



BANK OF FINLAND

MONTHLY BULLETIN

Vol. 43 No. 2

FEBRUARY

1969

EMPLOYMENT SITUATION

The increase in employment had come to a standstill by the end of 1966 and turned into a decline with the cessation of economic growth at the beginning of 1967. The rate of unemployment was on average 2.5 per cent in the first three quarters of 1967 but amounted to 3.9 per cent in the last quarter of 1967. The decrease in the volume of house building between the first and last quarters of 1967 was as much as 27 per cent.

The stagnation of growth in total production continued in the first quarter of 1968. The seasonally adjusted volume of total production was 1.1 per cent lower than in the last quarter of 1967. The volume of house building was in the first half of the year over 20 per cent lower than one year earlier. The seasonally adjusted unemployment percentage was about 4 per cent in the first quarter of 1968 and remained at this high level during the second and third quarters. The deterioration in the employment situation was also reflected in the decline of the total labour force in the first half of 1968. Nevertheless, the average number of unemployed reached in the first quarter a decennium peak of 115 000 against 63 000 in the previous year, according to the labour force sample survey. In the second quarter the number of unemployed was 86 000 on average and in the third quarter still 72 000.

For more than two years it has been Government policy to refrain from unduly expanding public works. Fluctuations in unemployment have been taken care of by widening the coverage of unemployment compensation. The number of recipients was 16 000 in January and 13 000 on average in February—April. The labour force maintained in public works was about the same as one year earlier.

After a long pause, the growth in total output was resumed in the last quarter of 1968. Productive activity started to accelerate especially in forestry and manufacturing. Price negotiations in the wood market led to an agreement in September, and this increased the labour force in logging-for-sale in the last quarter. In December the number of unemployed applicants for work decreased to the same level as a year earlier. The number of vacancies offered has been steadily above the figures of the previous year.

As before, unemployment was relatively greater in Northern Finland than in the South. According to a rough estimate the unemployment percentage was in January almost 7 in the northern but only 3 in the southern regions. Rough estimates can be

On page 18, The Role of Insurance Companies in the Finnish Credit Market

made of the distribution of unemployment among different industries on the basis of data from the employment exchanges. The number of unemployed building workers was 21 000 on average in the first half of 1968 which means over 15 per cent of the whole labour force in that sector. In the total industrial labour force the share of unemployed was 4—5 per cent or over 20 000 persons.

The unemployment situation at the beginning of 1968 was at its worst for many years. In addition to a reduction in employment in the building industry, which had been particularly depressed, rationalization in forestry and agriculture is creating a surplus labour force. The present problem is thus a result of structural changes in the Finnish economy as well as of cyclical fluctuations. The structural share of unemployment seems to constitute a growing component of the whole. Primary industries, agriculture and forestry and to a certain extent construction, are releasing labour which the other sectors of the economy can not absorb quickly enough. In the years 1958—67 employment in agriculture diminished by 3 per cent annually on average. In 1967 the diminution was 6 per cent and this con-

tinued in the first half of 1968. The decrease in agricultural employment seems not to have been compensated by growth in the demand for labour in other sectors of the economy. In forestry, employment decreased 6 per cent annually in 1958—67. On the whole the demand and supply changes were in balance during the period 1958—67. Beginning from 1967, a disequilibrium, largely due to growing structural and cyclical unemployment, has been apparent.

In considering the outlook for the year 1969 there seems no reason to expect a quick improvement in the unemployment situation. Structural unemployment is likely to persist as in 1968. The cyclical component of unemployment is expected to decrease but it will still remain on a high level in the first half of 1969. There are certain lags between changes in total production and in employment, depending upon the capital or labour intensity in the respective industries; the growth of production started this time mainly in capital intensive manufacturing and in forestry. A distinct improvement in the employment situation will therefore not occur before the second half of 1969.

January 28, 1969

BANK OF FINLAND

Mill. mk

	1966	1967	1968	1969		
	Dec. 31	Dec. 30	Dec. 31	Jan. 8	Jan. 15	Jan. 23
BALANCE SHEET						
Assets						
<i>Ordinary note cover</i>	637.2	798.8	1 477.4	1 494.9	1 508.6	1 508.7
Gold	143.9	188.8	189.5	189.5	189.5	189.5
IMF gold tranche	100.0	—	—	—	—	—
Foreign exchange	312.0	512.3	1 163.0	1 182.9	1 196.5	1 193.3
Foreign bills	56.4	72.5	76.1	74.0	74.1	77.4
Foreign bonds	24.9	25.2	48.8	48.5	48.5	48.5
<i>Supplementary note cover</i>	1 063.7	1 130.7	790.3	697.9	620.2	740.4
Inland bills discounted						
In foreign currency	36.3	122.5	25.1	25.1	25.1	25.1
In Finnish currency	112.2	140.7	147.5	144.3	126.8	129.0
Rediscounted bills	915.2	867.5	617.7	528.5	468.3	586.3
<i>Other assets</i>	424.6	707.7	470.5	445.4	478.6	371.7
Finnish bonds	284.8	370.5	135.7	99.7	139.9	36.7
Cheque accounts	2.1	4.0	1.9	1.9	1.7	1.7
Finnish coin	11.7	12.3	11.7	12.8	14.7	16.1
Other claims	126.0	320.9	321.2	331.0	322.3	317.2
Total	2 125.5	2 637.2	2 738.2	2 638.2	2 607.4	2 620.8
Liabilities						
<i>Notes in circulation</i>	1 106.2	1 052.1	1 159.6	1 075.8	1 042.6	1 023.8
<i>Liabilities payable on demand</i>	179.6	139.6	136.5	123.6	126.8	152.0
Foreign exchange accounts	61.2	74.7	62.1	67.1	65.2	64.6
Mark accounts of holders abroad	16.2	14.1	12.4	10.4	8.8	8.8
Cheque accounts						
Treasury	39.8	4.4	3.0	2.0	0.9	20.3
Post Office Savings Bank	17.3	17.2	3.4	3.1	3.2	38.0
Private banks	13.8	9.8	39.2	24.4	31.7	6.0
Other	2.8	1.8	2.2	2.2	2.8	3.2
Other sight liabilities	28.5	17.6	14.2	14.4	14.2	11.1
<i>Term liabilities</i>	126.3	553.1	546.4	543.4	547.6	556.2
Foreign	84.6	339.5	21.4	21.4	21.4	21.4
Finnish	41.7	213.6	525.0	522.0	526.2	534.8
<i>Equalization accounts</i>	266.9	422.0	400.3	399.1	393.1	390.4
<i>Bank's own funds</i>	446.5	470.4	495.4	496.3	497.3	498.4
Capital	300.0	300.0	300.0	300.0	300.0	300.0
Reserve fund	112.6	129.5	150.0	172.7	172.7	172.7
Profits undisposed	—	—	—	22.7	22.7	22.7
Net profit	33.9	40.9	45.4	—	—	—
Earnings less expenses	—	—	—	0.9	1.9	3.0
Total	2 125.5	2 637.2	2 738.2	2 638.2	2 607.4	2 620.8
STATEMENT OF NOTE ISSUE						
Right of note issue						
Ordinary cover	637.2	798.8	1 477.4	1 494.9	1 508.6	1 508.7
Supplementary cover						
(Upper limit 500 mill. mk; from Nov. 30, 1966 to Dec. 31, 1968, 700 mill. mk)	700.0	700.0	700.0	500.0	500.0	500.0
Total	1 337.2	1 498.8	2 177.4	1 994.9	2 008.6	2 008.7
Note issue						
Notes in circulation	1 106.2	1 052.1	1 159.6	1 075.8	1 042.6	1 023.8
Liabilities payable on demand	179.6	139.6	136.5	123.6	126.8	152.0
Undrawn on cheque credits	4.9	3.1	5.6	5.6	5.8	5.8
Unused right of note issue	46.5	304.0	875.7	789.9	833.4	827.1
Total	1 337.2	1 498.8	2 177.4	1 994.9	2 008.6	2 008.7

Rediscount rate since April 28, 1962, 7 per cent.

BANK OF FINLAND

Mill. mk

End of year and month	Gold and foreign accounts						Treasury			
	Gold and foreign exchange	Liabilities on foreign exchange accounts	Foreign exchange reserve (1-2)	Other foreign assets	Other foreign liabilities	Net foreign assets (3+4-5)	Bills and bonds	Other claims, net	Liabilities, Cheque account	Net claims on the Treasury (7+8-9)
	1	2	3	4	5	6	7	8	9	10
1962	637.7	17.1	620.6	67.7	114.9	573.4	—	28.9	5.5	23.4
1963	752.2	18.2	734.0	65.6	100.5	699.1	—	18.9	0.2	18.7
1964	973.4	84.7	888.7	76.3	82.8	882.2	—	8.9	5.4	3.5
1965	860.9	44.8	816.1	83.8	56.5	843.4	—	1.1	1.1	2.2
1966	555.9	61.2	494.7	81.3	100.8	475.2	11.5	1.1	39.8	29.4
1967	701.1	74.7	626.4	97.7	353.6	370.5	8.3	14.8	4.4	10.9
1968	1 352.5	62.1	1 290.4	124.9	33.8	1 381.5	6.7	361.0	3.0	357.3
1967										
Oct. ¹⁾	984.0	64.5	919.5	106.3	377.3	648.5	8.3	1.3	10.6	3.6
Nov.	878.6	71.9	806.7	106.8	357.4	556.1	8.3	2.3	18.4	12.4
Dec.	701.1	74.7	626.4	97.7	353.6	370.5	8.3	14.8	4.4	10.9
1968										
Jan.	811.2	67.8	743.4	98.6	350.5	491.5	4.1	63.6	0.3	59.8
Feb.	996.4	66.1	930.3	98.5	349.3	679.5	4.1	118.2	2.7	116.8
March	1 095.4	67.9	1 027.5	101.4	349.5	779.4	4.1	164.4	5.0	165.3
April	1 193.6	73.4	1 120.2	127.3	347.2	900.3	4.1	201.4	3.0	200.3
May	1 235.0	81.5	1 153.5	127.2	346.3	934.4	4.1	249.7	0.7	246.3
June	1 346.4	86.1	1 260.3	124.5	303.5	1 081.3	6.7	276.9	0.0	270.2
July	1 361.9	69.9	1 292.0	120.5	172.9	1 239.6	6.7	277.1	2.6	273.0
Aug.	1 337.0	72.7	1 264.3	117.5	173.1	1 208.7	6.7	297.2	0.1	290.6
Sept.	1 340.0	62.0	1 278.0	119.5	172.6	1 224.9	6.7	329.1	1.0	323.4
Oct.	1 383.1	59.8	1 323.3	123.9	169.9	1 277.3	6.7	350.8	11.1	355.2
Nov.	1 386.1	57.5	1 328.6	122.7	169.6	1 281.7	6.7	358.5	2.4	354.2
Dec.	1 352.5	62.1	1 290.4	124.9	33.8	1 381.5	6.7	361.0	3.0	357.3

