



BANK OF FINLAND

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THE FINNISH MARKET REVIEW.

THE MONEY MARKET.

The general devaluation of the currencies in relation to the United States dollar has been the most important event of the last few weeks. When Great Britain lowered the value of the pound sterling in dollars, the Bank of Finland immediately afterwards, on September 19, decided to maintain the current relation between the mark and the pound, as Great Britain is Finland's most important country of export; the dollar rate was therefore raised from 160 to 231 marks. This change, which was accompanied by adjustments of other exchange rates according to the action of each country, will of course be reflected in export and import prices, and also in internal prices, production, etc. Similarly it will gradually affect the different factors of the balance of payments; some few tendencies are already visible.

The money market, which was characterized by a large increase of deposits in the beginning of the summer, has again slowly tightened towards Autumn, chiefly owing to seasonal conditions. The *Commercial Banks'* total deposits by the public, which had risen by 4,899 million marks in June—July, reaching 51,480 million marks, fell by 1,045 million in August and 5 million in September. This was mainly due to the seasonal variations of the cheque accounts, which, after increasing in June—July by altogether 4,171 million marks, dropped by 2,151 million in August

and a further 194 million in September. Deposit accounts, on the other hand, developed much more evenly and favourably, rising 728 million marks in June—July, 1,106 million in August and 189 million in September. Last year the increase in deposit accounts was somewhat smaller: 910 million in August and 145 million in September. The demand for credit continued great. Yet the commercial banks' lending, which increased by 553 million marks in June—July, fell by 184 million marks in August owing to seasonal circumstances, but grew again in September by 1,541 million. The total amount of loans, 57,005 million at the end of September, was then greater by 13,761 million marks than the corresponding amount one year earlier. The tightening of the money market is also indicated by a decrease in the banks' cash reserves, which from 6,644 million marks at the end of July — when they were exceptionally large — fell to 3,852 million by the last day of September.

Deposits in *other credit institutions* were also weaker. The August increase was satisfactory, 1,775 million marks in all, but during September the total deposits remained practically unchanged, increasing by only 3 million marks.

As to the *Bank of Finland*, advances to business enterprises during the last few months have varied more or less as last year. As the export season was in full swing, some seasonal credits were repaid, which decreased the total of the Bank's

loans to the public by 200 million marks in August, 355 million in September and 1,262 million in the first two weeks of October. In spite of that, the central bank's advances to business were by then larger this year than in 1948, viz., 17,523 million marks as against 15,044 million on October 15, 1948. Treasury bills, which vary considerably from week to week according to the cash position of the Treasury, reached this year's hitherto highest amount at 23,730 million marks on October 15, and was then exactly the same as one year before. The note circulation, too, which was more than 2,000 million marks greater in the beginning of the year than one year earlier, has since fallen to about the 1948 level. This is due partly to some rearrangements which tend to increase the circulation speed of the notes, and partly to production having slowed down.

PRICES.

After the increase in prices in July, partly due to the raising of the exchange rates in the beginning of that month, partly to the rise in agricultural prices, no changes worth mentioning have occurred in the general price level. The cost of living index (August 1938—July 1939 = 100) fell in August by 6 points but rose again in September 5 points to 813. It was then 3 points lower than in July 1948, when it was at its highest. The wholesale price index (1935 = 100), which is more influenced by imports than the cost of living index, rose 10 points in August and 12 points in September, thereby attaining the same level, 1,124 points, as in July 1948, when it reached its maximum. The increase

was mainly due to the rise in import prices, but also to the rise in the prices for domestic farm products.

TRADE AND INDUSTRY.

Last August economic life and foreign trade were disturbed by some strikes of a political nature, so that both exports and imports were then lower than the month before. In September, however, records were reached in both cases. Free exports were valued at 7,445 million marks as against 5,502 and 6,061 million respectively in August and July, and 5,943 million in September, 1948. Imports again totalled 6,364 million marks and then considerably exceeded the results of the previous months as well as last year's September figure, 5,508 million. Exports for the first three quarters of the year amounted to 42,478 million marks as against 39,909 million for the same period in 1948, while imports were valued at 44,584 million marks, a little less than last year's figure 46,578 million. Thus the balance of trade, thanks to surpluses of exports in the last few months, is now nearer equilibrium than last year. In 1948 the surplus of imports for January—September was 6,669 million marks, while this year it is not more than 2,106 million.

No information is available as yet with regard to production during the late summer and the autumn, but movements in the labour market indicate that the weakening of the export markets has especially affected lumbering. Frosts have caused considerable damage in some parts of the country, and it has been necessary to plan an extensive programme of work to combat the unemployment expected in the winter.

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

	1948	1949					
	Mill. mk	Mill. mk					
	15/10	31/5	30/6	30/7	31/8	30/9	15/10
ASSETS.							
I. Gold Reserve	269	269	269	269	269	269	269
Foreign Correspondents	647	1 310	1 304	2 204	2 080	1 988	1 558
II. Foreign Bills	393	400	425	464	451	469	503
Foreign Bank Notes and Coupons	21	17	32	30	19	38	27
Inland Bills	38 738	37 522	36 715	39 325	39 361	39 276	41 308
III. Loans on Security	22	22	22	22	22	22	22
Advances on Current Accounts	311	360	488	419	521	427	230
Bonds in Finnish Currency	741	702	701	696	694	693	691
" " Foreign	150	167	155	147	154	154	157
Sundry Assets	1 500	853	1 475	1 631	1 065	1 778	877
Total	42 792	41 622	41 586	45 207	44 636	45 114	45 642
LIABILITIES.							
Notes in circulation	27 787	28 198	27 934	28 252	28 677	28 389	27 899
Other Liabilities payable on demand:							
Current Accounts due to the Treasury ..	—	294	311	—	13	—	307
" " " " Others	3 187	1 083	1 221	3 163	1 928	1 618	2 340
Bank-Post-Bills	51	59	101	70	77	114	56
Mark accounts of holders abroad	1 070	1 710	1 960	2 338	2 629	3 169	3 454
Foreign Clearing Accounts	3 229	1 801	1 339	2 047	2 058	2 897	2 440
Foreign Debt	—	462	530	752	752	1 224	1 224
Sundry Accounts	295	39	144	135	22	771	1 092
Capital	5 000	5 000	5 000	5 000	5 000	5 000	5 000
Reserve Fund	137	554	554	554	554	554	554
Earnings less Expenses	661	520	581	662	734	819	869
Undisposed Profits	—	17	17	17	17	17	17
Sundry Liabilities	1 375	1 885	1 894	2 217	2 175	542	390
Total	42 792	41 622	41 586	45 207	44 636	45 114	45 642

2. — NOTE ISSUE OF THE BANK OF FINLAND.

