March
April	1 200	1 386	1 573	70	76	80	1 843	1 925	2 142	1 849	1 753	1 808	April
May	1 233	1 470	1 717	68	77	90	1 753	1 896	2 164	2 175	2 043	2 070	May
June	1 390	1 549	1 713	71	78	85	2 012	2 112	2 205	2 059	1 919	2 434	June
July	1 355	1 581	1 805	74	84	94	2 125	2 245	2 427	1 820	1 745	2 041	July
August	1 285	1 497		72	80		1 947	2 051		1 810	1 753		August
September	1 398	1 589		75	83		1 806	2 160		1 868	1 847		September
October	1 478	1 645		77	86		1 878	1 990		1 823	1 866		October
November	1 438	1 613		73	79		1 732	1 952		1 793	2 024		November
December	1 285	1 469		67	76		2 425	2 173		2 332	2 463		December
Total	15 554	17 916		853	957		22 617	23 852		23 025	22 550		Total
Jan.-July	8 670	10 103	10 753	489	553	561	12 829	13 526	13 992	13 399	12 597	13 721	Jan.-July

According to Monthly Statistics of the Finnish State Railways.

35. WHOLESALE PRICE INDEX 1935 = 100

Month	Index for Goods in Finnish Wholesale trade										Articles of Import (c. i. f.)		Articles of Export (f. o. b.)		Month		
	Total index		Finnish Goods						Imported Goods								
			Total	Products of agriculture		Products of forestry		Products of industry									
1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955		
Jan.	1 709		1 825		1 701		2 856		1 516		1 461		1 534		1 967	Jan.	
Feb.	1 733	1 685	1 844	1 804	1 726	1 736	2 884	3 034	1 531	1 410	1 495	1 432	1 539	1 533	1 988	2 167	Feb.
March	1 733	1 695	1 846	1 815	1 735	1 750	2 892	3 053	1 529	1 418	1 492	1 437	1 553	1 519	2 022	2 173	March
April	1 738	1 702	1 847	1 824	1 740	1 786	2 892	3 053	1 529	1 421	1 504	1 443	1 519	1 514	2 036	2 176	April
May	1 731	1 710	1 850	1 832	1 735	1 818	2 929	3 058	1 523	1 423	1 477	1 448	1 590	1 500	2 060	2 181	May
June	1 732	1 717	1 851	1 837	1 736	1 835	2 935	3 058	1 522	1 426	1 480	1 460	1 588	1 504	2 063	2 184	June
July	1 733	1 719	1 855	1 841	1 757	1 822	2 935	3 082	1 521	1 428	1 475	1 459	1 597	1 507	2 067	2 178	July
Aug.	1 727	1 720	1 846	1 840	1 775	1 819	2 877	3 082	1 521	1 427	1 471	1 464	1 581	1 503	2 097	2 180	Aug.
Sept.	1 725	1 727	1 845	1 850	1 773	1 847	2 877	3 109	1 520	1 425	1 468	1 467	1 545	1 497	2 102	2 189	Sept.
Oct.	1 722		1 836		1 675		2 937		1 516		1 478		1 521		2 093		Oct.
Nov.	1 740		1 865		1 732		3 044		1 510		1 472		1 531		2 118		Nov.
Dec.	1 694		1 811		1 674		3 052		1 436		1 446		1 515		2 116		Dec.
Whole year	1 684		1 797		1 684		3 039		1 415		1 442		1 519		2 129		Whole year
Whole year	1 724		1 841		1 728		2 941		1 506		1 475		1 550		2 074		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	October 1951 = 100 ¹⁾		August 1939 - July 1939 = 100		1935 = 100										Month		
					Total index		Food-stuffs		Rent		Fuel and light		Clothing			Taxes	
	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955		1954	1955
Jan.	102		1 106		1 205		1 364		616		2 408		1 443		2 287		Jan.
Feb.	104	98	1 110	1 048	1 210	1 142	1 373	1 284	689	747	2 400	2 244	1 431	1 234	2 062	2 014	Feb.
March	104	98	1 110	1 048	1 210	1 142	1 375	1 285	689	747	2 397	2 244	1 429	1 231	2 062	2 014	March
April	103	98	1 108	1 052	1 207	1 146	1 366	1 293	689	747	2 373	2 241	1 429	1 231	2 062	2 014	April
May	104	99	1 115	1 059	1 215	1 153	1 388	1 309	689	747	2 367	2 241	1 426	1 231	2 062	2 014	May
June	104	99	1 114	1 062	1 214	1 157	1 384	1 318	689	747	2 360	2 250	1 426	1 233	2 062	2 014	June
July	103	99	1 109	1 060	1 208	1 155	1 377	1 310	689	747	2 259	2 282	1 428	1 233	2 062	2 014	July
Aug.	104	99	1 114	1 061	1 213	1 156	1 388	1 312	689	747	2 254	2 308	1 427	1 234	2 062	2 014	Aug.
Sept.	104	100	1 117	1 068	1 217	1 163	1 398	1 323	689	747	2 249	2 337	1 429	1 235	2 062	2 014	Sept.
Oct.	104		1 111		1 211		1 384		689		2 222		1 429		2 062		Oct.
Nov.	104		1 112		1 211		1 374		743		2 221		1 419		2 017		Nov.
Dec.	98		1 045		1 138		1 276		747		2 231		1 235		2 017		Dec.
Whole year	98		1 043		1 136		1 270		747		2 239		1 234		2 017		Whole year
Whole year	103		1 101		1 199		1 363		703		2 298		1 395		2 051		Whole year

Calculated by the Research Office of the Ministry for Social Affairs according to monthly reports from 33 different centres
¹⁾ This index does not include direct taxes.