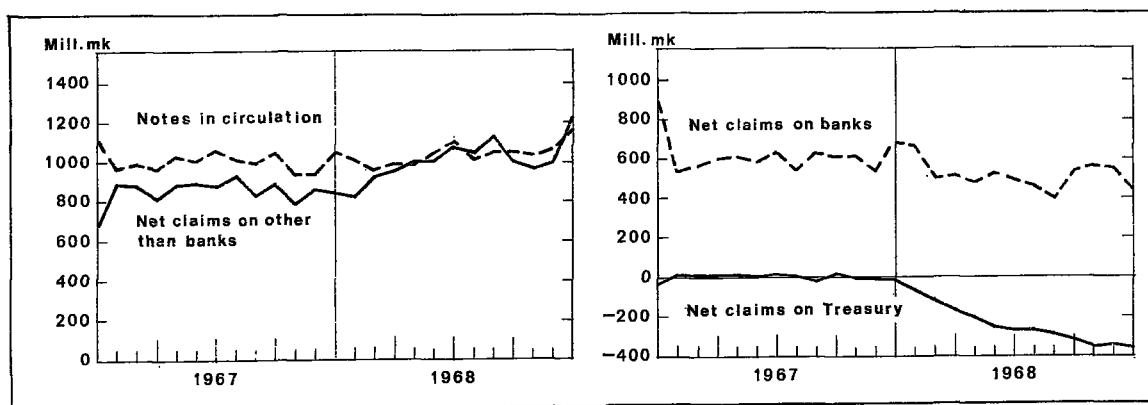
	Foreign exchange situation, mill. mk							
	Net holdings, Dec. 30, 1967			Net holdings Dec. 31, 1968			Change in	
	Bank of Finland	Other	Total	Bank of Finland	Other	Total	Dec.	Jan. - Dec.
Gold	189	—	189	190	—	190	—	+ 1
Convertible currencies	458	—295	163	1 113	—368	745	+ 8	+582
Other currencies	— 21	— 1	— 22	— 13	5	— 8	— 42	+ 14
Total	626	—296	330	1 290	—363	927	— 34	+597

¹⁾ Subsequent figures are affected by the change in the par value of the mark from 0.27771 grams of fine gold per mark (equivalent to 3.20 marks per U.S. dollar) to 0.21159 grams of fine gold per mark (equivalent to 4.20 marks per U.S. dollar), effective Oct. 12, 1967.

BANK OF FINLAND

Mill. mk

End of year and month	Finnish credit institutions					Other				Notes in circulation
	Redis-counted bills	Liabilities, Cheque accounts			Net claims on the banks (1-2-3-4)	Inland bills in Finnish currency	Other advances	Liabilities	Net claims on the rest of economy (6+7-8)	
		Private banks ¹⁾	Post Office Savings Bank ¹⁾	Mortgage Bank of Finland Oy						
	1	2	3	4	5	6	7	8	9	10
1962	401.2	— 4.0	53.3	0.8	351.1	33.5	99.6	4.1	129.0	774.4
1963	325.3	1.3	3.0	1.2	319.8	57.2	94.4	1.7	149.9	943.7
1964	448.4	16.4	49.6	0.6	381.8	67.1	103.0	1.6	168.5	1 002.7
1965	640.6	11.9	8.3	0.2	620.2	26.0	121.9	31.6	116.3	1 028.5
1966	915.2	13.8	17.3	— 1.3	885.4	112.2	152.9	73.2	191.9	1 106.2
1967	867.5	154.7	34.5	+ 0.0	678.3	140.7	439.1	56.0	523.8	1 052.1
1968	617.7	163.3	16.3	1.6	436.5	147.5	341.5	41.8	447.2	1 159.6
1967										
Oct.	750.0	103.0	33.0	+ 0.0	614.0	109.2	226.8	57.5	278.5	938.6
Nov.	780.2	170.9	69.1	0.2	540.0	113.9	295.5	51.8	357.6	937.9
Dec.	867.5	154.7	34.5	+ 0.0	678.3	140.7	439.1	56.0	523.8	1 052.1
1968										
Jan.	833.9	153.9	19.5	0.1	660.4	149.3	362.3	49.8	461.8	1 010.3
Feb.	682.9	163.8	18.4	0.1	500.6	136.5	283.6	49.1	371.0	956.6
March	697.0	167.4	21.2	0.2	508.2	137.3	258.5	48.6	347.2	979.1
April	653.4	156.3	19.6	+ 0.0	477.5	141.0	229.0	49.9	320.1	990.1
May	701.7	160.8	17.4	0.3	523.2	131.8	228.3	50.9	309.2	1 035.7
June	694.8	180.5	20.3	0.1	493.9	133.5	223.7	44.9	312.3	1 101.5
July	645.0	167.0	20.2	0.2	457.6	133.5	218.7	45.1	307.1	1 017.0
Aug.	619.2	202.3	17.6	+ 0.0	399.3	135.9	249.8	42.3	343.4	1 054.0
Sept.	677.2	132.6	18.0	0.2	526.4	139.1	259.4	42.2	356.3	1 046.4
Oct.	734.7	148.7	25.7	— 0.0	560.3	131.4	288.1	42.0	377.5	1 035.0
Nov.	719.9	130.4	35.0	0.1	554.4	132.1	323.7	41.3	414.5	1 058.5
Dec.	617.7	163.3	16.3	1.6	436.5	147.5	341.5	41.8	447.2	1 159.6

¹⁾ Including cash reserve accounts in 1961 and from February 1967.

DEPOSITS BY THE PUBLIC—FOREIGN EXCHANGE RATES

Mill. mk

End of year and month	Sight deposits			Term deposits						Total (2+3+9)
	Cheque accounts		Postal giro accounts	Commer- cial banks	Savings banks	Co-op. credit societies & their central bank	Post Office Savings Bank	Savings departments of co-op. stores	All credit institutions	
	Commer- cial banks	All credit institutions								
	1	2	3	4	5	6	7	8	9	10
1958	395.7	495.8	167.7	1 222.6	1 312.6	742.7	381.7	191.9	3 851.8	4 515.3
1959	557.5	678.1	140.9	1 505.5	1 525.5	860.3	431.2	219.1	4 541.9	5 360.9
1960	550.8	680.7	135.9	1 813.6	1 768.6	1 052.5	485.2	254.3	5 404.5	6 221.1
1961	577.9	720.8	143.8	2 105.9	2 079.6	1 241.0	558.2	285.3	6 270.3	7 134.9
1962	649.0	800.8	168.5	2 270.4	2 210.8	1 325.5	606.6	293.2	6 706.7	7 676.0
1963	715.3	876.0	250.3	2 441.0	2 336.6	1 448.0	648.5	310.7	7 185.0	8 311.3
1964	683.3	855.4	296.5	2 816.7	2 614.7	1 681.4	713.8	331.4	8 158.2	9 310.1
1965	665.7	843.7	309.4	3 160.1	2 954.4	1 953.5	773.2	357.2	9 198.6	10 351.7
1966	625.5	849.4	318.0	3 637.2	3 329.9	2 225.8	863.6	380.7	10 437.3	11 604.7
1967	649.8	834.0	340.9	4 080.8	3 644.6	2 439.7	941.2	431.3	11 537.9	12 712.8
1967										
Oct.	708.3	910.9	312.4	3 857.1	3 522.3	2 350.2	909.9	395.9	11 035.6	12 258.9
Nov.	663.0	850.5	310.9	3 879.2	3 543.0	2 354.7	912.2	398.5	11 087.8	12 249.2
Dec.	649.8	834.0	340.9	4 080.8	3 644.6	2 439.7	941.2	431.3	11 537.9	12 712.8
1968*										
Jan.	622.3	788.2	444.8	4 049.8	3 645.9	2 432.7	954.9	422.7	11 506.3	12 739.3
Feb.	672.5	841.1	407.1	4 148.5	3 704.1	2 475.8	967.4	421.8	11 717.9	12 966.1
March	664.0	837.9	353.5	4 167.7	3 736.9	2 498.4	978.0	421.1	11 802.3	12 993.7
April	674.9	852.2	454.4	4 209.9	3 750.5	2 525.0	979.0	420.9	11 885.5	13 192.1
May	697.3	890.9	403.6	4 212.2	3 758.5	2 520.6	972.0	417.5	11 881.0	13 175.5
June	668.8	856.9	425.7	4 249.2	3 740.9	2 510.6	965.4	414.7	11 881.0	13 163.6
July	758.1	959.7	381.9	4 262.5	3 747.5	2 518.8	966.8	414.4	11 910.2	13 251.8
Aug.	761.7	970.7	361.8	4 289.7	3 779.4	2 547.3	968.0	414.4	11 999.1	13 331.6
Sept.	785.6	1 001.3	388.1	4 319.2	3 806.3	2 569.3	973.2	425.3	12 093.5	13 482.9
Oct.	761.5	978.1	369.0	4 335.6	3 813.4	2 580.3	977.2	430.5	12 137.3	13 484.4
Nov.	752.7	967.8	365.6	4 374.3	3 858.2	2 608.9	985.4	440.4	12 277.5	13 610.9

End of month	100 % Index-tied deposits	High-interest deposits
1968*		
Jan.	4 272.0	561.9
Feb.	4 409.0	525.3
March	4 458.0	545.4
April	4 294.1	695.3
May	3 909.7	973.8
June	3 612.1	1 244.9
July	3 349.7	1 489.8
Aug.	3 159.1	1 659.9
Sept.	2 935.0	1 860.3
Oct.	2 400.7	2 225.5
Nov.	1 892.3	2 637.7

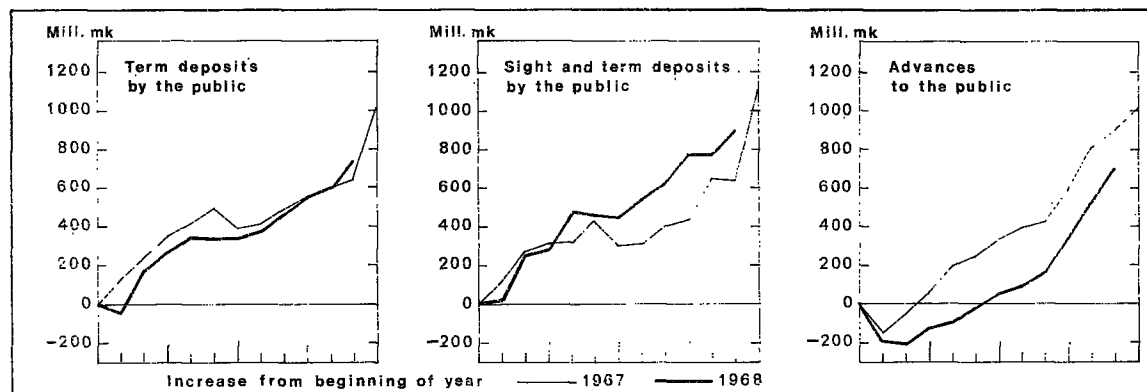
Selling rates for foreign exchange			
Jan. 29, 1968			
		mk	mk
New York	1 \$	4.1870	Zurich 100 Fr 96.86
Montreal	1 \$	3.9040	Paris 100 FF 84.57
London 1 £		10.0050	Rome 100 Lit 0.6710
Stockholm .. 100 Kr		81.00	Vienna 100 S 16.19
Oslo 100 Kr		58.55	Lisbon 100 Esc 14.68
Copenhagen .. 100 Kr		55.74	Reykjavik 100 Kr 4.76
Frankfurt o. M. 100 DM		104.52	Madrid 100 Pta 6.02
Amsterdam .. 100 Fl		115.63	Moscow, clear. ¹⁾ 1 Rbl 4.6799
Brussels 100 Fr		8.3450	Clearing dollars ²⁾ 1 Cl \$ 4.212

¹⁾ Also Bucharest.²⁾ Berlin, Budapest, Prague, Sofia, Warsaw.