	1948	1949					
	Mill. mk	Mill. mk					
	15/10	31/5	30/6	30/7	31/8	30/9	15/10
RIGHT TO ISSUE NOTES.							
Gold Reserve and Foreign Correspondents ..	916	1 579	1 573	2 473	2 349	2 257	1 827
According to Law of Dec. 13, 1939 ¹⁾	39 152	37 939	37 172	39 819	39 831	39 783	41 838
Additional Right of Issue	1 800	1 800	1 800	1 800	1 800	1 800	1 800
Total	41 868	41 318	40 545	44 092	43 980	43 840	45 465
AMOUNT OF ISSUE USED.							
Notes in circulation	27 787	28 198	27 934	28 252	28 677	28 389	27 899
Other Liabilities payable on demand	7 832	5 448	5 606	8 505	7 479	9 793	10 913
Undrawn of Advances on Current Accounts ..	692	649	521	589	487	582	779
Total	36 311	34 295	34 061	37 346	36 643	38 764	39 591
NOTE RESERVE	5 557	7 023	6 484	6 746	7 337	5 076	5 874
Grand total	41 868	41 318	40 545	44 092	43 980	43 840	45 465

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

Bank Rate since July 1, 1949, 5 3/4 %.

(Former Rate 6 3/4 %).

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

End of Month	Notes in Circulation Mill. mk				Foreign Correspondents ¹⁾ Mill. mk				Cover for the Issue of Notes Percentage of Liabilities payable on demand				End of Month
	1947	1948	1949	Monthly Movement	1947	1948	1949	Monthly Movement	1947	1948	1949	Monthly Movement	
	<i>18 233</i>				<i>1 915</i>				<i>108.6</i>				
Jan.	17 172	23 258	25 782	- 1 587	2 350	1 395	2 003	- 24	110.4	115.3	114.0	+ 1.4	Jan.
Feb.	18 896	24 448	27 353	+ 1 571	2 391	1 799	1 685	- 318	110.6	114.4	115.6	+ 1.6	Feb.
March	20 944	26 776	27 407	+ 54	3 116	2 452	1 755	+ 70	110.1	109.4	112.4	- 3.2	March
April	21 566	27 850	27 741	+ 334	1 931	446	1 208	- 547	111.8	110.6	113.6	+ 1.2	April
May	21 663	27 112	28 198	+ 457	1 893	577	1 310	+ 102	112.4	112.6	115.2	+ 1.6	May
June	22 415	27 204	27 934	- 264	1 157	652	1 304	- 6	112.2	113.6	113.8	- 1.4	June
July	22 956	27 371	28 252	+ 318	1 248	592	2 204	+ 900	113.8	111.6	113.2	- 0.6	July
Aug.	23 945	28 078	28 677	+ 425	762	545	2 080	- 124	114.1	112.2	115.1	+ 1.9	Aug.
Sept.	24 484	28 189	28 389	- 288	776	611	1 988	- 92	113.0	110.5	108.5	- 6.6	Sept.
Oct.	25 129	28 011			464	575			113.7	109.9			Oct.
Nov.	25 809	27 400			685	1 275			114.7	114.1			Nov.
Dec.	25 162	27 369			621	2 027			113.2	112.6			Dec.

¹⁾ Credit balances with foreign correspondents.

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

End of Month	Note Reserve Mill. mk			Home Loans ¹⁾ Mill. mk				Rediscounted Bills (included in Home Loans) Mill. mk				End of Month
	1947	1948	1949	1947	1948	1949	Monthly Movement	1947	1948	1949	Monthly Movement	
	<i>4 245</i>			<i>29 409</i>				<i>2 458</i>				
Jan.	4 561	6 205	6 317	27 452	31 843	34 502	- 521	968	530	764	- 933	Jan.
Feb.	4 737	6 092	6 828	28 699	32 470	35 409	+ 907	2 474	3 384	3 634	+ 2 870	Feb.
March	4 852	4 927	6 018	30 580	33 855	36 211	+ 802	1 352	2 197	927	- 2 707	March
April	5 387	5 470	6 498	32 174	37 617	37 682	+ 1 471	998	2 570	130	- 797	April
May	5 463	6 042	7 023	31 451	37 119	37 904	+ 222	2 257	4 436	2 523	+ 2 393	May
June	5 397	6 433	6 484	32 164	37 627	37 225	- 679	1 909	3 980	1 165	- 1 358	June
July	5 832	5 860	6 746	32 033	38 072	39 766	+ 2 541	687	1 077	196	- 969	July
Aug.	6 021	6 155	7 337	33 242	39 124	39 904	+ 138	730	1 419	335	+ 139	Aug.
Sept.	5 641	5 501	5 076	32 859	38 350	39 725	- 179	466	648	710	+ 375	Sept.
Oct.	5 917	5 393		33 699	38 920			369	78			Oct.
Nov.	6 246	6 400		34 208	35 826			2 537	1 325			Nov.
Dec.	5 926	5 963		34 897	35 023			3 496	1 697			Dec.

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

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

End of Month	Treasury Bills (included in Home Loans) Mill. mk			Balance of Current Accounts due to the Treasury Mill. mk				Balance of Current Accounts due to others than the Treasury Mill. mk				End of Month
	1947	1948	1949	1947	1948	1949	Monthly Movement	1947	1948	1949	Monthly Movement	
	<i>17 920</i>			<i>599</i>				<i>1 481</i>				
Jan.	18 000	17 830	19 530	160	- 20	- 407	- 426	1 087	1 182	2 019	+ 556	Jan.
Feb.	16 950	14 600	15 230	- 567	- 32	- 239	+ 168	789	1 048	680	- 1 339	Feb.
March	19 300	16 900	17 530	- 153	- 653	- 26	+ 213	1 550	1 587	2 150	+ 1 450	March
April	20 300	18 400	19 030	556	190	581	+ 607	798	1 356	1 415	- 715	April
May	17 500	14 730	16 430	- 17	56	294	- 287	1 221	1 024	1 033	- 332	May
June	18 400	15 430	16 730	144	- 364	311	+ 17	853	1 046	1 221	+ 138	June
July	19 700	20 030	20 230	425	72	- 99	- 410	597	1 372	3 163	+ 1 942	July
Aug.	21 000	20 830	20 430	62	112	13	+ 112	1 011	1 308	1 928	- 1 235	Aug.
Sept.	20 800	21 230	20 230	293	- 39	- 399	- 412	1 301	2 057	1 618	- 310	Sept.
Oct.	21 350	23 730		277	190			1 308	3 265			Oct.
Nov.	18 800	19 830		872	- 215			633	1 335			Nov.
Dec.	18 500	19 230		114	19			2 884	1 463			Dec.