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

37. BUILDING COST INDEX 1951 = 100

Month	Total index				Building materials			Average hourly earnings			Index of the Contractor ¹⁾			Month
	1952	1953	1954	1955	1953	1954	1955	1953	1954	1955	1953	1954	1955	
Jan.	103	101	100	101	102	99	95	97	100	109	101	101	101	Jan.
Feb.	102	100	99	101	102	99	96	95	98	108	101	100	102	Feb.
March	102	100	100	100	102	99	96	97	100	106	101	101	101	March
April	103	101	99	101	102	98	96	100	100	108	102	100	102	April
May	104	100	99	101	101	98	96	98	100	110	101	100	102	May
June	103	101	101	103	101	98	96	100	106	113	102	102	103	June
July	105	100	102	103	101	98	96	98	110	115	101	103	104	July
Aug.	104	101	102	104	101	98	96	101	108	118	102	102	105	Aug.
Sept.	104	101	102		101	98		102	109		102	102		Sept.
Oct.	103	101	101		100	98		102	108		102	102		Oct.
Nov.	103	101	101		99	98		103	108		102	102		Nov.
Dec.	101	100	101		99	96		99	109		101	102		Dec.
Whole year	103	101	101		101	98		99	105		101	101		Whole year

Up to the end of 1954, calculated by the Bank of Finland, from 1955 onwards by the Central Statistical Office.

¹⁾ Total index less experts' fees and interest on building capital.

38. INDEX OF WORKING HOURS IN INDUSTRY

Quarter	All industries			Branch of Industry								Quarter
	Total	Home Industries	Exporting Industries	Metal	Glass, Stone, etc.	Chemicals	Foodstuffs and Luxuries	Leather	Textile	Paper	Timber	
1953												1953
July-Sept.	96.8	95.5	100.3	89.9	91.8	98.6	101.9	108.9	99.8	97.4	103.0	July-Sept.
Oct.-Dec.	97.8	99.1	94.4	96.6	98.3	104.1	108.9	108.1	97.1	93.8	95.0	Oct.-Dec.
1954												1954
Jan.-March	97.9	98.5	96.3	96.6	99.7	104.8	101.1	103.9	98.3	96.0	96.7	Jan.-March
April-June	101.6	102.5	99.3	103.3	110.5	107.1	105.2	106.3	96.5	98.7	99.9	April-June
July-Sept.	105.4	106.3	103.2	107.3	110.2	108.9	102.8	112.1	103.2	102.0	104.2	July-Sept.
Oct.-Dec.	104.0	103.1	106.3	103.0	104.5	106.3	97.6	105.7	103.8	99.9	112.2	Oct.-Dec.
1955												1955
Jan.-March	104.2	104.0	104.7	106.6	103.4	105.6	105.4	102.2	99.3	99.8	109.2	Jan.-March
April-June	103.7	103.3	104.9	104.7	102.3	102.1	103.5	101.3	101.9	102.5	107.0	April-June

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

39. NUMBER OF UNEMPLOYED

End of Month	Unemployed qualified for registration					
	Total			On Relief Work		
	1953	1954	1955	1953	1954	1955
January	54 207	51 916	21 165	39 244	42 438	16 182
February	65 726	52 840	24 305	54 822	46 538	21 021
March	61 582	49 837	26 053	56 324	46 091	23 731
April	40 181	36 985	19 434	38 077	34 180	17 873
May	21 457	11 010	5 008	20 978	10 388	4 617
June	2 390	268	—	2 285	211	—
July	696	—	—	514	—	—
August	1 056	—	—	614	—	—
September	5 562	—	—	3 224	—	—
October	16 037	1 886	—	9 146	667	—
November	34 630	6 751	—	22 130	4 022	—
December	46 096	12 649	—	34 432	8 890	—

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

* Preliminary figures subject to minor alterations.

40. CESSATION OF WORK

Employers affected	Work-people affected	1954		1955*		Month
		Employers affected	Work-people affected	Employers affected	Work-people affected	
2	68	12	2 116	January		
7	774	22	4 357	February		
3	100	15	19 185	March		
2	157	10	4 772	April		
73	10 530	89	4 720	May		
41	784	1	29	June		
3	220	1	100	July		
2	64	—	—	August		
5	290	—	—	September		
2	3 432	—	—	October		
—	—	—	—	November		
—	—	—	—	December		

The above particulars, which refer to cessations initiated during the month, are compiled by the Research Office of the Ministry for Social Affairs.

CERTAIN PARTICULARS ABOUT FINLAND

1. FORM OF GOVERNMENT

Finland formed a part of the kingdom of Sweden from 1154 to 1809; from 1809 it was an autonomous Grand Duchy connected with Russia up to December 6, 1917, when Finland declared its independence, which was acknowledged by all the Powers including Soviet Russia. It became a republic in 1919. The legislative power of the country is vested in the Diet and the President. The highest executive power is held by the President chosen for a period of 6 years. The President for the current period, March 1, 1950, to March 1, 1956, is Juho Kusti Paasikivi who has been in office since March 11, 1946.

The Diet, composed of 200 members, is elected by universal suffrage. The number of seats of the different parties in the Diet elected in 1954 are as follows: Social Democrats 54, Agrarians 53, People's Democrats 43, Conservatives 24, Swedish Party 13, Finnish People's Party (former Liberal Party) 13.

2. LAND

THE AREA is 337,009 square kilometres (Great Britain's area is 245,000 sq. km and Italy's area 301,000 sq. km). Of the total area 9.4 % are inland waters. On an average 13.9 % of the land in the South of Finland is cultivated (1950), 1.9 % in the North, 8.0 % of the whole land. Of the land area 21.8 mill. ha (53.9 mill. acres) or 71.6 % are covered by forests.

3. POPULATION

NUMBER OF INHABITANTS (1954): 4.2 millions. Sweden (1954) 7.2, Switzerland (1954) 4.9, Denmark (1953) 4.4 and Norway (1953) 3.4 millions.

DENSITY OF POPULATION (1954): In South Finland 23.5, in North Finland 3.7 and in the whole country an average of 13.8 inhabitants to the square kilometre.

DISTRIBUTION (1954): 66.2 % of the population inhabit the country, 33.8 % the towns and market towns. The largest towns are (1954): Helsinki (Helsingfors), the capital, 396,300 inhabitants, Turku (Åbo) 107,500, Tampere (Tammerfors) 107,600.