ADVANCES TO THE PUBLIC—MONEY SUPPLY

Mill. mk

End of year and month	Granted by					Types of advances		Total (1 to 5) (6 and 7)	Money Supply
	Commercial banks	Savings banks	Post Office Savings Bank	Co-op. credit societies & their central bank	Mortgage banks	Loans & Bills	Cheque credits		
	1	2	3	4	5	6	7	8	9
1958	1 745.4	1 154.8	290.3	835.1	219.3	4 011.5	233.4	4 244.9	1 302.3
1959	2 096.9	1 327.2	331.4	967.3	325.8	4 772.7	275.9	5 048.6	1 448.4
1960	2 604.6	1 549.3	395.0	1 176.0	452.2	5 861.9	315.2	6 177.1	1 494.6
1961	3 048.0	1 817.6	436.8	1 462.7	515.2	6 928.2	352.1	7 280.3	1 646.1
1962	3 299.9	2 018.5	508.7	1 600.6	614.7	7 680.8	361.6	8 042.4	1 722.5
1963	3 472.5	2 134.5	544.0	1 757.7	664.3	8 226.2	346.8	8 573.0	1 986.5
1964	3 916.4	2 318.0	607.7	2 057.5	829.4	9 320.5	408.5	9 729.0	2 042.5
1965	4 279.6	2 609.2	716.5	2 348.4	899.4	10 439.6	413.5	10 853.1	2 085.0
1966	4 867.7	2 951.4	783.9	2 598.7	908.8	11 630.7	479.8	12 110.5	2 213.7
1967	5 203.7	3 247.7	869.0	2 779.5	1 026.9	12 598.9	527.9	13 126.8	2 183.1
1967 Oct. 1 ¹⁾	5 073.5	3 206.2	859.6	2 740.9	1 043.8	12 443.0	481.0	12 924.0	2 075.6
Nov.	5 114.3	3 238.7	861.0	2 764.8	1 033.6	12 504.5	507.9	13 012.4	2 059.7
Dec.	5 203.7	3 247.7	869.0	2 779.5	1 026.9	12 598.9	527.9	13 126.8	2 183.1
1968*									
Jan.	5 140.2	3 242.5	876.0	2 648.7 ²⁾	1 026.1	12 437.6	495.9	12 933.5	2 202.9
Feb.	5 130.9	3 242.3	890.8	2 632.7	1 019.0	12 413.6	502.1	12 915.7	2 174.9
March	5 201.6	3 241.8	903.8	2 629.7	1 017.3	12 441.3	552.9	12 994.2	2 151.4
April	5 198.9	3 261.1	914.8	2 645.4	1 006.3	12 528.7	497.8	13 026.5	2 275.6
May	5 235.3	3 287.3	915.5	2 661.0	1 004.5	12 610.5	493.1	13 103.6	2 268.2
June	5 288.9	3 297.0	920.8	2 679.2	999.9	12 646.8	539.0	13 185.8	2 316.8
July	5 270.7	3 312.1	932.5	2 701.2	999.2	12 715.1	500.6	13 215.7	2 315.4
Aug.	5 296.4	3 341.7	928.3	2 724.0	997.1	12 791.6	495.9	13 287.5	2 308.4
Sept.	5 388.6	3 372.4	930.8	2 775.5	998.6	12 951.6	514.3	13 465.9	2 378.9
Oct.	5 424.2	3 413.2	927.2	2 813.0	1 074.9	13 145.8	506.7	13 652.5	2 320.8
Nov.	5 528.9	3 446.3	930.6	2 845.1	1 073.3	13 282.8	541.4	13 824.2	2 362.8

¹⁾ See footnote on page 4.²⁾ New series.

STATE FINANCES

Mill. mk

Revenue	1967	1968 Jan. - Nov.	Expenditure	1967	1968 Jan. - Nov.
Income and property tax (net)	1 685	2 170	Wages, salaries, pensions etc.	1 266	1 358
Gross receipts	(4 965)	(4 832)	Repair and maintenance	239	227
Refunds & local authorities	(-3 280)	(-2 662)	Other consumption expenditure ..	563	605
Other taxes on income and property	40	39	<i>Total consumption expenditure</i>	2 068	2 190
Employers' child allowance payments	486	489			
Sales tax	1 908	1 873	State aid to local authorities	1 015	1 157
Revenue from Alcohol Monopoly ..	465	456	State aid to industries	866	817
Customs duties & import charges	466	354	of which: agric. price subsidies	(645)	(623)
Export levy	14	496	Child allowances	309	302
Excise duty on tobacco	404	382	Share in nat. pensions & health		
» » on liquid fuel	477	476	insurance	351	373
Other excise duties	113	106	Other transfer expenditure	678	760
Tax on autom. and motor cycles	167	133	<i>Total transfer expenditure</i>	3 219	3 409
Stamp duties	179	166			
Special diesel etc. vehicles tax	74	38	Machinery & equipment	225	249
Other taxes and similar revenue	47	52	House construction	283	243
Total taxes	6 525	7 230	Land and waterway construction	741	726
			<i>Total real investments</i>	1 249	1 218
Miscellaneous revenue	387	405	Interest on State debt	218	190
Interest, dividends etc.	151	122	Index compensations	18	28
Sales and depreciation of property ..	62	59	Net deficit of State enterprises ..	41	83
Redemptions of loans granted	157	132	Other expenditure	2	1
			<i>Total other expenditure</i>	279	302
Total revenue	7 282	7 948	<i>Increase in inventories</i>	38	— 6
			<i>Lending</i>	406	536
Foreign borrowing	157	165	<i>Other financial investments</i>	131	171
Domestic borrowing	446	567	Total expenditure	7 390	7 820
Total borrowing	603	732			
			Redemption of foreign loans	71	99
Deficit (+) or surplus (—)	+82	—263	Redemption of domestic loans ..	506	498
			Total redemptions	577	597
Total	7 967	8 417	Total	7 967	8 417

Debt	1966	1967	1968					
	Dec.	Dec.	June	July	August	Sept.	Oct.	Nov.
Foreign debt	1 340	1 844	1 946	1 940	1 942	1 920	1 912	1 916
Loans	2 075	2 013	2 035	2 008	1 914	1 901	2 045	2 083
Compensatory stock etc.	96	5	5	5	5	5	5	5
Short-term credit	101	167	121	205	228	304	310	305
Cash debt (net)	—85	—12	—76	—305	—77	—159	—366	—368
Domestic debt	2 187	2 173	2 085	1 913	2 070	2 051	1 994	2 025
Total debt	3 527	4 017	4 031	3 853	4 012	3 971	3 906	3 941
Total debt, mill. \$	1 094	955	963	920	958	949	933	941

BALANCE OF PAYMENTS

Mill. mk

Period	Exports f.o.b.	Imports c.i.f.	Trade balance	Transportation, net	Travel, net	Other services, net	Balance of goods and services	Investment income, net	Transfer payments, net	Balance of current transac- tions
1962	3 515	3 948	-433	+222	-112	+ 71	-252	- 47	+ 5	-294
1963	3 658	3 878	-220	+243	-100	+ 74	- 3	- 70	+ 6	- 67
1964	4 109	4 831	-722	+330	-115	+ 42	-465	-101	+ 3	-563
1965	4 542	5 287	-745	+341	-108	+ 21	-491	-131	+ 15	-607
1966	4 784	5 542	-758	+356	- 96	+ 12	-486	-150	+ 3	-633
1967	5 194	5 816	-622	+416	- 88	+ 17	-277	-209	- 3	-489
Jan.-Mar.										
1966	879	1 247	-368	+ 72	- 23	+ 10	-309	- 38	+ 0	-347
1967	1 088	1 347	-259	+ 98	- 24	- 2	-187	- 57	- 1	-245
1968	1 385	1 515	-130	+103	- 16	+ 7	- 36	- 58	+ 1	- 93
Apr.-June										
1966	1 247	1 397	-150	+113	- 31	- 8	- 76	- 36	- 2	-114
1967	1 242	1 398	-156	+ 97	- 34	+ 6	- 87	- 39	+ 1	-125
1968	1 808	1 829	- 21	+133	- 12	+ 2	+102	- 67	- 1	+ 34
July-Sept.										
1966	1 275	1 359	- 84	+ 73	- 17	+ 1	- 27	- 40	+ 2	- 65
1967	1 241	1 256	- 15	+114	- 18	- 3	+ 78	- 63	+ 3	+ 18
1968	1 680	1 500	+180	+147	+ 32	+ 0	+359	- 67	- 1	+291
Oct.-Dec.										
1966	1 383	1 539	-156	+ 98	- 25	+ 9	- 74	- 36	+ 3	-107
1967	1 623	1 815	-192	+107	- 12	+ 16	- 81	- 50	- 6	-137