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

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

		1948	1948	1949	1949	1949	1949	1949
		31/10	30/11-31/12	31/1-31/3	30/4-30/6	31/7-31/8	30/9	31/10
New York	1 Dollar	136:—	136:—	136:—	136:—	160:—	231:—	231:—
London	1 Pound	547:—	547:—	547:—	547:—	646:—	646:—	646:—
Stockholm	100 Kronor	3 790:—	3 790:—	3 790:—	3 790:—	4 450:—	4 450:—	4 450:—
Paris	100 Francs	51: 37	51: 57	51: 57	50: 10	58: 75	66:—	66:—
Brussels	100 Francs	310:—	310:—	310:—	310:—	367:—	462:—	462:—
Amsterdam	100 Guilders	5 120:—	5 120:—	5 120:—	5 120:—	6 050:—	6 090:—	6 090:—
Basle	100 Francs	3 175:—	3 175:—	3 175:—	3 175:—	3 725:—	5 325:—	5 300:—
Oslo	100 Kroner	2 745:—	2 745:—	2 745:—	2 745:—	3 230:—	3 230:—	3 231:—
Copenhagen	100 Kroner	2 830:—	2 830:—	2 830:—	2 829:—	3 330:—	3 330:—	3 330:—
Prague	100 Koruny	275:—	275:—	275:—	275:—	325:—	462:—	462:—
Montreal	1 Dollar	135: 50	135: 50	135: 50	135: 50	159: 40	210:—	210:—
Lisbon	100 Escudos	560:—	560:—	560:—	560:—	650:—	830:—	830:—
Rio de Janeiro	100 Cruzeiros	765:—	765:—	765:—	765:—	880:—	1 260:—	1 260:—

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

End of Month	Due to the Public				Due to other Credit institutions		Total			Credits from the Bank of Finland		End of Month
	Cheque Accounts		Deposits		Mill. mk		Mill. mk			Mill. mk		
	1948	1949	1948	1949	1948	1949	1947	1948	1949	1948	1949	
Jan.	<i>17 754</i>	20 839	<i>19 932</i>	25 017	<i>6 600</i>	7 315	<i>35 430</i>	44 424	53 171	<i>3 502</i>	699	Jan.
Feb.	17 417	20 152	20 152	25 017	6 855	7 315	35 608	44 424	53 171	530	699	Feb.
March	15 685	17 452	20 335	25 663	5 934	7 040	34 598	41 954	50 155	3 384	3 597	March
April	18 001	20 641	20 760	26 406	5 898	8 114	37 137	44 659	55 161	2 201	910	April
May	18 063	21 400	21 175	26 889	5 982	8 118	38 311	45 220	56 407	2 590	114	May
June	17 359	19 554	21 154	27 027	5 095	7 409	38 964	43 608	53 990	4 441	2 489	June
July	17 827	21 822	21 308	27 137	4 702	6 807	39 103	43 837	55 766	3 850	1 132	July
Aug.	19 000	23 725	21 765	27 755	6 067	7 963	40 027	46 832	59 443	896	33	Aug.
Sept.	17 627	21 574	22 675	28 861	6 354	7 790	41 484	46 656	58 225	1 409	323	Sept.
Oct.	19 740	21 380	22 820	29 050	5 908	7 392	42 807	48 468	57 822	640	700	Oct.
Nov.	21 570		22 860		6 879		42 970	51 309		79		Nov.
Dec.	19 063		23 072		6 056		41 139	48 191		1 333		Dec.
	19 577		24 468		6 080		44 336	50 125		1 533		

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

8. — COMMERCIAL BANKS. HOME LOANS.

End of Month	To the Public				To other Credit institutions		Total				End of Month	
	Inland Bills		Other Credits		Mill. mk		Mill. mk					
	1948	1949	1948	1949	1948	1949	1947	1948	1949	Monthly Movement		
Jan.	<i>16 589</i>		<i>19 239</i>		<i>1 782</i>		<i>29 529</i>					Jan.
Feb.	17 173	25 143	20 163	21 922	1 933	2 489	30 095	39 269	49 554	+ 3 096		Feb.
March	18 382	26 229	19 626	22 121	1 732	2 333	30 850	39 740	50 683	+ 1 129		March
April	18 939	27 186	19 435	22 372	1 700	2 813	32 137	40 074	52 371	+ 1 688		April
May	20 830	29 607	19 759	22 858	1 681	2 479	34 164	42 270	54 944	+ 2 573		May
June	21 691	29 899	19 830	23 134	1 501	2 062	35 212	43 022	55 095	+ 151		June
July	21 822	29 148	19 657	23 336	1 309	1 926	35 045	42 788	54 410	— 685		July
Aug.	22 053	29 336	19 934	24 002	1 984	2 310	36 107	43 971	55 648	+ 1 238		Aug.
Sept.	22 326	29 541	19 351	23 763	2 126	2 160	35 971	43 803	55 464	— 184		Sept.
Oct.	21 780	30 012	19 281	24 179	2 183	2 814	36 414	43 244	57 005	+ 1 541		Oct.
Nov.	22 984		19 765		2 622		37 801	45 371				Nov.
Dec.	24 151		19 591		2 194		38 279	45 936				Dec.
	23 999		20 318		2 141		37 660	46 458				

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

9. — COMMERCIAL BANKS. POSITION TOWARDS FOREIGN COUNTRIES.