OCCUPATION (1950): Agriculture and forestry 42 %, industry 29 %, commerce 7 %, transport and communication 6 %, services 9 %, other economically active persons 1 %, economically inactive persons 6 %.

LANGUAGE (1950): Finnish speaking 91.1 %, Swedish speaking 8.6 %, others 0.3 %.

EDUCATION (1953): Practically all persons over 15 years of age are literate. There are three universities (the oldest founded in 1640) and 12 colleges of university standard.

INCREASE OF POPULATION (1953): Births 21.9 ‰, deaths 9.6 ‰, increase 11.8 ‰. Deaths in France (1953) 13.0 ‰, and in Great Britain (1953) 11.4 ‰.

4. TRADE AND COMMUNICATIONS

NATIONAL INCOME (1953, in thousand million marks): Gross national income at market price 805. Net national product at factor cost, by origin: agriculture 81 (13 %), forestry and fishing 61 (10 %), manufacturing 195 (32 %), construction 60 (10 %), transport and communications 41 (7 %), commerce, banking and insurance 77 (13 %), public activities 59 (10 %), other services 34 (5 %), total 608. Volume index 122 (1948 = 100).

FOREST RESOURCES (1951-1953): The growing stock comprised 1,491 million of solid cu. m incl. bark (52,660 million cu. ft), of which pine 43.7 % and spruce 35.7 %, the rest 20.6 % being leaf-trees, chiefly birch. Of the growing stock, 10,900 million cu. ft, 58.0 % of them pines, was up to the standard required for logs (minimum for sawmill logs 18' x 6" and for veneer logs 18' x 7"). The annual growth is 46 million of solid cu. m green wood excl. bark (1,620 mill. cu. ft). The

total removal in 1954 calculated according to the use of wood was 45 million cu. m (1,589 million cu. ft). In the years 1923 to 1938 in the then area of the country, it averaged 41 million cu. m (1,448 million cu. ft) per year, the corresponding yearly growth being 46 million cu. m (1,620 million cu. ft).

AGRICULTURE (1950): Cultivated land 2.5 million hectares, divided as follows: area under cultivation under 10 hectares 41.2 %, 10—50 ha 53.8 %, 50—100 ha 3.8 %, over 100 ha 1.6 %. Cultivated land (1953) was divided between the different kinds of crops as follows: 43.4 % hay, 7.7 % temporary grass-land for grazing, 19.0 % oats, 5.0 % wheat, 3.7 % rye, 6.7 % barley, 3.7 % potatoes, 10.8 % others. Dairy units in operation in 1953 amounted to 459.

OWNERSHIP OF LAND (1950): The land area was distributed among different classes of owners approximately as follows: private 56.9 %, State 35.0 %, joint stock companies etc. 6.4 %, communities 1.7 %.

INDUSTRY (1952): Number of industrial concerns 5,994, workpeople 270,453, gross value of products of industry 508,355 million marks.

LENGTH OF RAILWAYS (1954): 5,046 km, of which 4,859 km State railways and 187 km private. The gauge is in general 1,524 m.

MERCHANT FLEET (1. 4. 1955): Steamers 319 (422,790 gross reg. tons), motor vessels 149 (294,238 gross reg. tons), sailing vessels with auxiliary engines 120 (11,777 gross reg. tons). Total 588 (728,806 gross reg. tons).

5. FINANCE AND BANKING

CURRENCY. Since 1860 Finland has its own monetary system. From 1877 up to 1914 the currency maintained its stable gold value, and after the disturbances caused by the war a gold standard was again introduced from January 1, 1926. The unit currency is the mark (Finnish «markka» = 100 penniä). Since October 12, 1931, the redemption of bank notes in gold is, however, suspended. In 1948 Finland joined the International Monetary Fund and on June 27, 1951, the official par value of the mark was established at 230 marks per one U. S. dollar, the selling rate of the Bank of Finland being 231 marks and its buying rate 229 marks.

STATE FINANCES. According to the finance accounts for 1954 the State revenue was 215,569 million marks, of which 194,302 million marks were current revenue, and State expenditure 213,663 million marks, of which 143,897 million marks were current expenditure.

MUNICIPAL FINANCES. According to the finance accounts for 1952 expenditure amounted to 98,483 million marks. Total revenue was 100,367 million marks, of which income from taxation 57,395 million marks. The municipal income tax (non-progressive) averaged 10.9 % 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, Mikkel (St Michel), Tampere (Tammerfors), Hämeenlinna (Tavastehus), Jyväskylä, Kotka and Lahti.

THE COMMERCIAL BANKS (1955): Number 6, possess 520 offices, where all kinds of banking business is transacted. There is one banking establishment per 8,200 inhabitants.

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

OTHER BANKS (1955): Mortgage Banks 5, Savings banks 421, Co-operative Credit Societies 594 and a Central Bank for the latter.

PUBLIC FINANCES IN 1954

BY

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BUDGET PLANS AND FISCAL POLICY