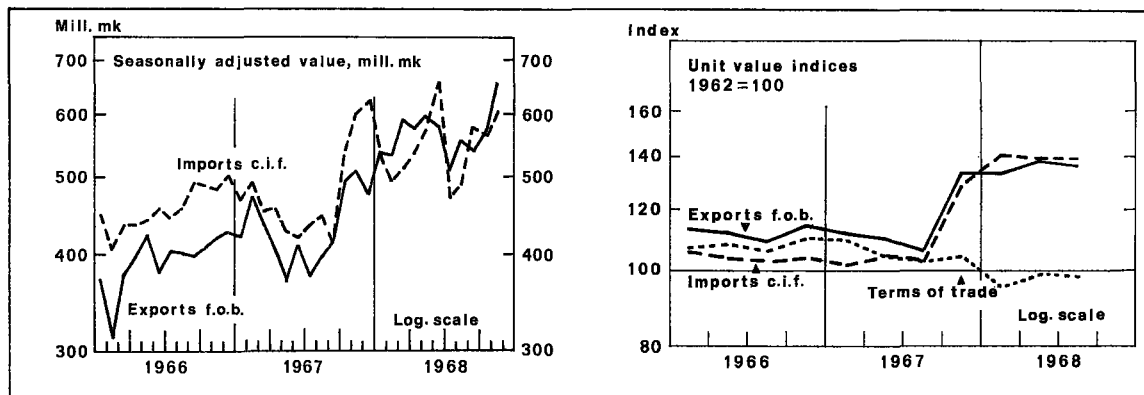
Period	Drawings of long-term loans	Amortiza- tions of long-term loans	Long- term export credits, net	Miscella- neous long-term capital items, net ¹⁾	Basic balance	Short-term import credits and pre- payments, net	Short-term export credits and pre- payments, net	Miscella- neous short- term capital items incl. errors and omissions	Over-all balance	Reserve movements	
										Bank of Finland	Other foreign exchange holders
1962	+271	-134	..	- 9	-166	- 74	- 43	+240	- 43	+ 43	..
1963	+513	-164	..	- 23	+259	-109	- 22	- 16	+112	-112	..
1964	+762	-228	- 31	- 11	- 71	+112	+ 55	+ 83	+179	-179	..
1965	+434	-273	- 66	+ 3	-509	+146	+ 34	+ 46	-283	+202	+ 81
1966	+518	-271	- 61	- 32	-479	+ 53	-114	+185	-355	+321	+ 34
1967	+910	-406	- 33	+ 13	- 5	-112	- 56	+ 65	-108	+ 84	+ 24
Jan.-Mar.											
1966	+ 89	- 60	+ 2	- 15	-331	+ 43	+243	+ 12	- 33	+ 38	- 5
1967	+192	- 66	+ 12	+ 5	-102	- 48	+ 85	+ 74	+ 9	- 50	+ 41
1968	+214	-140	- 54	+ 4	- 69	+168	+191	+ 24	+314	-401	+ 87
Apr.-June											
1966	+116	- 52	- 36	+ 3	- 83	+ 19	-114	+ 64	-114	+121	- 7
1967	+315	- 62	+ 2	+ 4	+134	+ 44	+ 71	-169	+ 80	-105	+ 25
1968	+396	-214	- 18	- 18	+180	+190	-144	- 56	+170	-233	+ 63
July-Sept.											
1966	+111	- 67	- 9	+ 20	- 10	- 3	-121	+ 43	- 91	+ 45	+ 46
1967	+251	- 92	- 13	+ 4	+168	- 95	- 53	+ 38	+ 58	- 77	+ 19
1968	+226	-212	- 14	- 29	+262	- 98	- 27	- 25	+112	- 18	- 94
Oct.-Dec.											
1966	+202	- 92	- 18	- 40	- 55	- 6	-122	+ 66	-117	+117	± 0
1967	+152	-186	- 34	+ 0	-205	- 13	-159	+122	-255	+316	- 61

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

¹⁾ Including Direct investment net.

FOREIGN TRADE

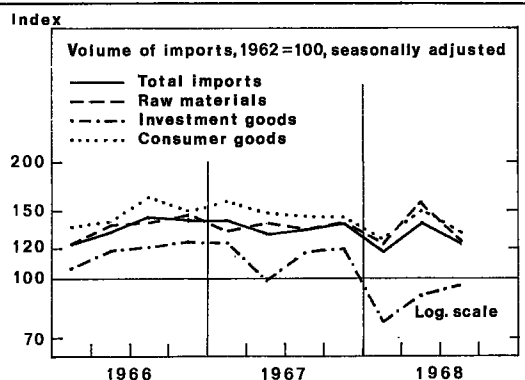
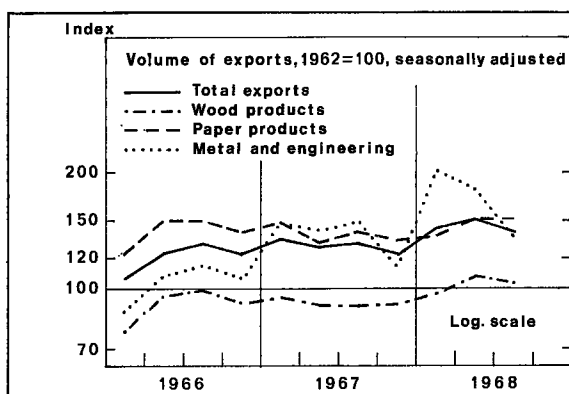
Period	Value mill. mk			Unit value indices 1962 = 100						
	Exports f. o. b.	Imports c. i. f.	Surplus of exports (+) or imports (-)	Articles of export f. o. b.					Articles of import c. i. f.	Terms of Trade
				Total	Round and hewn timber	Wood industry products	Paper industry products	Metal, en- gineering industry products		
1963	3 678.0	3 866.9	-188.9	102	96	104	100	105	101	101
1964	4 131.9	4 816.5	-684.6	108	109	111	104	113	103	105
1965	4 566.0	5 265.1	-699.1	113	115	123	106	119	104	109
1966	4 816.9	5 524.4	-707.5	112	112	122	105	119	104	108
1967	5 231.2	5 794.4	-563.2	115	114	124	111	117	110	105
Jan.-Nov.										
1966	4 298.8	4 967.5	-668.7							
1967	4 687.9	5 145.2	-457.3							
1968*	6 256.7	6 024.1	+232.6							
1967										
Oct.	561.6	541.5	+ 20.1	133	133	140	127	141	128	104
Nov.	529.9	615.8	- 85.9							
Dec.	542.3	649.3	-107.0							
1968*										
Jan.	464.9	534.3	- 69.4	133	137	138	130	132	140	95
Feb.	399.3	465.4	- 66.1							
March	537.1	510.0	+ 27.1							
April	557.3	556.3	+ 1.0	138	114	143	131	157	139	99
May	660.8	655.8	+ 5.0							
June	597.4	609.4	- 12.0							
July	518.2	446.7	+ 71.5	136	133	144	131	136	139	98
Aug.	575.5	470.4	+105.1							
Sept.	595.6	575.7	+ 19.9							
Oct.	668.2	590.1	+ 78.1							
Nov.	682.4	610.0	+ 72.4							



FOREIGN TRADE BY MAIN GROUPS

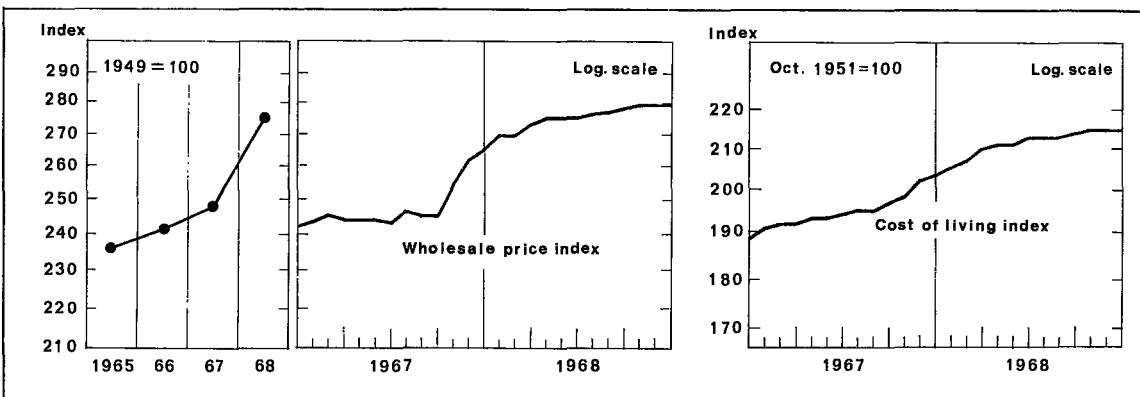
Mill. mk

Period	Exports, f.o.b.						Imports, c.i.f.			
	Agricultural products	Round and hewn timber	Wood industry products	Paper industry products	Metal, engineering industry products	Other goods	Raw materials and producer goods	Fuels and lubricants	Finished goods	
									Investment goods	Consumer goods
1963	164.8	112.8	811.8	1 752.2	613.8	222.6	1 827.5	373.3	1 004.3	661.8
1964	230.4	89.8	895.8	2 019.5	610.3	286.1	2 110.7	508.4	1 396.2	801.2
1965	251.8	60.3	919.8	2 165.6	800.3	368.2	2 362.4	514.7	1 511.4	876.6
1966	264.0	59.0	863.5	2 297.0	877.2	456.2	2 450.5	589.8	1 448.5	1 035.6
1967	261.4	54.3	865.7	2 384.5	1 080.6	584.7	2 545.9	668.2	1 462.8	1 117.5
Jan.-Nov.										
1966	230.5	53.7	783.9	2 080.9	739.7	410.1	2 204.1	530.5	1 295.1	937.8
1967	219.2	51.2	786.7	2 141.5	970.8	518.5	2 277.6	592.3	1 276.1	999.2
1968*	276.6	53.4	1 056.0	2 746.3	1 418.0	706.4	2 705.8	801.9	1 347.7	1 168.7
1967										
Aug.	14.4	7.9	88.1	189.1	58.7	53.1	203.6	53.1	88.8	85.2
Sept.	19.7	4.9	76.5	194.5	112.1	57.9	194.1	51.8	94.6	79.8
Oct.	25.4	5.5	91.5	228.0	137.6	73.6	252.7	61.3	119.2	108.3
Nov.	19.5	4.1	96.3	231.1	120.2	58.7	289.0	86.1	119.0	121.7
Dec.	42.0	3.1	79.0	243.0	108.9	66.3	268.3	75.9	186.8	118.3
1968*										
Jan.	35.1	4.0	66.2	205.4	105.7	48.5	236.1	96.0	103.4	98.8
Feb.	13.5	1.1	41.7	201.7	91.7	49.6	205.2	54.3	100.4	105.5
March	48.6	2.6	55.9	251.5	114.0	64.5	220.4	61.3	118.6	109.7
April	18.3	3.7	91.3	271.3	119.5	53.2	246.4	65.7	127.1	117.1
May	37.5	7.2	109.8	278.5	157.1	70.7	294.3	88.3	157.8	115.4
June	18.5	4.3	104.3	221.4	186.3	62.6	282.7	74.5	146.1	106.1
July	19.8	5.5	115.1	246.2	88.3	43.3	205.6	51.0	101.3	88.8
Aug.	26.0	7.0	119.6	263.6	92.6	66.7	217.8	76.5	96.6	79.5
Sept.	20.2	6.0	109.2	250.3	130.0	79.9	259.4	88.3	120.4	107.6
Oct.	24.1	6.4	119.5	283.8	150.8	83.6	271.0	61.3	138.0	119.8
Nov.	15.0	5.6	123.4	272.6	182.0	83.8	266.9	84.7	138.0	120.4