End of Month	Claims Mill. mk			Indebtedness Mill. mk			Net Claims (+) or Net Indebtedness (-) Mill. mk				End of Month	
	1947	1948	1949	1947	1948	1949	1947	1948	1949	Monthly Movement		
Jan.	2 460			2 104			+ 356					Jan.
Feb.	2 501	2 982	2 128	2 299	2 566	2 008	+ 202	+ 416	+ 120	+ 13		Feb.
March	2 397	2 447	2 034	2 092	2 219	2 117	+ 305	+ 228	- 83	- 203		March
April	2 322	2 380	2 399	2 224	2 161	2 077	+ 98	+ 219	+ 322	+ 405		April
May	2 351	2 890	2 397	2 309	2 340	2 107	+ 42	+ 550	+ 290	- 32		May
June	2 588	2 583	2 227	2 450	2 282	2 325	+ 138	+ 301	- 98	- 388		June
July	2 815	2 496	2 328	2 474	2 217	2 454	+ 341	+ 279	+ 374	+ 472		July
Aug.	3 351	2 394	2 969	2 442	2 184	2 592	+ 909	+ 210	+ 377	+ 3		Aug.
Sept.	3 232	2 505	2 776	2 230	2 221	2 384	+1 002	+ 284	+ 392	+ 15		Sept.
Oct.	3 777	2 631	2 757	2 564	2 359	2 600	+1 213	+ 272	+ 157	- 235		Oct.
Nov.	3 975	2 528		2 792	2 273		+1 183	+ 255				Nov.
Dec.	4 150	2 550		3 105	2 385		+1 045	+ 165				Dec.
	4 085	2 194		2 948	2 087		+1 187	+ 107				

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

End of Month	Net Claims (+) or Net Indebtedness (-) Mill. mk					Monthly Movement
	1946	1947	1948	1949		
Jan.	-1 556					
Feb.	-1 166	-4 806	-1 631	-1 167	-151	
March	-398	-4 621	-1 525	-1 607	-440	
April	-1 289	-3 762	-1 061	-1 235	+ 372	
May	-1 487	-4 572	-3 185	-2 091	-856	
June	-6 509	-3 722	-3 135	-2 361	-270	
July	-8 486	-3 360	-3 589	-1 726	+ 635	
Aug.	-9 289	-1 940	-4 101	-2 092	-366	
Sept.	-8 620	-1 968	-3 930	-2 516	-424	
Oct.	-7 439	-690	-3 056	-2 273	-233	
Nov.	-6 350	-588	-2 698			
Dec.	-5 595	-364	-1 494			
	-5 153	-335	-1 016			

11. — DEPOSITS IN POST OFFICE SAVINGS BANK. ²⁾

End of Month	Deposits Mill. mk					Monthly Movement	End of Month
	1946	1947	1948	1949			
Jan.	5 417						Jan.
Feb.	5 319	7 365	8 581	9 784	+ 191		Feb.
March	5 370	7 481	8 418	10 120	+ 336		March
April	5 589	7 574	8 487	10 312	+ 192		April
May	5 712	7 527	8 509	10 385	+ 73		May
June	5 784	7 609	8 371	10 468	+ 83		June
July	5 846	7 692	8 438	10 695	+ 227		July
Aug.	5 940	7 796	8 606	10 953	+ 258		Aug.
Sept.	6 488	8 086	9 113	11 501	+ 548		Sept.
Oct.	6 647	8 094	9 184	11 626	+ 125		Oct.
Nov.	6 777	8 123	9 225				Nov.
Dec.	6 845	7 956	9 170				Dec.
	7 213	8 394	9 593				

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

²⁾ According to figures supplied by the Post Office Savings Bank.

12. — DEPOSITS IN THE SAVINGS BANKS.

End of Month	Savings Accounts Mill. mk			Current Accounts Mill. mk			Total Mill. mk					End of Month	
	1947	1948	1949	1947	1948	1949	1946	1947	1948	1949	Monthly Movement		
Jan.	19 461			1 320			18 830						Jan.
Feb.	19 637	23 102	28 193	1 223	1 969	1 973	18 381	20 865	25 071	30 166	+ 826		Feb.
March	19 834	23 282	29 012	1 263	1 920	1 806	18 526	21 097	25 202	30 818	+ 652		March
April	20 203	23 506	29 625	1 426	1 953	1 871	18 751	21 629	25 459	31 496	+ 678		April
May	20 530	23 951	30 347	1 624	2 030	2 083	18 946	22 154	25 981	32 430	+ 934		May
June	20 681	23 997	30 754	1 654	1 808	2 073	19 040	22 335	25 805	32 827	+ 397		June
July	20 763	24 075	31 042	1 669	1 820	2 004	19 565	22 432	25 895	33 046	+ 219		July
Aug.	21 100	24 515	31 729	1 787	2 039	2 331	19 691	22 887	26 554	34 060	+ 1 014		Aug.
Sept.	21 497	24 987	32 113	1 798	1 970	2 267	19 939	23 295	26 957	34 380	+ 320		Sept.
Oct.	21 567	25 233	32 129	1 946	2 020	2 153	20 087	23 513	27 253	34 232	- 98		Oct.
Nov.	21 591	25 407		2 132	2 337		19 925	23 723	27 744				Nov.
Dec.	21 519	25 676		2 082	2 326		19 927	23 601	28 002				Dec.
	22 880	27 380*		2 044	1 960*		20 781	24 924	29 340*				

According to 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.

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

End of Month	Deposits in Co-operative Credit Societies ¹⁾					Deposits in Consumers' Co-operative Societies ²⁾					End of Month
	Mill. mk					Mill. mk					
	1946	1947	1948	1949	Monthly Movement	1946	1947	1948	1949	Monthly Movement	
Jan.	6 926					2 036					Jan.
Feb.	6 757	8 339	11 332	14 248	+ 256	2 031	2 315	2 824	3 770	+ 105	Feb.
March	6 838	8 433	11 334	14 550	+ 302	2 053	2 354	2 862	3 904	+ 134	March
April	7 118	8 962	11 687	15 124	+ 574	2 085	2 414	2 938	4 024	+ 120	April
May	7 304	9 292	12 015	15 408	+ 284	2 112	2 459	3 074	4 076	+ 52	May
June	7 405	9 407	11 982	15 660	+ 252	2 112	2 473	3 201	4 113	+ 37	June
July	7 534	9 604	11 971	15 731	+ 71	2 138	2 521	3 204	4 094	— 19	July
Aug.	7 606	9 838	12 408	16 118	+ 387	2 132	2 549	3 249	4 118	+ 24	Aug.
Sept.	7 739	10 412	13 085	17 015	+ 897	2 127	2 573	3 314	4 151	+ 33	Sept.
Oct.	7 869	10 618	13 043	16 984	— 31	2 126	2 584	3 343	4 178	+ 27	Oct.
Nov.	7 883	10 667	13 212			2 130	2 586	3 371			Nov.
Dec.	7 871	10 597	13 271			2 145	2 595	3 441			Dec.
	8 391	11 373	13 992*			2 262	2 755	3 665			