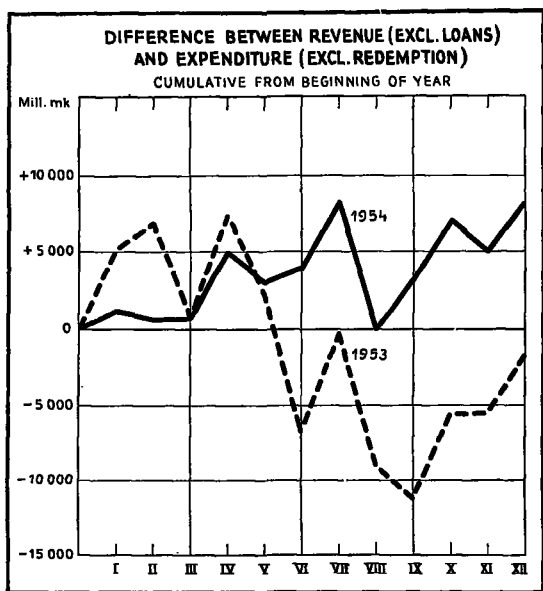
At the beginning of 1954 the outlook for State finances was uncertain. The fourth Kekkonen ministry had drawn up budget estimates in September of the previous year with a radically reduced total of only 151,922 mill. marks. But the Government fell in November, and the discussion of the changes proposed by its successor, the Tuomioja ministry, was so protracted that the regular budget for 1954 was not passed until the middle of March 1954. The total of this budget was 183,144 mill. marks, which was also considerably below the level of expenditure in both 1952 and 1953. As a matter of fact, owing to the change of Government, various items of expenditure had to be omitted from the budget for technical reasons and deferred for inclusion in a supplementary budget. As the budget balanced and its estimates of revenue did not appear to be very „cautious”, much anxiety was naturally felt as to how these expected increases in grants could be financed. This anxiety was all the greater in that the course of the State finances did not seem to be at all promising in the opening months of 1954, due, among at other things, to the large expenditure on unemployment. As will be seen in the first diagram, which shows the difference between revenue (excluding loans) and expenditure (excluding redemptions) from the beginning of the year, the relation of revenue to expenditure was appreciably more unfavour-

able at the beginning of the year than it had been in the first months of 1953.

In the middle of June, two supplementary budgets were introduced, in which additional grants were made to a total of 21,084 mill. marks. The majority of them, amounting to 11,000 million, were devoted to unemployment relief, while the increase in subsidies amounted to 5,127 million. The former grants did not, however, represent fresh expenditure at this stage, but merely the formal approval of spending already done in the winter and spring.

Little revenue was included in the supplementary budgets, but by that time the prospects of State finances had improved considerably. During the spring, the country's economic activity had grown very considerably and as taxation revenue is in the main highly sensitive to fluctuations in activity, such income had begun to grow to an increasingly great extent. On the other hand, the Government had made great efforts to restrict the spending by State departments, and this had the primary effect of decreasing considerably the stocks of State enterprises and extra-budgetary funds. As the diagram shows, the excess of revenue over expenditure in the first half of the year amounted to fully 3,900 mill. marks, whereas in the corresponding period of the previous year there had been an excess of expenditure of 6,700 million.

In May, the Tuomioja ministry had been replaced by the Törnngren ministry; the



State finances then appeared to be progressing, continuously and without increases in tax rates, towards a growing surplus. Such a development in State finances could, in view of the situation at that time, be considered proper, for economic activity continued to grow during the summer; the large increase in foreign exchange reserves, in particular, began to evidence the need for counter-measures in order to prevent too great an abundance of money.

In the autumn of 1954, however, there occurred a crisis, the consequences of which greatly affected the subsequent course of State finances. The cost of living index (October 1951 = 100), which had stood at almost exactly 104 points, threatened to rise above the 105 limit, and this would have meant a general rise in index-tied wages. After difficult negotiations, which also led to a change of Government in October, the fifth Kekkonen ministry decided to lower the index by means of financial policy, that is to say by „buying points”. This was effected at the beginning of November by raising subsidies and releasing textiles from the sales tax, to mention the two principal measures. The additional grants for 1954, necessitated by the „points purchases”, were included in a supplementary budget which was finally passed at the end of December. The total of this supplementary budget

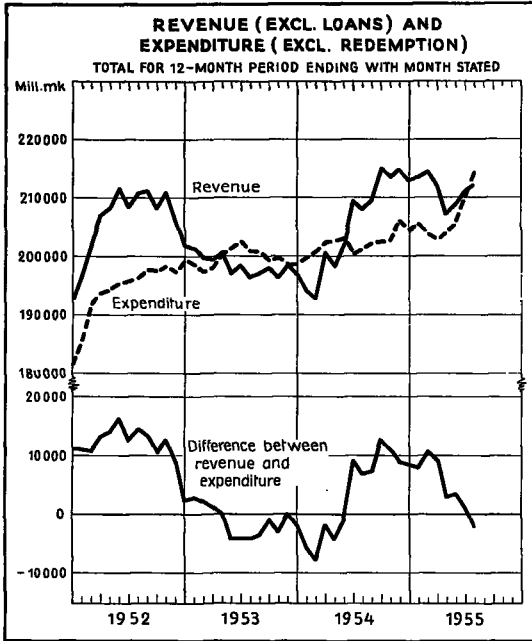
amounted to 10,543 mill. marks, of which 4,594 million represented the increase in subsidies.

These very radical „points purchases” did not affect with full force the pattern of State revenue and expenditure until 1955, but during November and December 1954 they did occasion Government increases in expenditure and decreases in revenue amounting in total to several thousand million marks. Thus, State finances did not develop during the latter half of the year in the manner promised by their development in the early part of the year. As the diagram shows, the excess of revenue for July—December was, broadly speaking, the same as for the corresponding period of 1953.

The combined total of expenditure in the regular and supplementary budgets for 1954 amounted to 214,788 mill. marks and the corresponding total of revenue to 207,159 million. According to the finance accounts for 1954, expenditure did in fact amount to 213,663 mill. marks and revenue to 215,569 million.

Nevertheless it is difficult to perceive the actual level of revenue and expenditure or its course of development from these totals, as the figures are greatly influenced on the one hand by budget tactics, and on the other by the special methods of Government accountancy that have been referred to in previous articles on State finances published in this Bulletin. In dealing below with revenue and expenditure for 1954, „adjusted” figures are employed, calculated on a payment basis and taking account both of payments included in the budget and extra-budgetary payments.

Before proceeding to a detailed study of State revenue and expenditure, their annual rate on the basis of the „adjusted” figures needs brief examination. This is illustrated by the second diagram, which shows revenue (excluding loans) and expenditure (excluding redemptions) and the difference between them. The curves represent 12-month totals, each total being plotted to the last month of the period. For the sake of comparison, the diagram has been extended to begin with December 1951 and end with July 1955, figures for the latter month being available at the time of writing.