FOREIGN TRADE BY COUNTRIES

Area and country	Exports, f.o.b.					Imports, c.i.f.				
	Whole year		Jan.-Nov.			Whole year		Jan.-Nov.		
	1966	1967	1967	1968*		1966	1967	1967	1968*	
	%	%	%	%	Mill. mk	%	%	%	%	Mill. mk
Sterling area	22.6	22.8	23.0	22.8	1 429.7	16.6	15.8	16.0	16.1	968.0
United Kingdom	20.5	20.9	21.0	20.8	1 300.4	16.1	15.2	15.3	15.5	934.5
Other OECD countries										
in Europe	46.7	44.0	43.9	46.6	2 915.2	53.8	53.9	54.2	53.8	3 243.8
Austria	0.4	0.5	0.5	0.5	33.5	0.9	1.0	1.0	1.0	61.3
Belgium-Luxembourg	3.1	2.6	2.6	2.4	150.9	1.9	2.0	2.0	2.1	125.3
Denmark	3.5	3.8	3.8	3.7	230.0	3.5	3.3	3.2	3.5	210.0
France	4.5	4.3	4.2	4.0	249.2	4.3	3.7	3.9	3.2	189.8
Western Germany	11.0	8.6	8.3	10.3	646.8	17.0	16.2	16.7	15.6	940.5
Italy	3.0	3.1	3.0	2.9	181.8	2.0	2.0	2.0	2.1	127.7
Netherlands	5.8	5.1	5.2	4.7	291.7	3.6	3.8	3.8	3.6	216.4
Norway	1.9	2.4	2.5	2.6	165.5	2.1	2.3	2.2	2.4	144.2
Portugal	0.4	0.2	0.2	0.2	15.0	0.3	0.4	0.4	0.5	29.6
Spain	1.2	1.0	1.1	0.8	52.6	0.4	0.4	0.4	0.4	24.8
Sweden	8.8	9.7	9.7	10.9	680.0	14.1	15.4	15.2	15.8	950.0
Switzerland	0.9	1.0	1.0	1.4	86.2	3.1	3.0	3.0	3.3	202.0
Eastern Bloc	18.7	21.2	21.2	18.9	1 185.3	19.8	20.4	19.9	21.2	1 277.8
China	0.6	0.8	0.6	0.6	40.8	0.5	0.6	0.5	0.4	25.8
Czechoslovakia	0.8	0.5	0.4	0.5	30.1	0.6	0.6	0.6	0.7	41.7
Eastern Germany	1.0	0.7	0.7	0.6	40.2	0.9	0.9	0.9	0.9	54.0
Poland	1.4	1.3	1.4	1.1	67.0	1.6	1.5	1.6	1.6	96.5
Soviet Union	14.1	17.1	17.3	15.5	968.8	15.5	16.1	15.6	16.9	1 020.3
U.S. and Canada	6.6	6.0	6.0	6.4	398.3	4.9	4.2	4.1	3.7	221.9
United States	6.4	5.8	5.8	6.1	383.0	4.5	3.9	3.9	3.5	209.8
Latin America	2.9	2.9	3.0	3.0	184.8	2.7	2.7	2.9	2.7	161.7
Argentina	1.0	1.0	1.0	1.0	60.1	0.3	0.2	0.2	0.2	11.2
Brazil	0.4	0.7	0.8	0.7	43.2	1.2	1.1	1.2	1.0	62.3
Colombia	0.6	0.3	0.3	0.3	18.4	0.7	0.8	0.8	0.8	49.6
Other	2.5	3.1	2.9	2.3	143.4	2.2	3.0	2.9	2.5	150.9
Grand total	100.0	100.0	100.0	100.0	6 256.7	100.0	100.0	100.0	100.0	6 024.1
of which										
<i>EFTA countries</i>	36.4	38.5	38.8	40.1	2 510.6	40.0	40.6	40.3	42.0	2 531.6
<i>EEC countries</i>	27.5	23.5	23.3	24.3	1 520.4	28.8	27.7	28.4	26.6	1 599.7



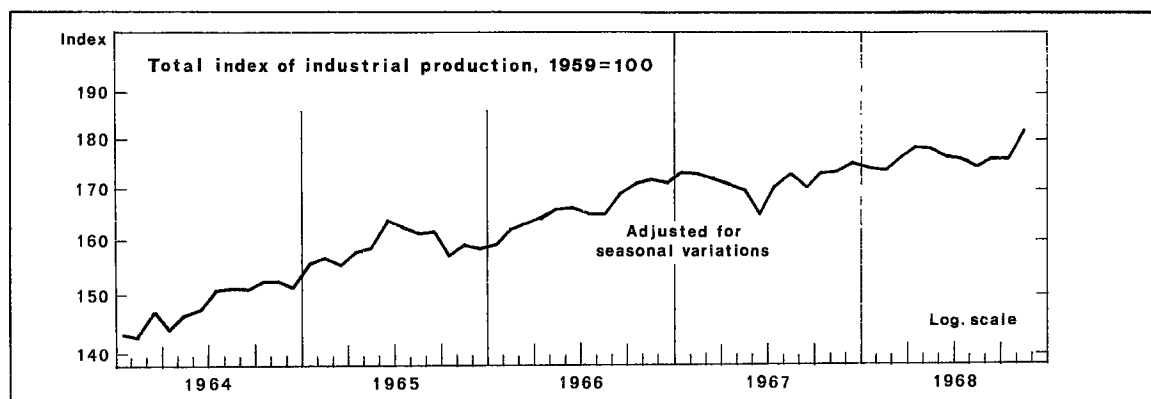
PRICE INDICES

Period	Wholesale prices 1949 = 100									Building costs 1964 = 100		
	Total	Origin		Purpose			Stage of processing			Total	Wages in building trade	Building materials
		Domes- tic goods	Im- ported goods	Pro- ducer goods	Machin- ery & transport equipm.	Con- sumer goods	Raw materials and com- modities	Simply processed goods	More elab- orately processed goods			
1966	241	247	216	245	228	238	271	233	228	108	106	104
1967	248	254	225	246	241	253	276	236	240	114	112	107
1968	275	280	259	271	276	281	301	264	268	126	133	115
1967 Dec.	264	265	258	262	266	266	285	254	258	120	123	112
1968 Jan.	269	272	258	265	273	273	294	257	262	124	130	113
Feb.	269	273	257	265	273	274	290	257	265	124	130	113
March	273	277	256	267	276	279	295	262	266	125	130	114
April	275	279	259	270	277	281	296	265	269	125	130	114
May	275	279	260	270	277	282	297	264	269	125	130	114
June	275	279	260	269	277	283	298	265	269	127	135	115
July	276	281	258	270	277	285	302	264	269	127	135	115
Aug.	277	282	258	271	277	285	303	263	270	127	135	115
Sept.	278	282	259	273	277	283	305	264	270	127	135	115
Oct.	279	284	260	275	277	284	309	266	270	127	135	115
Nov.	279	285	260	277	277	284	310	267	270	127	135	116
Dec.	279	284	260	277	277	283	309	267	269	127	135	116

Period	Cost of living Oct. 1951 = 100	Con- sumer prices Oct.-Dec. 1957 = 100	Consumer prices 1967 = 100									
			Total	Food	Bever- ages and tobacco	Clothing and foot- wear	Rent	Heating and lighting	Furniture, household equip. and operation	Traffic	Education and recreation	Other goods and services
1966	185	145	..	..	..	..	..	..	..	..	..	..
1967	195	153	100	100	100	100	100	100	100	100	100	100
1968	212	166	109	111	110	106	107	108	109	110	108	109
1967 Dec.	203	159	105	105	106	102	105	106	102	107	105	103
1968 Jan.	205	161	106	105	109	102	106	108	106	110	107	106
Feb.	207	162	107	105	110	103	107	109	108	110	107	107
March	210	165	108	109	110	105	107	108	108	110	108	108
April	211	166	109	111	110	107	106	108	109	110	108	108
May	211	166	109	111	110	107	106	108	109	110	108	109
June	213	167	110	112	110	107	107	108	109	110	108	110
July	213	167	110	113	110	107	108	107	109	109	108	110
Aug.	213	168	110	113	110	107	108	107	110	109	108	110
Sept.	214	168	110	113	110	107	108	108	110	109	108	110
Oct.	215	168	111	114	110	108	109	109	110	109	108	110
Nov.	215	168	111	114	110	108	109	109	110	109	109	110
Dec.	215	168	111	114	110	108	109	109	110	109	109	110

PRODUCTION — INTERNAL TRADE

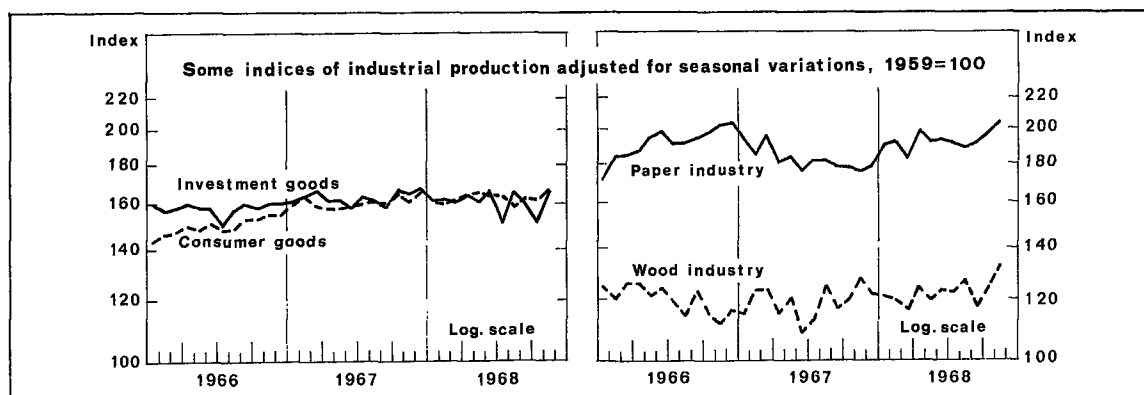
Period	Index of industrial production 1959 = 100									Commer- cial timber fellings 1 000 piled cu. m	Wholesale trade volume index 1954 = 100
	Total	Invest- ment goods	Other producer goods	Consumer goods	Special indices of manufacturing				Total, adjusted for normal seasonal variations		
					Wood industry	Paper industry	Metal industry	Other			
1965	159	160	166	142	133	182	161	152	159	51 905	170
1966	167	160	175	151	121	191	163	165	166	46 507	174
1967*	171	164	178	161	119	182	166	175	172	44 963	181
1967*											
March	175	179	182	162	134	188	179	171	172	5 029	177
April	183	176	190	171	139	196	178	186	171	4 492	191
May	173	167	178	165	136	179	172	175	170	9 435	190
June	158	158	157	161	107	151	159	167	165	2 148	175
July	124	79	137	112	92	177	77	127	171	955	159
Aug.	175	153	179	174	112	188	158	186	173	1 978	189
Sept.	178	169	183	171	117	189	170	183	170	2 488	197
Oct.	191	190	196	182	120	194	190	199	173	3 166	223
Nov.	186	183	194	170	122	181	185	193	174	2 969	184
Dec.	165	167	173	148	108	164	167	164	175	3 389	182
1968*											
Jan.	181	175	189	166	119	193	179	176	174	3 509	137
Feb.	180	180	188	163	132	192	183	176	174	4 977	158
March	188	184	197	171	135	203	186	187	176	4 898	164
April	178	167	185	169	140	184	172	184	179	4 384	174
May	187	173	194	179	142	199	178	195	178	10 331	188
June	157	149	160	153	106	152	152	167	177	1 875	157
July	132	80	145	120	105	188	85	134	176	955	169
Aug.	174	154	179	170	112	194	157	181	174	1 751	190
Sept.	181	167	189	169	115	201	171	183	176	2 279	193
Oct.	199	183	207	187	129	215	188	205	176	3 353	204
Nov.	193	182	205	173	125	208	189	195	182	3 880	184