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

14. — DEPOSITS IN ALL CREDIT INSTITUTIONS. ¹⁾

End of Month	Total Deposits due to the Public				
	Mill. mk				
	1946	1947	1948	1949	Monthly Movement
Jan.	61 417				
Feb.	59 332	70 534	85 598	104 009	+ 3 153
March	59 378	70 066	84 182	102 711	— 1 298
April	60 517	72 866	87 632	108 207	+ 5 496
May	62 351	74 405	89 047	110 798	+ 2 591
June	62 475	75 290	88 090	109 872	— 926
July	63 601	76 046	88 845	112 726	+ 2 854
Aug.	64 423	77 264	91 806	116 996	+ 4 270
Sept.	65 664	79 070	93 014	117 726	+ 730
Oct.	66 716	81 102	95 604	117 724	— 2
Nov.	67 988	81 390	98 157		
Dec.	67 504	80 303	96 313		
	70 017	85 426	100 856*		

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

15. — INSURANCES IN LIFE ASSURANCE COMPANIES.

End of Month	New risks accepted ¹⁾			
	1948		1949	
	Number	Amount Mill. mk	Number	Amount Mill. mk
Jan.	14 084	1 334	14 404	1 692
Feb.	16 386	1 620	17 603	2 080
March	16 841	1 710	19 966	2 377
April	16 620	1 773	17 585	2 138
May	15 288	1 673	16 828	2 009
June	16 189	1 840	16 684	1 973
July	11 032	1 221	11 557	1 366
Aug.	13 218	1 482	14 644	1 747
Sept.	15 312	1 822	16 681	2 070
Oct.	18 974	2 253		
Nov.	22 122	2 586		
Dec.	25 766	3 304		
	201 832	22 618		
	134 970	14 475	145 952	17 452
				Total
				Jan.-Sept.

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

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

Year and Quarter	Companies founded		Companies with increased Capital		Companies liquidated		Companies with reduced Capital		Net increase (+) or reduction (-)		Year and Quarter
	Num-ber	Capital Mill. mk	Num-ber	Increase of Capital Mill. mk	Num-ber	Capital Mill. mk	Num-ber	Reduction of Capital Mill. mk	Num-ber	Capital Mill. mk	
1945	1 485	797	428	511	120	111	4	34	+1 365	+1 163	1945
1946	1 355	649	956	3 764	110	51	8	7	+1 245	+4 355	1946
1947	955	749	826	2 740	98	47	7	73	+ 857	+3 369	1947
1948	1 316	1 679	691	4 367	159	180	24	55	+1 157	+5 811	1948
1948											1948
July-Sept.	363	682	132	985	22	17	5	3	+ 341	+1 647	July-Sept.
Oct.-Dec.	435	277	208	2 055	63	135	13	13	+ 372	+2 184	Oct.-Dec.
1949											1949
Jan.-March	376	348	164	1 366	53	101	9	19	+ 323	+1 594	Jan.-March
April-June	311	203	150	3 437	54	35	9	7	+ 257	+3 598	April-June
July-Sept.	314	503	149	1 828	75	42	7	23	+ 239	+2 266	July-Sept.

Figures supplied by the Central Statistical Office.

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

* Preliminary figures subject to minor alterations.

17. — BANKRUPTCIES.

Month	Bankruptcies ¹⁾				
	Number				
	1945	1946	1947	1948	1949
January	10	13	15	9	22
February	7	8	14	8	24
March	6	10	8	14	38
April	3	7	10	12	37
May	7	11	5	10	42
June	12	6	12	5	19
July	3	6	5	7	23
August	8	6	8	12	12
September	2	6	11	12	26
October	11	17	8	15	
November	2	13	12	11	
December	8	5	7	25	
Total	79	108	115	140	
Jan.-Sept.	58	73	88	89	243

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

18. — STOCK EXCHANGE.

Month	Turnover of Stock Exchange ¹⁾				
	Mill. mk				
	1945	1946	1947	1948	1949
January	29	54	83	122	89
February	41	75	84	105	84
March	117	65	70	106	217
April	108	57	81	147	189
May	81	144	106	89	84
June	129	87	75	120	157
July	114	59	70	100	76
August	132	40	53	91	124
September	219	87	166	93	151
October	157	170	151	99	
November	94	206	110	113	
December	109	144	200	91	
Total	1 330	1 188	1 249	1 276	
Jan.-Sept.	970	668	788	973	1 171

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

19. — STOCK EXCHANGE INDEX.

Month	Share Prices												Month
	All kinds				Bank Shares				Industrial Shares				
	1946	1947	1948	1949	1946	1947	1948	1949	1946	1947	1948	1949	
January	414	324	337	241	143	108	110	94	536	411	423	277	January
February	324	304	304	246	130	106	105	95	407	379	377	281	February
March	293	297	259	255	121	107	99	93	364	366	313	283	March
April	324	310	269	267	124	105	102	93	405	388	322	300	April
May	396	296	265	270	130	104	101	94	519	371	315	305	May
June	436	292	273	261	129	102	99	94	582	365	328	291	June
July	378	282	272	260	122	99	101	94	496	348	326	289	July
August	356	282	259	262	121	98	100	95	462	348	306	292	August
September	358	308	247	267	125	102	97	94	463	384	290	302	September
October	368	337	237		123	103	97		477	424	272		October
November	370	332	233		117	103	96		481	418	266		November
December	340	336	228		110	104	94		436	423	259		December
Whole year	363	308	265		125	104	100		469	385	316		Whole year

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

20. — PUBLIC DEBT.