The diagram shows that at the beginning of 1954 the course of State revenue did indeed appear to be very disturbing. The annual rate of revenue had been decreasing for a very long time and had touched bottom in February 1954 at 192,800 million marks. But in March—September there was a very steep rise due to the growth of taxation revenue and to the reduction of stocks already mentioned. In September a peak of 215,000 million marks was reached. At the turn of the year, however, revenue was again diminishing. As far as expenditure was concerned there were no such great fluctuations, as their level had risen fairly evenly.

In this connection, some remarks may be appropriate on the course of development in 1955. The level of revenue sank considerably during the second quarter of this year, but has since risen very much — and seems likely to rise still further. The course of expenditure, however, merits greater attention. Since the beginning of the second quarter, it has risen very steeply — mainly owing to the increased subsidies — and was at a record level of 214,500 mill. marks in July 1955. A continued rise is to be anticipated.

A study of the diagram shows that a de-

tailed description of the volume of revenue and expenditure for the calendar year 1954 cannot provide a very accurate picture of the recent course of State finances. Actually, the year 1954 embraces three separate periods of development: the first two months were a continuation of the deficit policy that had lasted throughout the previous year, the next seven months were a period of a large surplus, and the concluding months of the year the start of a period of excess in expenditure, this excess growing at an increasing rate in 1955. This should be borne in mind, when examining the calculations of State finances for 1954 given below.

A REVIEW OF THE YEAR

In the accompanying table the total State revenue and expenditure for 1954 and 1953 are given. With some exceptions¹⁾ the calculations are made in the same way as the monthly calculations in table 22 of the statistical section of this Bulletin.

According to the table, revenue (excluding loans) amounted to 213,063 mill. marks in 1954, or 16,051 million more than in the previous year. Expenditure (excluding redemptions) amounted to 204,730 mill. marks, the rise being 5,995 million. The excess of revenue was thus 8,333 mill. marks as against an excess of expenditure of 1,721 million in 1953. The relation between annual revenue and expenditure had thus improved by 10,054 mill. marks during 1954. If loans and redemptions are included, the overall surplus amounted to 10,170 million marks, as compared with a deficit of 3,378 million a year earlier. The relation between the total revenue and the total expenditure for 1954 thus represented an improvement of 13,548 mill. marks on 1953.

Revenue

The vigorous growth of State revenue was caused to a large extent by the increase in taxation revenue. All the taxes given in the table increased with the exception of income and property tax and the excise duty on coffee. The decrease in the former was due

¹⁾ Expenditure in indemnity bonds and Holding certificates (excl. interest) is calculated here as current expenditure and redemption of Emergency Settlement notes and Land Expropriation notes as capital expenditure. In table 22, both these categories are classed as redemption.

STATE REVENUE AND EXPENDITURE
(Adjusted figures)

Revenue	1954	1953	Expenditure	1954	1953
	Mill. mk			Mill. mk	
Income and property tax (net) ...	42 501	46 136	Interest on public debt	5 452	5 057
Gross collections	92 103	91 751	Child allowances	19 471	19 179
Refunds and share of communes	—49 602	—45 615	Old age allowances	2 651	2 753
Other direct taxes	884	862	Supplementary national pensions	2 302	1 903
Sales tax	57 308	53 046	Transfer of national pensions pre-		
Import duties	19 044	16 769	miums to N. P. Fund	4 210	2 857
Revenue from Alcohol Monopoly ..	17 268	16 404	Compensation to war-disabled ...	5 516	5 551
Excise on tobacco	10 435	9 889	Expenditure on indemnity bonds		
Excise on sweetstuffs	1 463	1 145	and Holding certificates (excl.		
Excise on beer	914	916	interest)	11 459	11 659
Excise on coffee	486	1 302	Subsidies	12 258	7 627
Other indirect taxes	1 078	976	Reimbursement of 1951 export tax	4 054	—
Stamp duty	6 740	6 037	State aid to agriculture	5 754	6 875
Payments for child allowances and			State aid to communal and private		
national pensions	18 745	17 865	schools	13 496	13 993
Net receipts of price equalization			Military expenditure	9 297	9 243
by extra-budgetary funds	3 950	3 302	Maintenance of roads	5 226	4 613
Other revenue similar to taxes ...	4 933	3 308	Pensions of State employees	3 663	3 477
Total taxes	185 749	177 957	Family pensions	983	944
			Other current expenditure	46 777	45 065
Interest and dividends	3 514	3 063	Current expenditure	152 569	140 796
Net profits of State enterprises ..	5 157	4 555	Investments in State enterprises,		
Other current revenue	6 461	6 283	forests and landed property ...	10 446	11 814
Current revenue	200 881	191 858	Purchases of machinery and appa-		
			ratus	1 701	1 788
Provision for depreciation by State			House building	5 943	6 671
enterprises	944	727	Roads, bridges and hydro-under-		
Sales of State property	525	848	takings	12 020	11 418
Repayments of loans	2 654	1 939	Real investments	30 110	31 691
Decrease in stocks of extra-budget-			(of which: unemployment relief)	(15 443)	(13 657)
ary funds	4 367	719	Lending	21 189	25 291
Decrease in stocks of State enter-			Purchases of shares	511	492
prises	3 692	921	Redemption of Emergency Settle-		
Capital revenue	12 182	5 154	ment notes and Land Expropria-		
			tion notes	351	465
Total revenue (excl. loans)	213 063	197 012	Capital expenditure	52 161	57 939
Foreign loans	1	45	Total expenditure (excl. redemp-	204 730	198 735
Internal loans	11 242	3 593	tions)		
Loans	11 243	3 638	Redemption of foreign loans	3 001	2 691
			Redemption of internal loans	6 405	2 602
Total	224 306	200 650	Redemptions	9 406	5 293
			Surplus (+) or deficit (—)	+10 170	—3 378
			Total	224 306	200 650

in the main to purely technical causes, as for example the fact that there was speeding up of advance remittances to the communes of communal taxes previously withheld. To a small extent, the falling off was also due to tax rates having been lowered for individuals. The lower yield of the coffee tax was simply due to the fact that the whole tax had been abolished in March 1954.