BUILDING — WAGES — TRANSPORT — EMPLOYMENT

Period	Buildings completed, mill. cu. m					Buildings under construction at end of period mill. cu. m	Index of salary and wage earners' earnings 1957 = 100			
	Total	Dwelling houses	Farm buildings	Commercial and industrial premises	Official buildings		All salary and wage earners	Wage earners in		
								Agriculture	Forestry	Manufacturing
1965	27.04	10.96	2.58	9.20	3.12	31.31	179	178	192	177
1966	26.54	11.26	2.80	8.19	3.00	36.34	191	198	200	191
1967	31.34	12.42	2.93	10.83	3.49	31.55	207	216	217	207
1967										
Jan.-Mar.	6.59	2.63	0.37	2.88	0.56	33.30	201	208	196	202
Apr.-June	7.60	2.62	0.54	3.35	0.69	34.28	207	217	230	207
July-Sept.	8.46	2.71	0.92	2.44	1.79	33.00	209	214	229	210
Oct.-Dec.	8.69	4.46	1.10	2.16	0.45	31.55	210	223	232	211
1968*										
Jan. - Mar.	..	..	..	..	..	..	221	226	217	224
Apr. - June	..	..	..	..	..	..	224	229	224	229
July-Sept.	..	..	..	..	..	..	230	234	237	234

Period	Railways		Foreign shipping				Labour input		Unemployment	
	Goods trucks loaded Thousands		Vessels arrived with cargo — 1 000 net reg. tons		Vessels departed		1 000 man-months		% of total labour force	
	1967	1968*	1967*	1968*	1967*	1968*	1967*	1968*	1967*	1968*
Jan.	123	114	840	885	692	772	1 856	1 792	3.1	5.8
Feb.	125	115	615	723	502	603	1 846	1 772	3.1	5.3
March	133	129	756	777	627	687	1 834	1 767	2.6	5.0
April	140	128	834	995	676	767	1 853	1 763	2.5	4.8
May	129	125	1 119	1 233	972	1 109	1 918	1 814	2.1	3.5
June	124	103	1 386	1 466	1 240	1 263	1 883	1 774	2.1	3.6
July	116	123	1 511	1 703	1 390	1 540	1 654	1 553	2.2	3.6
Aug.	130	124	1 436	1 608	1 371	1 495	1 791	1 683	2.4	3.2
Sept.	126	120	1 240	1 345	1 063	1 106	1 880	1 773	2.6	3.2
Oct.	136	133	1 169	1 359	936	1 005	1 906	1 804	3.3	3.2
Nov.	127	125	1 090	1 372	897	968	1 889	1 810	3.9	3.8
Dec.	105	104	1 039	1 197	870	864	1 835		4.3	



EXPLANATIONS RELATING TO THE STATISTICAL SECTION

PRE-1963 VALUES ARE GIVEN IN THE NEW MONETARY UNIT, ONE NEW MARK BEING EQUIVALENT TO ONE HUNDRED OF THE OLD MARKS.

BANK OF FINLAND

Page 3. The items of the statement of the Bank of Finland are described in Monthly Bulletin No. 10, 1955, p. 25.

Page 4. Since Dec. 31, 1965 *Gold and foreign exchange* = Gold (valued on basis of the par value of the mark) + IMF gold tranche + Foreign exchange. *Other foreign assets* = Foreign bills + Foreign bonds. *Other foreign liabilities* = Mark accounts of holders abroad + Foreign term liabilities. *Treasury bills and bonds*: Including Treasury bond loan + Treasury bill covering certain IMF and IBRD accounts (included in Other claims). *Other claims, net* = Advances for stand-by stocks — Export levies (net). *Foreign exchange situation*: Gold holdings are valued on basis of the par value of the mark. Gold tranche position measures that part of Finland's quota which may be drawn essentially automatically in convertible exchange against payment in marks.

Page 5. *Other advances* = Inland bills in foreign currency + Cheque accounts (assets) + Other claims excl. Treasury's IMF and IBRD bill and Advances for stand-by stocks. *Liabilities* = Other cheque accounts + Other sight liabilities + Finnish term liabilities — Account of the Mortgage Bank of Finland Oy. — Cash reserve accounts. — Export levies (net). *Diagrams. Left: Net claims on other than banks* = Net foreign assets + Net claims on the Treasury + Net claims on the rest of economy + Finnish bonds + Finnish coin — Equalization accounts = Notes in circulation + Bank's own funds — Net claims on the banks.

DEPOSITS BY THE PUBLIC —

ADVANCES TO THE PUBLIC — MONEY SUPPLY

Commercial bank and mortgage bank figures obtained from the official bank statistics, savings bank figures from the Central Statistical Office, other figures from the respective credit institutions or their central banks.

Page 6. *Cheque accounts in all credit institutions* relates to commercial banks, savings banks, co-operative credit societies, and mortgage banks. *Term deposits in all credit institutions* includes a small amount of deposits in mortgage banks. *Indexed deposits and high-interest deposits* are included in term deposits.

Page 7. *Money supply* = Finnish notes and coins in circulation — Finnish notes and coins held by the banks + Cheque accounts of the public + Postal giro accounts of the public

STATE FINANCES

Page 8. Official figures computed by the Economic Department of the Ministry of Finance. First date of publication: Bulletin No. 8, 1968. Revenue and expenditure: Extra-budgetary funds and the aggregated net current deficit of State enterprises are included. Figures are reported on a cash payment basis. Debt: Foreign debt includes promissory notes given to international organizations. Index-tied bond loans are taken at nominal values. Cash debt (net) = net debt to the Bank of Finland plus short-term debt to the Post Office Savings Bank less cash holdings (net) of State departments and funds.

BALANCE OF PAYMENTS

Page 9. Figures are calculated by the Bank of Finland Institute for Economic Research. In addition to the Board of Customs figures, exports include grants in kind but exclude stevedoring expenses and imports include seamen's duty-free imports, non-monetary gold, grants in kind and adjusted allowance for smuggling.

FOREIGN TRADE

Pages 10—12. Figures supplied by the Board of Customs. *The unit value indices* (p. 10): The indices are calculated according to the Laspeyres formula. At the end of the year the arithmetic mean of the Laspeyres indices corresponds to the annual level of the Fisher index formula. Terms of trade: the ratio of export indices to import indices. Figures in *diagrams* (pp. 10 and 11) are seasonally adjusted excl. unit value index figures. *Foreign trade by countries* (p. 12): imports by countries of purchase, exports by countries of sale.

PRICE INDICES

Page 13. All indices calculated by the Central Statistical Office.

PRODUCTION — INTERNAL TRADE

Page 14. *Index of industrial production* calculated by the Central Statistical Office. The grouping by branches of industry is in accordance with the international nomenclature (ISIC). The seasonally adjusted series is calculated by the Bank of Finland Institute for Economic Research on the basis of the index of industrial production per working day according to a method resembling the U.S. Bureau of Census Method II. Commodities according to use: investment goods weight 14.3, other producer goods weight 57.0 and consumer goods weight 28.7. Special manufacturing indices: wood industry ISIC no. 25, weight 6.6, paper industry no. 27, weight 13.1, metal industry nos. 34—38, weight 23.5, and other manufactures nos. 20—24, 26, 28—33, 39, weight 44.0. *Commercial timber fellings* compiled by the Ministry of Communications and Public Works. Since July 1965 figures have been adjusted by the Bank of Finland Institute for Economic Research. *Wholesale trade volume index* calculated by the Ministry of Finance.

BUILDING — WAGES — EMPLOYMENT — TRANSPORT

Page 15. *Building* figures supplied by the Central Statistical Office. *Index of salary and wage earners' earnings* calculated by the Central Statistical Office. Beginning 1957, the weights employed are determined according to the structure of total earnings in 1957; for 1954—1956, the weights are in accordance with earnings in 1951. *Railway* figures supplied by the Board of Railways. *Shipping* figures supplied by the Shipping Board. *Labour input and unemployment* figures supplied by the Labour Research Bureau of the Ministry of Communications and Public Works, both based on the labour force sample survey. Labour input represents the estimated average number of days worked. (See article in No. 10, 1960 of this Bulletin).

SYMBOLS USED

* Preliminary . Less than half the final digit shown . Logically impossible .. Not available — Nil

A line drawn across a column between two consecutive figures indicates that the figures above and below the line are not strictly comparable.

SOME PARTICULARS ABOUT FINLAND

FORM OF GOVERNMENT

From 1154 to 1809 Finland formed a part of the kingdom of Sweden. It then became an autonomous Grand Duchy connected with Russia until December 6, 1917, the date of Finland's declaration of independence. The republican constitution was adopted in 1919. The legislative power of the country is vested in Parliament and the President. The highest executive power is held by the President, elected for a period of 6 years. The President for the current period, March 1, 1968, to March 1, 1974, is Urho Kekkonen.

Parliament, comprising 200 members, is elected by universal suffrage for a period of 4 years. The number of seats of the different parties in Parliament elected in 1966 were as follows, numbers in brackets indicating present state of parties: Social Democrats 55, Centre Party 49 (50), People's Democrats 41 (42), Conservatives 26, Swedish Party 12, Liberal Party 9 (8), Social Democratic League 7 (6), and Finnish Farmers' Party 1.