End of Year and Month	According to the Finance Accounts										Mill. Dollars ¹⁾	End of Year and Month
	Mill. mk ²⁾											
	Funded Debt			Short-term Credit			Total Public Debt					
Foreign	Internal	Total	Foreign	Internal	Total	Foreign	Internal	Total	Total Public Debt			
1945	15 664	39 994	55 658	4 283	25 782	30 065	19 947	65 776	85 723	630	1945	
1946	26 561	51 301	77 862	5 072	22 137	27 209	31 633	73 438	105 071	773	1946	
1947	33 484	57 292	90 776	5 073	22 251	27 324	38 557	79 543	118 100	868	1947	
1948	38 512	53 523	92 035	5 093	24 489	29 582	43 605	78 012	121 617	894	1948	
1949											1949	
April	37 641	50 081	87 672	5 103	21 260	26 363	42 744	71 291	114 035	838	April	
May	37 639	50 152	87 791	5 093	19 001	24 094	42 732	69 153	111 885	823	May	
June	37 362	50 074	87 436	5 091	22 469	27 560	42 453	72 543	114 996	846	June	
July	43 837	50 614	94 451	5 979	22 966	28 945	49 816	73 580	123 396	771	July	
Aug.	43 990	49 697	93 687	5 943	23 984	29 927	49 933	73 681	123 614	773	Aug.	
Sept.	55 333	49 549	104 882	5 951	25 196	31 147	61 284	74 745	136 029	589	Sept.	

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

21. — STATE REVENUE AND EXPENDITURE.

Year and Month	Total Revenue	Current Revenue ¹⁾ derived from						Capital Revenue	Expenditure			Year and Month
		Income and Property tax ²⁾	Stamp duty	Sales tax	Interest and Dividends	Railways, Posts, Telegraphs ³⁾	State Forests ³⁾		Total	Current	Capital	
Mill. mk												
1948 Jan.-Aug. Whole year	61 785 113 632	15 365 28 838	2 085 2 978	12 823 27 676	7 667 7 903	1 721 2 111	609 1 149	4 765 14 258	59 438 104 587	44 737 75 175	14 701 29 412	1948 Jan.-Aug. Whole year
1949 Jan.-Aug.	65 974	16 801	2 150	15 731	247	—484	782	5 974	75 866	52 488	23 378	1949 Jan.-Aug.
1949 Budget Supplem. Budget ⁴⁾	100 256 — 214	20 575 —	2 275 —	25 000 —	8 635 —	983 —703	912 — 16	6 739 38	100 243 8 536	69 828 4 257	30 415 4 279	1949 Budget Supplem. Budget

Tables 21—23 according to preliminary monthly accounts kept by the Treasury, the Customs and the Board of Excise Revenue.
¹⁾ The current revenue derived from Customs duty, and some other State receipts are specified in tables 22 and 23 below. — ²⁾ Including special and supplementary taxes on income and property but not the Capital Levy nor the inheritance tax. — ³⁾ The figures given refer to net revenue. — ⁴⁾ Passed in June.

22. — COLLECTION OF CUSTOMS.

Year and Month	Total Customs Receipts	Customs duty on		Fines, Light Dues, etc.
		Imported goods incl. storage charges	Exported goods.	
Mill. mk				
1948 Jan.-Sept. Whole year	6 367 9 482	6 221 9 272	0 0	146 210
1949 Jan.-Sept.	8 876	8 742	0	134
1949 Budget	9 875	9 700	1	174

23. — COLLECTION OF EXCISE DUES.

Year and Month	Total Excise Dues	Excise on				Year and Month
		Tobacco	Spirits	Beer	Matches	
Mill. mk						
1948 Jan.-Aug. Whole year	5 667 7 769	3 988 6 434	107 171	154 276	189 289	1948 Jan.-Aug. Whole year
1949 Jan.-Aug.	7 166	4 788	76	273	157	1949 Jan.-Aug.
1949 Budget	7 291	6 000	156	400	275	1949 Budget

24. — VALUE OF IMPORTS AND EXPORTS.

Month	Imports (c. i. l.) Mill. mk			Exports (f. o. b., free exports) Mill. mk			Surplus of Imports (—) or Exports (+) Mill. mk			Month
	1947	1948	1949*	1947	1948	1949*	1947	1948	1949*	
January	2 825	3 963	4 113	1 961	2 505	3 124	— 864	—1 458	— 989	January
February	2 304	4 261	4 200	1 170	3 354	3 681	—1 134	— 907	— 519	February
March	1 138	3 588	4 806	784	2 987	3 876	— 354	— 601	— 930	March
April	1 463	4 916	4 604	2 107	4 467	4 016	+ 644	— 449	— 588	April
May	3 843	6 001	5 320	4 855	3 696	4 106	+1 012	—2 305	—1 214	May
June	3 939	7 006	4 591	4 582	5 201	4 667	+ 643	—1 805	+ 76	June
July	4 899	5 938	5 783	5 768	6 349	6 061	+ 869	+ 411	+ 278	July
August	4 014	5 397	4 803	5 498	5 407	5 502	+1 484	+ 10	+ 699	August
September	5 196	5 508	6 364	4 808	5 943	7 445	— 388	+ 435	+1 081	September
October	5 219	5 526		4 885	5 685		— 334	+ 159		October
November	4 972	5 961		5 018	5 509		+ 46	— 452		November
December	7 159	8 304		3 792	5 402		—3 367	—2 902		December
Total Jan.-Sept.	46 971 29 621	66 369 46 578	44 584	45 228 31 533	56 505 39 909	42 478	—1 743 +1 912	—9 864 —6 669	—2 106	Total Jan.-Sept.

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

* Preliminary figures subject to minor alterations.