Expressed in terms of marks, the largest increase occurred in the yield of the sales tax. Half of the increase was due to the development of home trade and half to the increase in imports. The latter fact also explains the increase in the yield of import duties. The increased revenue from the Alcohol Monopoly was a direct consequence of the larger sales of liquor.

SHORT-TERM FINANCING

(Adjusted figures)	1954	1953
	Mill. mk	
Short-term credit from private credit institutions (incr. +) ..	2,855	+ 3,355
Private funds (incr. +)	350	+ 272
Net debt to the Bank of Finland (incr. +)	8,143	— 439
Short-term debt to the Post Office Savings Bank (incr. +) ..	+ 1,669	— 3,138
Cash holdings (incr. —)	— 491	+ 3,328
Surplus (—) or Deficit (+)	— 10,170	+ 3,378

Total taxes amounted to 185,749 mill. marks or 21.7 per cent of the gross national income, at market prices. As in 1953 the corresponding ratio was 22.2 per cent, the burden of taxation cannot be held to have changed to any particular extent.

The growth of State revenue was also due, in addition to the increase in taxation revenue, just as much to the exceptionally heavy reduction of stocks, which figures in the table as capital revenue. The reduction of the stocks of extra-budgetary funds and State enterprises amounted in all to 8,059 million marks, whereas one year previously it was only 1,640 million. This large decrease was mainly due to sales from the State Granary and to the deliberate reduction of fuel stocks of the railways.

Expenditure

As regards current expenditure some exceptional items are noticeable which explain the greater part of its considerable growth. The greatest increase is the rise in subsidies, which was, of course, caused by the increases introduced at the beginning of November 1954, as already mentioned. Of the individual subsidies, 4,401 mill. marks were employed in 1954 (4,663 million in 1953) for lowering the cost of artificial fertilizers and distributing them free of charge; 2,193 (—) million to provide compensation for the price reduction of dairy produce; 2,152 (814) million for export premiums on butter and cheese, and, in November and December, for compensating price differences on butter stocks; 1,133 (—) million for subsidising the production of beet sugar; and 1,036 (795) million for allowances for the transport and distribution of milk. The partial reimbursement of the export tax imposed in 1951, the peak year for exports, was an exceptional item of

expenditure, 4,054 million marks. It should be mentioned that the growth of national pensions payments transferred to the National Pensions Fund was entirely due to an alteration of the dates of payment.

Efforts were made in 1954 considerably to reduce Government real investments but owing to the heavy expenditure on unemployment the eventual reduction proved to be a minor one. Of the investments in State enterprises, forests and landed property, the most substantial share fell to railway construction, 8,074 (8,802) mill. marks, of which 3,084 (2,204) million were financed out of unemployment funds. The major proportion of the expenditure on roads and waterways was occasioned by the extensive unemployment relief work.

A truly remarkable reduction occurred in the granting of Government loans, which had grown so much in recent years. The reduction was effected principally in loans granted by the Settlement Fund. On the contrary, the amount of housing loans at low rates of interest, the Arava loans, increased slightly to 7,889 (7,409) mill. marks. Employment loans to the amount of 3,171 (3,234) million marks were granted.

Borrowing, Cash Transactions and the Public Debt

Owing to the large redemptions falling due in 1954 the Government considerably increased its borrowing and succeeded in the selling of bonds to the extent of 11,242 mill. marks. Of these, 3,874 million consisted of a loan at a varying rate of interest, intended mainly for financial institutions; 3,500 million of a loan floated for converting the Second Indemnity Loan that fell due in August; 2,005 million of a new Post Office Savings Bank loan; and 1,202 million of premium bond loans sold to the public. Borrowing from abroad was negligible. As regards the redemption of debt, two large internal loans matured in 1954, that is to say the 5 per cent loan of 1944 for 3,000 mill. marks and the Post Office Savings Bank loan of 1949 for 2,000 million. It will be seen from the table above that the Government employed 2,855 million marks of its surplus during the year for redeeming short-term credits obtained in the previous year from private financial institutions.

A table illustrating the Public Debt is given below, which is slightly more exact than and different in analysis from, table 21 in

PUBLIC DEBT ¹⁾		
(Adjusted figures)	1954	1953
	Mill.	mk
Ordinary loans	36,124	31,300
Short-term credit from private credit institutions	500	3,355
Cash debt (net)	4,329	11,294
Debt to the Bank of Finland (net)	6,290	14,433
Short-term debt to the Post Office Savings Bank	18,612	16,943
less: Cash holdings	—20,573	—20,082
<i>Internal Debt</i>	<i>40,953</i>	<i>45,949</i>
<i>Foreign Debt</i>	<i>53,577</i>	<i>56,573</i>
Total Debt	94,530	102,522
Indemnity bonds and similar obligations (not included above):		
nominal value	9,487	11,356
redemption value	17,774	28,060
Total debt including the redemption value of indemnity bonds and similar obligations	112,304	130,582

1) Differs from table 21 in the statistical section, in that the foreign debt shown here does not include the promissory notes given to the IMF, 8,475 mill. marks, and that the indemnity bonds and similar obligations, which are here given distinct from the totals, include Holding certificates.

the statistical section of this Bulletin. The reduction of the short-term credit and of the cash debt (net) was considerably larger than was the increase in ordinary loans, so that the internal debt — excluding indemnity bonds and similar obligations — decreased by almost exactly 5,000 mill. marks. As the foreign debt was also reduced, the total Public Debt, so calculated, decreased from the 1953 figure by 7,992 million.

In a wider sense, the Public Debt should also include the indemnity bonds and similar obligations incurred without recompense. In the table their amount is given at both nominal and redemption values. The latter value is obtained by increasing the nominal value of bonds of the Second Indemnity Loan in the same proportion in which the wholesale price index for Finnish goods (to which the redemption of these bonds is linked) rose from the end of 1944 to the end of 1954 (1953). If these obligations are added at their redemption value to the Public Debt, the amount of the Debt totalled fully 112,000 mill. marks at the end of 1954 or over 18,000 million less than at the end of 1953.