LAND

THE AREA is 337 000 square kilometres (Great Britain's area is 245 000 sq. km and Italy's area 301 000 sq. km). Of the total, inland waters form 9.4 %. On an average 15.8 % of the land in the South of Finland is cultivated (1960), 2.3 % in the North and 9.2 % of the land as a whole. Of the land area 21.8 mill. ha (53.9 mill. acres), or 71.3 %, are covered by forests.

OWNERSHIP OF LAND (1960): The total land area was distributed among different classes of owners approximately as follows: private 60.9 %, State 31.8 %, joint stock companies etc. 5.6 %, municipalities and parishes 1.7 %

POPULATION

NUMBER OF INHABITANTS (1967): 4.7 million. Sweden 7.9, Switzerland 6.1, Denmark 4.8 and Norway 3.8 million.

DENSITY OF POPULATION (1967): In South Finland 26.0, in North Finland 4.3 and in the whole country an average of 15.3 inhabitants to the square kilometre.

DISTRIBUTION BY AREA (1967): 52 % of the population inhabit the rural areas, 48 % towns and urban districts. The largest towns are: Helsinki (Helsingfors), the capital 528 300 inhabitants, Tampere (Tammerfors) 150 200, Turku (Åbo) 148 100.

OCCUPATIONS (1960): Agriculture and forestry 32 %, industry and construction 31 %, commerce 9 %, transport and communications 7 %, services 11 %, economically inactive independent persons 11 %.

LANGUAGE (1960): Finnish speaking 92.4 %, Swedish speaking 7.4 %, others 0.2 %.

EDUCATION (1967): Practically all persons over 15 years of age are literate. There are 6 universities (the oldest founded in 1640), 6 colleges of university standard, and 2 teacher training colleges, besides teacher training departments in two of the universities.

INCREASE OF POPULATION (1967): births 16.5 ‰, deaths 9.4 ‰, increase 5.0 ‰. Deaths in France 10.8 ‰ and Great Britain 12.1 ‰.

TRADE AND TRANSPORT

NATIONAL INCOME (1967, in million marks) Gross domestic product at factor cost by industrial origin: agriculture 2 295 (9 %), forestry and fishing 1 798 (7 %), manufacturing 7 907 (30 %), construction 2 544 (9 %), transport and communication 1 920 (7 %), commerce, banking and insurance 3 507 (13 %), public administration 1 221 (4 %), other services 5 494 (21 %), total 26 686. Index of real domestic product 109 (1964 = 100).

FOREST RESOURCES (1960—1963): The growing stock comprised 1 410 million of solid cu. m incl. bark (49 797 million

cu. ft), of which pine 43 % and spruce 38 %, the rest 19 % being leaf-trees, chiefly birch. Of the growing stock 13 300 million cu. ft, 56 % of them pine, was up to the standard required for logs. The annual growth is 43 million solid cu. m green wood excl. bark (1 519 mill. cu. ft). The total removal in 1963 calculated according to the use of wood was 51 million cu. m excl. bark (1 815 million cu. ft).

AGRICULTURE (1960): Cultivated land 2.6 million hectares of which holdings of less than 5 ha. amount to 17 %, 5 to 15 ha. 48 %, 15 to 50 ha. 30 % and more than 50 ha. 5 %. Number of holdings 388 000, of which 184 000 are of more than 5 ha. Index of agricultural production 100 for 1967 (1964 = 100). Measure of self-sufficiency in bread cereals 79 % in the crop year 1966/67.

INDUSTRY (1966): Gross value of industrial production 20 900 mill. marks, number of workers 356 100, salaried employees 84 200, motive power (1966) 4.2 mill. kW. Index of industrial production 167 for 1966 (1959 = 100).

RAILWAYS (Jan. 1, 1968): Length 5 636 km, of which 5 607 km are State and 29 km private railways.

MERCHANT FLEET (Jan. 31, 1969): Steamers 77 (108 729 gross reg. tons), motor vessels 411 (961 311 gross reg. tons), sailing vessels with auxiliary engines 14 (1 776 gross reg. tons). Total 502 (1 071 816 gross reg. tons).

MOTOR VEHICLES (Dec. 31, 1967): Passenger cars 551 200, lorries and vans 92 900, buses 7 400, others 4 200. Total 655 700.

SCHEDULED AIR TRAFFIC OF FINNISH COMPANIES (1967): Kilometres flown 15.7 million, passengers carried 897 605, passenger kilometres 455.0 million, and ton kilometres of freight and mail 7.5 million.

FINANCE AND BANKING

CURRENCY. Since 1860, Finland has had its own monetary system. From 1877 until 1914 the country was on the gold standard, and returned to it in 1926. In 1931, the Central Bank's duty to redeem bank notes in gold was suspended and at the end of 1962 was entirely cancelled. The monetary unit is the mark (Finnish markka). From Oct. 12, 1967, the par value of the mark has been changed from 0.27771 grams of fine gold per mark (equivalent to 3.20 marks per U.S. dollar) to 0.21159 grams of fine gold per mark (equivalent to 4.20 marks per U.S. dollar). Finland has been a member of the International Monetary Fund since 1948.

MUNICIPAL FINANCES. In the finance accounts for 1966 expenditure amounted to 4 115 mill. marks. Total revenue was 4 141 million, of which income from taxation 2 133 million. The municipal income tax (non-progressive) averaged 12.45 % of the ratepayers' taxable income.

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

OTHER CREDIT INSTITUTIONS (Dec. 31, 1967) There are two big and four small commercial banks with in all 809 offices, 353 savings banks, 479 cooperative credit societies and their central bank, six mortgage societies, and POSB. The savings departments of the cooperative stores accept deposits from their members. The National Pension Institute and sixty-four private insurance companies also grant credits.

RATES OF INTEREST (June 1, 1966). Bank of Finland discount rates 6—7 ½ %. Other credit institutions: term deposits 4 ½ %, 12 months' deposits 6 %, 100 per cent index-tied deposits 3 %; highest lending rate 10 %.

THE ROLE OF INSURANCE COMPANIES IN THE FINNISH CREDIT MARKET

BY

LAURI KORPELAINEN, D. Pol. Sc.

DIRECTOR OF THE BANK OF FINLAND INSTITUTE FOR ECONOMIC RESEARCH

INTRODUCTION

At the end of 1967 there were 62 domestic and 3 foreign insurance companies — either mutual or joint stock — in operation in Finland. The foreign companies are not, however, of any great significance in the country's insurance activity. 13 of the domestic companies were engaged in life and pension insurance and the other 49, in insurance against loss. In addition to the actual insurance companies, insurance activity is pursued in Finland by a great number of contributory and unemployment funds, pension foundations, employment pension funds and those associations providing insurance against loss. Such institutions play a not insignificant role in the financial market; as far as ownership of financial assets is concerned they represent about half of the total held by insurance companies. However, as detailed statistics are available on their credit transactions, they are not included in this analysis. The National Pensions Institution is also excluded as its activities are more closely related to those of the general Government sector.

The following review of the position of insurance companies in the credit market is based primarily on credit statistics¹ and

the official insurance company statistics. In addition, some information on insurance companies lending has been obtained from a special survey made in 1967.

CREDITS TO THE PRIVATE SECTOR

The insurance companies grant credits from their own capital and from their underwriting reserves (premium and outstanding claims reserves). The credits (loans,

parable material is available only from 1959. In credit statistics the outstanding total of loans, discounted bills and cheque account credits granted to industries by domestic credit institutions is entered at the end of each year; the nominal value of capital of bonds and debentures issued by industries and held by the credit institution is also included.

The credit institutions included in the statistics are: the Bank of Finland, commercial banks, the Post Office Savings Bank, savings banks and co-operative credit societies and their central banks, mortgage banks, the National Pensions Institution, insurance companies, instalment credit institutions and service and development credit institutions. Direct loans to the economy granted by the Treasury are also included in the statistics; in comparisons made in this article they are, however, excluded.

Receivers of credit consist of economic units operating in Finland: in credit statistics they have been divided into 11 main categories and various subcategories.

Credit statistics are published annually in Series A of the Publications issued by the Bank of Finland Institute for Economic Research, in Finnish and in Swedish. The aim is to compile the statistics on a semi-annual basis from 1969. At the same time an effort is being made to make the statistics cover a wider field of creditors than previously while at the same time maintaining comparability with the previous years' figures.

¹ Credit statistics have been published by the Bank of Finland Institute for Economic Research since 1948. Due to changes in the principles applied when compiling the statistics, however, fully com-

bonds and debentures) granted by them represent slightly more than two thirds of their balance sheet totals on average. (For life and pension insurance companies this figure is higher, exceeding 80 per cent, while in companies providing insurance against loss it represents only slightly over one half of the balance sheet total.) Alternatively if the comparison is made with regard to the companies' invested property, credits granted are equivalent to slightly more than 85 per cent of this.

According to credit statistics in 1959 the share of insurance companies in total lending to industry by credit institutions was 10.4 per cent. Since then, there has been a sharp increase in advances made by insurance companies. By 1967 insurance company credits had increased 3.4 times on 1959 whereas credits granted by other institutions had only increased 2.5 times. Accordingly the share of insurance companies claims on the total amount of such outstanding credit increased to 13.7 per cent in 1967.

The vigorous growth in insurance company lending during the period under review is mainly due to the compulsory pension insurance for employees that came into effect in 1962 and the organization of which is primarily effected by private insurance companies. As a result of this scheme the premium reserves arising from pension insurance have increased very strongly, and consequently lending by life and pension insurance companies to private sector has increased 4.1 times during the period 1959—1967. The increased significance of pension premium reserves as a source of credit available for lending by insurance companies has also affected the distribution of insurance company credits among different industries. Premiums from the employees' pension insurances are paid by employers, who under certain conditions, are entitled to reborrow the accrued reserves.

The granting of credit by insurance companies is strongly concentrated on three sectors of the economy. Their largest borrower is manufacturing industry whose share in the credits granted by the insurance companies has increased from 19.3 per cent in 1959 to 37.4 per cent in 1967 (see Table 1). The share of the trading sector has also increased to some extent. The second largest share in the lending, however, goes to real-estate companies (primarily housing companies), although this has declined considerably during the period under review. Manufacturing, real-estate and trade together accounted for 74 per cent of insurance company credits (68 per cent in 1959). As can be seen from Table 1, changes in the distribution of lending between the above industries by other credit institutions as a whole have been insignificant in comparison with the changes that have taken place in insurance company lending.

A credit break-down on the basis of Table 1, draws attention to the small share of primary industries in insurance company lending. In agriculture this is, however, easy to understand and results from the fact that in Finland the size of farms is relatively small and their number is great and therefore credit for agriculture and forestry can more advantageously be provided by banking institutions having a dense branch network.