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

Classes of Goods	Imports (e. i. f.) Mill. mk					Exports (f. o. b.) Mill. mk				
	Whole year		January—September			Whole year		January—September		
	1947	1948	1947	1948	1949*	1947	1948	1947	1948	1949*
Dairy produce, eggs, honey	203	1 939	201	1 539	30	34	13	34	—	204
Other animal products, live animals	688	1 117	350	884	275	1 098	219	830	186	382
Vegetables	13	16	12	14	3	32	1	11	1	0
Eatable fruit	247	537	38	218	513	12	11	9	5	38
Coffee, tea, spices	296	710	212	476	723	—	—	—	—	—
Cereals, milling products ..	6 586	6 835	4 198	5 614	2 978	0	29	0	12	17
Certain seeds and fruit, plants for industrial purposes ..	293	425	241	334	174	10	9	5	6	11
Raw materials for tanning and dying	122	74	93	61	49	—	—	—	—	—
Animal and vegetable fats	1 288	1 685	846	994	1 333	0	1	0	1	4
Meat and fish products ..	92	351	63	200	34	—	0	—	0	32
Sugar, sweets	1 250	2 024	830	1 459	1 591	7	18	6	12	10
Beverages, vinegars	236	209	145	166	228	152	173	79	138	301
Fodder	381	1 000	368	674	619	—	0	—	—	—
Tobacco	624	1 301	450	566	216	—	—	—	—	—
Minerals, ore	954	1 168	678	769	502	71	133	42	97	176
Mineral fuel and oils	6 317	10 735	3 688	7 758	3 463	0	0	0	0	0
Chemical and pharmaceutical products	1 768	2 000	1 142	1 447	1 373	127	171	75	125	171
Tanning and dyeing extracts, varnishes	808	1 110	478	791	1 107	13	7	9	5	1
Caseine, albumine, glues ..	394	333	243	223	220	0	7	0	—	6
Fertilizers	2 105	2 083	1 548	1 306	1 578	—	—	—	—	—
Hides, skins, leather and furs; manufactures of these materials	670	1 206	430	658	1 089	261	312	225	265	201
Rubber and rubber articles	968	1 085	529	784	678	1	4	1	4	10
Wood and wooden goods ..	51	78	40	65	73	19 467	23 797	12 992	16 171	19 725
Woodpulp	10	4	10	4	5	10 722	16 010	7 939	11 745	9 368
Cardboard and paper, their applications	61	91	38	65	64	11 001	12 930	7 772	9 272	8 994
Textile materials, textile goods	3 935	6 493	2 685	4 197	7 645	744	907	555	631	627
Footwear	206	244	178	147	82	0	3	—	2	1
Articles of stone and of other mineral material, glass ..	326	523	214	346	423	356	323	229	275	251
Base metals; articles made therefrom	7 708	10 472	4 539	7 551	8 333	581	722	366	429	556
Machinery, apparatus	2 449	3 973	1 609	2 691	3 822	103	160	60	118	218
Electrical machinery and apparatus	1 136	1 965	674	1 250	2 007	93	115	52	82	97
Transport material	3 879	3 233	2 238	2 406	2 238	29	60	19	57	714
Instruments, clocks and watches, musical instruments	245	305	163	210	299	9	15	6	9	21
All others	662	1 045	450	711	817	305	355	217	261	342
Total free trade	46 971	66 369	29 621	46 578	44 584	45 228	56 505	31 533	39 909	42 478
Reparation deliveries						10 405	11 546	7 945	8 533	7 650

* Preliminary figures subject to minor alterations.

26. — IMPORTS OF THE MOST IMPORTANT ARTICLES.

Month	Wheat Tons			Rye Tons			Sugar Refined and unrefined Tons			Month
	1947	1948	1949*	1947	1948	1949*	1947	1948	1949*	
January	17 065	1 871	16 140	14 341	14 840	—	1 501	4 130	4 774	January
February	—	9 328	21 138	12 817	21 825	—	1 587	3 688	5 582	February
March	7 774	10 917	25 646	2 467	8 382	—	1 431	4 172	6 146	March
April	3 657	14 820	19 368	18 239	2 129	—	626	6 861	7 361	April
May	12 700	10 793	18 908	2 601	14 445	6 000	2 529	8 635	10 378	May
June	2 099	18 854	20 144	9 333	26 580	—	7 802	8 159	8 504	June
July	11 004	3 281	29 873	9 192	20 034	—	6 040	10 072	7 788	July
August	9 488	—	168	14 257	14 093	—	5 168	11 804	9 592	August
September	9 434	6 096	0	26 608	31	—	3 773	9 075	8 805	September
October	90	5 954	—	30 138	—	—	13 765	7 974	—	October
November	18 476	12 941	—	7 533	3 495	—	3 892	8 168	—	November
December	—	15 103	—	26 354	—	—	350	9 668	—	December
Total	91 787	109 458	—	173 880	125 854	—	48 464	92 406	—	Total
Jan.-Sept.	73 221	75 460	151 385	109 855	122 359	6 000	30 457	66 596	68 930	Jan.-Sept.

Month	Raw Tobacco Tons			Coal and Coke Tons			Petrol Tons			Month
	1947	1948	1949*	1947	1948	1949*	1947	1948	1949*	
January	215	319	12	40 833	203 586	93 321	7 545	13 325	14 006	January
February	205	355	62	50 620	88 621	54 542	7 404	12 473	13 201	February
March	254	336	62	5 018	32 167	5 906	8 697	15 028	14 422	March
April	232	398	108	61	111 205	12 698	9 989	15 406	17 135	April
May	247	328	161	24 555	267 139	31 335	10 137	11 040	17 666	May
June	245	318	137	112 824	297 885	80 076	12 854	24 908	17 808	June
July	124	130	144	223 939	313 171	63 530	15 222	18 007	21 386	July
August	345	382	195	140 047	163 571	109 238	16 454	18 961	23 380	August
September	328	358	269	238 278	257 148	159 837	16 086	17 138	20 415	September
October	353	383	—	245 516	260 432	—	15 637	18 062	—	October
November	331	421	—	164 656	233 013	—	12 428	19 191	—	November
December	216	2 902	—	252 630	187 030	—	16 295	15 980	—	December
Total	3 095	6 630	—	1 498 977	2 414 968	—	148 748	199 519	—	Total
Jan.-Sept.	2 195	2 924	1 150	836 175	1 734 493	610 483	104 388	146 286	159 419	Jan.-Sept.