ITEMS

Changes in the Statement of the Bank of Finland. The statement of the Bank of Finland has been remodelled so that it may be in accordance with current usage. Headings have been altered, the accounts re-grouped, and less important accounts have been combined. The principal changes are described below.

1) Previously, the balance sheet showed the net amounts of foreign currency, liabilities having been deducted from assets. Now, gross figures are presented. The currencies of which there is a net credit balance are totalled under *Foreign Exchange*, among the assets, while the currencies of which there is a net indebtedness appear under *Foreign Exchange accounts*, among the short-term liabilities.

2) Previously, foreign exchange did not include the exchange on clearing accounts, nor were net credit balances on clearing accounts included in the note cover. In the course of the years, however, as new payments agreements have been concluded, numerous transfers have been made between the „free-exchange” accounts and the clearing accounts, and it is often difficult to determine to which group a currency should belong according to its degree of „hardness” and convertibility from the point of view of Finland. Now, therefore, all currency accounts of the Bank are combined.

3) Previously, the foreign clearing accounts were credited with the exchange — originating in prepayments for exports — which the Bank bought from Finnish exporters although

that exchange was not immediately available to the Bank. Now, these assets are included in *Sundry assets*.

4) The majority of the bills previously reported as Foreign bills consist of bills which Finnish firms have given to cover long-term foreign loans received with the Bank acting as intermediary. They should therefore be regarded as domestic advances and as such cannot be included in the ordinary note cover as was done earlier. Now, they are included in the supplementary cover and appear under *Inland bills discounted, in foreign currency*.

5) Previously, Advances on current account and Other current accounts were shown separately and net. Now, gross figures are given, and the items are combined under *Cheque accounts* (assets) and *Other cheque accounts* (liabilities).

6) The statement of the note issue has been simplified in that the part of the note reserve which is dependent on supplementary cover is no longer reported. As has previously been the case, however, the right of note issue consists of an ordinary cover and a supplementary cover (the maximum of the latter being 50,000 mill. marks according to the Regulations), while the notes in circulation, together with the short-term liabilities and unused cheque credits form the used amount of issue.

In the statistical section of this Bulletin, from now on will table 1—2 show statement of the Bank in full without accounts having been combined as hitherto. For the sake of comparison the statement for the corresponding month of 1954 has been recalculated in accordance with the new principles. Tables 3 to 6 will not be changed before the end of the year.

The headings in the new statement are explained below, and a note in each case indicates the comparability with a heading in the old statement and in the contracted statement previously published in the Bulletin.

ASSETS

Ordinary note cover

Gold = coin and bullion. — Unchanged

Foreign exchange = balances in foreign currency, including foreign clearing accounts, (= *nostro accounts*) + matured foreign

bonds and coupons in foreign currency + foreign money. — Not comparable with any heading in the old statement or the Bulletin.

Foreign bills = bills in foreign currency payable abroad by foreign firms. — This heading plus *Inland bills discounted, in foreign currency*, correspond to Foreign bills in the old statement.

Foreign bonds = bonds in foreign currency issued by a foreign government, city, bank, etc. — Unchanged.

Supplementary note cover

Inland bills discounted

In foreign currency = bills covering foreign loans received by Finnish firms with the Bank of Finland acting as intermediary. — See note to Foreign bills above.

In Finnish currency = directly discounted internal bills. — Corresponds to Inland Bills in the old statement. In the Bulletin, the heading Inland Bills included rediscounts.

Rediscounted bills = bills of the commercial banks and the Central Bank of the Co-operative Credit Societies rediscounted by the Bank of Finland. — Unchanged. In the Bulletin, these bills were included in Inland bills.

Treasury bond loan = loan issued in 1953 to consolidate Treasury bills, 20,000 million marks having been drawn of the 25,000 million authorised. — Unchanged.

Other assets

Finnish bonds = bonds in Finnish currency + Finnish bonds in foreign currency. — These two items were reported separately in the old statement.

Cheque accounts = Advances on current accounts in the old statement.

Finnish coin — Unchanged in comparison with old statement. In the Bulletin, this item was included in Sundry assets.

Other claims = prepayments for exports + loans on security + advances on documentary credits + matured bonds and coupons in Finnish currency + Treasury bill covering certain IMF and IBRD accounts + sundry accounts. — Not comparable with any heading in the old statement or the Bulletin.

LIABILITIES

Notes in circulation — Unchanged.

Short-term liabilities

Foreign exchange accounts = debit balances on foreign currency accounts, including foreign clearing accounts, (= nostro accounts). — Not comparable with any heading in the old statement or the Bulletin.

Mark accounts of holders abroad = loro accounts + mark accounts of the IMF and IBRD. — These items were previously reported separately.

Cheque account of the Treasury = Current account of the Treasury in the old statement.

Cheque accounts of banks = current accounts of the commercial banks and the Central Bank of the Co-operative Credit Societies less banker's cheques + cash reserve accounts of these banks. — These items were previously reported separately, the first mentioned under Current accounts of the commercial banks.

Other cheque accounts = other current accounts + deposits against import licences. — Corresponds to Other current accounts in the old statement.

Other short-term liabilities = bank-post-bills + bills collected + sundry accounts. — These items were previously reported separately in the statement but were combined under Sundry accounts in the Bulletin.

Long-term liabilities

Foreign = foreign debt in foreign currency. — Corresponds to Foreign debt in the old statement.

Finnish = internal obligations in foreign or Finnish currency. — Corresponds to Liabilities in foreign currency in the old statement.

Equalization accounts. — Unchanged.

The items under the new group heading *Bank's own capital* are unchanged, except that *Earnings less expenses* have been diminished by an amount corresponding to Furniture, which was previously reported separately among assets but is now written off.

*

Budget Proposal for 1956. On September 9, the Government introduced its budget for the ensuing calendar year. The table below

shows the principal categories of revenue and expenditure compared with the corresponding totals so far authorised for 1955 (the original budget plus two supplementary budgets) and the totals of the finance accounts for 1954.