Despite the fact that the share of manufacturing industry in insurance company credits has increased sharply, being now considerably greater than in the lending of other credit institutions (37.4 per cent and 23.9 per cent respectively in 1967), the break-down of credits from these two sources within the manufacturing sector is quite similar. The greater part of all the credits granted to the manufacturing sector by insurance companies or other credit institutions have been obtained by the wood,

TABLE 1. LENDING BY INSURANCE COMPANIES AND OTHER CREDIT INSTITUTIONS TO INDUSTRY DURING 1959, 1963 AND 1967, PER CENT

Industry in receipt of credit	1959		1963		1967	
	Insurance companies	Other credit institutions	Insurance companies	Other credit institutions	Insurance companies	Other credit institutions
Agriculture and forestry	0.4	12.8	0.3	13.5	0.3	12.4
Mining	0.2	0.6	0.2	0.7	0.2	0.7
Manufacturing	19.3	22.8	29.0	24.4	37.4	23.9
Power and electricity plants and waterworks	3.5	12.8	3.3	10.7	3.3	7.8
Construction	0.4	0.9	0.7	1.1	1.9	1.8
Commerce	13.7	14.4	16.0	12.3	16.2	12.4
Transport and communications	3.0	3.3	3.6	3.0	3.3	2.6
Real estate	35.4	11.1	29.9	11.2	19.9	11.6
Municipalities and parishes	11.6	5.5	7.6	3.9	7.3	4.4
Services	0.2	0.6	0.7	0.8	1.5	1.2
Persons and miscellaneous credits ...	12.3	15.2	8.7	18.4	8.7	21.2
Total per cent	100.0	100.0	100.0	100.0	100.0	100.0
Total mill. mk	709	6 097	1 284	9 948	2 434	15 320

pulp and paper industries (more than 2/5 in 1967) and the metal, engineering and vehicle industries (more than 1/5 in 1967). Moreover, the increase in credits granted has in both groups been most vigorously directed to the same sectors of manufacturing, namely the metal and chemical industries. The share of the latter in the total amount obtained by the manufacturing sector from credit institutions is however, in absolute terms rather modest, i. e. approximately 7 per cent.

Despite the fact that, as mentioned above, the share of insurance companies in credits granted to industry by the credit institutions has increased from 10.4 per cent in 1959 to 13.7 per cent in 1967, within several industries fluctuations in credit shares have been markedly greater than the average (see Table 2). Within the manufacturing sector in particular the share of credits obtained from insurance companies has more than doubled (9.0 per cent in 1959 and 19.9 per cent in 1967). Insurance company credits account for about one fifth of the total borrowing from credit institutions by real-estate companies and municipalities despite the fact that for real estate this share has

been declining. In the financing of mining, power and electricity plants and waterworks insurance company credits have been of no great significance. In addition other credit institutions are being charged with the provision of a more than average share of "Personal and miscellaneous credits". It can also be seen from Table 2 that agriculture and forestry are quite negligible in the credit transactions of the insurance companies.

FORMS OF LENDING

In the Western industrialized countries insurance companies have established themselves as investors in securities. In Finland, however, insurance companies have not purchased securities to any significant extent and in addition there has been a marked decrease in their possession of securities since the latter part of the 1940's. At present the share of bonds and debentures in insurance company credit is 8.6 per cent, and thus the major part of it takes the form of loans.

Several reasons have contributed to this development. Firstly, the Finnish security

TABLE 2. SHARE OF INSURANCE COMPANY CREDITS IN TOTAL CREDITS OBTAINED BY INDUSTRY FROM CREDIT INSTITUTIONS IN 1959, 1963 AND 1967, PER CENT

	1959	1963	1967
Agriculture and forestry	0.4	0.3	0.4
Mining	3.4	3.0	5.2
Manufacturing	9.0	13.3	19.9
Power and electricity plants and waterworks	3.0	3.8	6.2
Construction	5.3	7.6	14.4
Commerce	10.0	14.3	17.2
Transport and communications	9.7	13.7	17.1
Real estate	27.0	25.5	21.4
Municipalities and parishes	19.6	20.1	20.7
Services	4.0	9.4	16.3
Personal and miscellaneous credits	8.6	5.8	6.1
Total	10.4	11.4	13.7

market has been characterized by a small quantity of securities and the bond market has been dominated by Treasury loans. As the demand for credit has been heavy, the insurance companies have, in part to protect their competitive position, shifted more and more to direct lending to customers in their credit transactions. Provisions now in force regarding the re-lending of pensions insurance reserves have also contributed to the increase in credit granted in the form of loans. From the point of view of the firm in receipt of credit, financing through loans has been more advantageous than through the issue of shares. Revised legislation on the taxation of industrial and commercial incomes, which came into effect at the beginning of 1969, is clearly designed to make financing by equity more advantageous than previously.

CREDIT TERMS

The insurance companies provide mainly long-term credit to their customers. A survey conducted in 1967 revealed that the average loan period for loans outstanding at the end of 1966 (excl. re-lending on the basis of the Pension Act for Wage Earners and Salaried Employees) was approximately 14

years. Bonds and debentures extended over an even longer period, i.e. 19 years on average. Credits granted by life and pension insurance companies had longer loan periods than those granted by companies insuring against loss, both on the part of loans and bonds. These loan periods are quoted as stipulated in the credit agreements, but the actual loan period may, however, be shorter or longer in practice, depending on whether the loan is re-paid earlier than agreed or extended beyond the agreed date of maturity.

At the end of 1966 insurance companies interest rates varied between 0—10 per cent per annum. A relatively low rate, 5 per cent or less, has been applied to the re-lending of pension insurance reserves. The share of such loans in the lending of all insurance companies was approximately one quarter. On other insurance company loans the average annual rate of interest was 7.3 per cent. For purposes of comparison it may be mentioned that the average rate of interest applied by commercial banks to loans was 7.5 per cent per annum at the end of 1966.

Index clauses have also frequently been applied to loans other than re-lending. At the end of 1966 more than 90 per cent of ordinary insurance company loans were

index-tied, most of them by 50 per cent to the cost of living index. (For re-lending no such index clause has been applied.) The average interest rate varied according to the percentage compensation accorded by the index clause, being highest for loans without an index clause and lowest for loans with a 100 per cent index clause (7.6 and 5.1 per cent respectively).

The Economic Special Powers Act that became valid in April 1968 and abolished the application of index linkages also applied to insurance companies' lending. With regard to loans granted before the law came

into force it was stipulated that the last adjustment index which could be used was the index figure for March 1968 (see Bulletins 5/68 and 7/68).

In May 1968 the insurance companies — after negotiations with the Bank of Finland — agreed that their average annual lending rate of interest should not exceed $8\frac{1}{4}$ per cent per annum. It was in addition decided that for new housing loans a lower interest rate — $7\frac{1}{2}$ per cent — should be applied and that no changes should be effected in the interest rates on housing loans granted before the enforcement of the Act.

ITEMS

Finland joins OECD. The accession of Finland to the Convention on the Council of the Organization for Economic Co-operation and Development (OECD) took effect on January 28, 1969 upon the deposit by the Government of Finland of the instrument of accession with the French Government.

*

Teollistamisrahasto Oy — Industrialization Fund of Finland Ltd was granted a 22 million U.S. dollar loan by the International Bank for Reconstruction and development on January 21, 1969. The rate of interest on the loan is $6\frac{1}{2}$ per cent and the loan period is 17 years. It is the third credit granted to Teollistamisrahasto Oy by the World Bank. The first loan, granted in 1963, amounted to 7 million dollars, and the second was for 14 million dollars and granted in 1965.

Since its reorganization in 1963, and up to the end of 1968, Teollistamisrahasto Oy has granted 498 loans and other investments totalling 252 million marks to small and

medium-sized private Finnish enterprises. As a result of this loan and domestic financing arrangements the estimated additional lending capacity of Teollistamisrahasto Oy is now slightly less than 200 million marks.

*

Domestic bond issues. The Government has announced the 1969 issue of employment Bonds for 34 036 000 marks. The bonds will run, starting from January 15, for ten years at a rate of $8\frac{1}{4}$ per cent. The loan is issued at par. The proceeds of the loan are to be used to support employment through the construction of power stations in North and East Finland.

The Government has authorized the following three bond issues which form part of the special arrangements to support the financing of residential building and which are carried out by the Bank of Finland.

The first of these is the issue by the Real Estate Bank in Finland Ltd of a 25 million mark loan. The loan period is $22\frac{1}{2}$ years

starting from March 15 and the rate of interest $7\frac{1}{2}$ per cent. It is issued at par.

The Land and Industry Real Estate Bank Ltd is making two issues of 7 500 000 and 2 500 000 marks respectively. The bonds of the bigger issue will be dated from March 15 and will run for a period of 22 years at a rate of $7\frac{1}{2}$ per cent. The smaller loan will be current for a period of 10 years starting from March 15. The rate of interest is $7\frac{1}{2}$ per cent. The loans are issued at par.

*

Reduction in the export levy by an average of one half. In accordance with the stipulation in the Export Levy Act, in force since October 21, 1967, the maximum rate has been further reduced from 6 to 3 per cent, the reduction coming into force on January 25, 1969. Lower rates, as applied

to specific commodity groups and ranging from full exemption to 2—4 per cent, were correspondingly reduced.

The export levy is now 3 per cent for commodities for which a levy of 6 or 4 per cent formerly had to be paid. This group includes paper and paperboard, pulp, sawn goods, plywood and fibre board as well as chemicals and leather goods. The rate went down from 3 to 2 per cent for mink furs and from 2 to 1 per cent for some industry products, clothes, furniture and other consumer and investment goods. The rates applied to exports manufactured in the Northern and North-eastern regions of the country are, as previously, one half of the corresponding national rates. Full exemption was extended e.g. to agricultural machines, transformers, radio receivers and certain electric equipments. The average export levy is now estimated to be about 2 per cent.

BANK OF FINLAND

BOARD OF MANAGEMENT

MAUNO KOIVISTO,
Governor (Absent as Prime Minister)

REINO ROSSI,
*Deputy Governor,
present Acting Governor*

ESKO K. LEINONEN

A. SIMONEN
*(Absent as a member of
Government)*

AHTI KARJALAINEN
*(Absent as a member of
Government)*

HEIKKI VALVANNE

JOUKO J. VOUTILAINEN
ad int.

DIRECTORS

JOUKO J. VOUTILAINEN

TIMO HELELÄ

JORMA ARANKO

SENIOR OFFICIALS

PERTTI TAMMIVUORI,
Administration

P.-E. ÖSTERLUND,
Foreign payments control

A. KAJANTIE,
Internal Audit

HELGE LINDSTRÖM,
Credits

A. NENONEN,
Foreign correspondence

K. EIROLA,
*Automatic Data
Processing*

K. IGNATIUS,
Personnel

EINO SUOMELA,
Office

STIG TÖRNROTH,
Cash

INSTITUTE FOR ECONOMIC RESEARCH

LAURI KORPELAINEN,
Director

HENRI J. VARTIAINEN,
Head of department