	1956 Budget proposal	1955 * Ordinary and suppl. budgets	1954 Finance report
Revenue			
Current	191,294	191,087	194,302
Capital	4,252	12,981	6,837
Loans	10,356	19,900	14,430
Total	205,902	223,968	215,569
Expenditure			
Current	151,751	163,309	143,897
Capital	45,008	58,686	58,296
Redemptions ..	9,120	8,900	11,470
Total	205,879	230,895	213,663

In the estimate for 1956, expenditure amounts to 205,879 mill. marks only, or almost exactly 25,000 million less than the total amount so far authorised for the current year. The decrease is partly due to the fact that the last instalment of the II Indemnity Loan was paid this year, 10,375 mill. marks having been appropriated for the purpose of this loan. Further, unemployment grants, for which 11,700 million was reserved for 1955, have been reduced to 6,500 million. More substantial still is the reduction of grants for subsidies, viz. from 25,170 mill. marks to 17,149 million. This budget estimate does not take into account the increase in civil service salaries which is to be effected by the forthcoming III Supplementary Budget for 1955.

Among revenue items, the Government has proposed some changes in the income and property tax. The taxation of individuals belonging to the lower income classes will be relieved. Company taxes, on the other hand, will be retroactively raised for 1955 — as they were for 1954 — to 38 per cent of income and 1 per cent of property. On this basis, the income and property tax is estimated to yield 56,000 mill. marks in 1956.

*

Government borrowing. On August 15, the Government issued a second Post Office Savings Bank loan of 250 mill. marks, which was immediately sold to that bank. The loan will run for 10 years and its other conditions are the same as those for the first Post

Loans issued in 1955	Date of issue	Present nominal value Mill. mk	Sold by Sept. 30 Mill. mk
1. Bond loan with a varying rate of interest	March 1	3,000	1,617
2. Post Office Savings Bank loan	March 1	1,800	1,800
3. National Pensions Fund loan	March 1	600	600
4. 6 ½ % bond loan	April 1	1,500	966
5. 5 % bond loan	May 2	1,000	592
6. II 5 % bond loan	August 1	3,500	1,180
7. II Post Office Savings Bank loan	August 15	250	250
		11,650	7,005

Office Savings Bank loan, which was issued on March 1.

On September 22, the Government raised the nominal amount of the 1955 loan, with a varying rate of interest, to 3,000 mill. marks. The original nominal amount was 1,000 million, but on May 18 it was raised to 1,500 million. — On the same day, September 22, the nominal amount of the 6 ½ per cent loan of 1955 was raised from 1,000 to 1,500 mill. marks.

The list above shows the Government loans issued this year and also the amount placed up till the end of September. All loans are provided with an index clause.

Of the 1954 loans, the Road Improvement Loan is the only one, bonds of which have been sold this year; its period of issue terminates at the end of 1956. During the first nine months of the current year such bonds have been sold for 245 mill. marks. Thus, in all, Government bonds to a total value of 7,250 million have been disposed of this year.

The issue before the end of the year of a third Post Office Savings Bank loan of 250 mill. marks has been discussed. Its conditions are proposed to be the same as for the first two loans.

*

Cash reserve agreement renewed. The Bank of Finland and the other credit institutions have agreed to continue the application of the cash reserve system introduced in February 1955 to the end of January 1956. For details, see Market Review in this issue of the Bulletin.

*

State timber auctions. Prices at the timber auctions held towards the end of September were about 14 per cent lower than was the case at last year's auctions. A total of 12.09 m. cu ft was sold at an average price of 193.4 mk per cu ft. These State auctions

are of considerable importance in the development of timber prices.

*

The publications of the Bank of Finland.

The thirty-fifth issue of the Year Book has been published in Finnish, Swedish and English. It contains, as usual, a comprehensive statistical section (with headings and other letterpress in French), a review of the economic conditions in the country and also a review of the activity of the Bank of Finland in 1954. The Year Book is edited by the Bank of Finland Institute for Economic Research.

In series B of the „Suomen Pankin taloustieteellisen tutkimuslaitoksen julkaisuja” (Publications issued by the Bank of Finland Institute for Economic Research) the following new publications have appeared:

15. Nils Meinander, Ränteeffekten (The Effect of the Rate of Interest). Helsingfors 1955, 310 p. Summary in English.

16. Veikko Halme, Vienti Suomen suhdannetekijänä vuosina 1870—1939 (Exports as a Factor in the Trade Cycles of Finland in 1870—1939). Helsinki 1955, 364 p. Texts of diagrams and a summary in English.

*

Economic Survey. The customary economic review, attached as a supplement to the Budget Proposal for 1956, scrutinises the course of national income up to 1954, the economic conditions in 1955 and the State economy. It also contains a rough national budget estimate for 1955 and an outline of the factors expected to influence the economy in 1956. The Survey has been compiled by the Economic Department of the Ministry of Finance. It has also been published separately as the „Economic Survey of Finland”. The English edition is available at the Press Bureau of the Ministry for Foreign Affairs and at Finnish Embassies and Legations abroad and at Finnish book sellers.

BANK OF FINLAND

(Cable address Suomenpankki)

BOARD OF MANAGEMENT

v. Fieandt, R., Governor
Waris, Klaus, Deputy Governor
Jutila, K. T.
Kekkonen, Urho, absent as Prime Minister
Leinonen, Esko K., ad int.
Sundman, C. G., ad int.

HEADS OF DEPARTMENT

Leinonen, Esko K., Secretariat	Aspelund, Arthur, Cash
Rossi, Reino, ad int., Institute for Economic Research	Helander, J., Foreign currency control
Engberg, G., Personnel	Österlund, P.-E., Foreign currency
Sundman, C. G., Foreign currency	Jussila, Eino, Office
Blomquist, P., Accounts and Control	Nenonen, A., Foreign correspondence
Kajantie, A., Documentary credits	Lindström, Helge, Credits



THE BANK OF FINLAND MONTHLY BULLETIN

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