Month	Raw Cotton Tons			Pig Iron Tons			Bar Iron and Bar Steel Tons			Month
	1947	1948	1949*	1947	1948	1949*	1947	1948	1949*	
January	1 088	1 154	538	10	613	18	3 193	4 006	6 888	January
February	3 430	1 088	1 609	5	598	1 126	3 789	8 320	6 325	February
March	1 451	1 000	1 464	20	632	2 890	846	7 605	6 727	March
April	—	15	46	100	325	1 742	1 005	9 261	8 350	April
May	1 871	1 178	34	920	575	1 055	7 890	8 773	6 398	May
June	1 263	—	1 678	270	1 695	3 479	7 759	10 804	5 699	June
July	—	—	2 884	40	1 079	5 852	6 736	11 566	5 712	July
August	93	2 570	1 037	2 255	2 620	3 290	5 427	9 540	7 789	August
September	—	—	278	3 902	35	766	9 532	6 132	9 351	September
October	587	905	—	4 985	543	—	10 064	6 842	—	October
November	12	534	—	1 040	2 326	—	8 977	4 997	—	November
December	859	1 412	—	2 066	7 925	—	20 314	7 617	—	December
Total	10 654	9 856	—	15 613	18 966	—	85 532	95 503	—	Total
Jan.-Sept.	9 196	7 005	9 568	7 522	8 172	20 218	46 177	76 047	63 239	Jan.-Sept.

* Preliminary figures subject to minor alterations.

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

Month	Wooden Houses and Huts Tons			Round Timber All kinds excl. fuel 1 000 m ³			Sawn Timber ²⁾ All kinds 1 000 standards			Month
	1947	1948	1949*	1947	1948	1949*	1947	1948	1949*	
January	7 971	6 077	1 361	30	35	56	15	10	12	January
February	8 393	11 641	7 958	15	4	62	5	10	12	February
March	11 542	10 894	19 086	—	1	59	5	11	12	March
April	10 159	21 324	15 021	1	0	99	4	7	7	April
May	15 832	20 375	9 515	33	8	168	9	9	12	May
June	13 088	20 274	6 737	118	54	192	34	26	48	June
July	11 651	15 999	14 439	387	329	381	66	81	88	July
August	11 159	12 430	14 749	391	510	400	72	64	77	August
September	15 005	11 202	20 040	415	438	370	63	76	84	September
October	16 711	12 966		280	355		53	61		October
November	13 699	11 332		178	197		58	68		November
December	13 671	4 667		88	66		32	47		December
Total	148 881	159 181		1 936	1 997		416	470		Total
Jan.-Sept.	104 800	130 216	108 906	1 390	1 379	1 787	273	294	352	Jan.-Sept.

Month	Matches Tons			Plywood 1 000 m ³			Bobbins (spools) Tons			Month
	1947	1948	1949*	1947	1948	1949*	1947	1948	1949*	
January	205	26	37	8	9	12	67	158	147	January
February	114	98	96	7	14	22	46	357	181	February
March	4	100	87	1	9	21	—	184	200	March
April	105	189	77	10	13	21	212	380	378	April
May	424	73	123	22	14	18	511	322	300	May
June	195	11	80	20	16	17	252	311	280	June
July	36	55	143	14	14	12	145	109	314	July
August	80	16	67	12	12	11	154	355	89	August
September	31	56	144	10	15	21	369	322	254	September
October	47	49		17	19		251	371		October
November	6	160		15	16		466	426		November
December	249	227		19	24		260	192		December
Total	1 496	1 060		155	175		2 733	3 487		Total
Jan.-Sept.	1 194	624	854	104	116	155	1 756	2 498	2 143	Jan.-Sept.

Month	Mechanical Pulp ³⁾ Tons			Sulphite Cellulose ³⁾ Tons			Sulphate Cellulose ³⁾ Tons			Month
	1947	1948	1949*	1947	1948	1949*	1947	1948	1949*	
January	4 075	1 352	9 266	19 410	29 651	21 937	10 653	19 175	18 443	January
February	1 162	3 267	2 356	9 742	26 763	29 197	8 591	27 342	20 322	February
March	—	2 093	3 233	1 166	27 084	29 805	1 806	24 245	16 831	March
April	142	9 541	17 424	10 328	36 597	32 022	10 750	37 194	24 314	April
May	13 011	9 090	19 763	45 149	19 203	37 062	35 379	21 232	18 014	May
June	8 405	17 528	12 277	34 597	46 404	39 483	25 657	38 785	20 874	June
July	15 137	11 807	15 339	44 240	33 570	24 915	50 147	32 654	17 015	July
August	9 667	10 237	9 936	24 695	17 485	28 679	34 002	21 103	18 023	August
September	4 877	8 126	18 477	24 468	33 029	38 337	31 523	26 159	20 946	September
October	4 873	4 612		22 423	30 191		23 378	23 716		October
November	3 411	6 822		33 237	31 036		26 712	26 664		November
December	366	12 622		20 242	40 413		19 899	32 743		December
Total	65 126	97 097		289 697	371 426		278 497	331 012		Total
Jan.-Sept.	56 476	73 041	108 071	213 795	269 786	281 437	208 508	247 889	174 782	Jan.-Sept.

¹⁾ Free exports. — ²⁾ 1 standard sawn timber = 4.672 m³. — ³⁾ Dry weight.

* Preliminary figures subject to minor alterations.

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

Month	Cardboard All kinds Tons			Paper All kinds Tons			Newsprint (included in previous column) Tons			Month
	1947	1948	1949*	1947	1948	1949*	1947	1948	1949*	
January	7 891	5 921	7 048	24 094	23 848	34 950	12 880	16 318	24 960	January
February	2 675	8 021	7 450	9 800	32 121	41 058	4 953	17 985	31 692	February
March	812	8 230	7 081	9 919	21 699	35 528	7 299	11 337	24 901	March
April	8 170	8 620	6 720	24 521	45 207	37 508	15 889	31 769	28 911	April
May	16 957	8 132	9 136	55 029	37 564	35 074	32 864	26 217	28 261	May
June	11 102	7 974	6 787	43 875	36 018	34 711	26 861	26 341	26 853	June
July	8 510	10 084	6 132	40 110	40 466	33 293	29 713	29 054	26 082	July
August	7 161	9 076	4 188	45 278	36 369	27 715	32 561	27 467	23 005	August
September	8 266	9 632	8 396	28 050	28 013	50 909	18 328	18 587	38 767	September
October	10 857	10 405		36 402	44 151		23 358	32 908		October
November	11 711	9 317		37 101	35 844		23 749	24 770		November
December	9 011	12 649		29 655	35 677		18 423	26 072		December
Total	103 123	108 061		383 334	416 477		246 378	288 775		Total
Jan.-Sept.	71 544	75 690	62 933	280 176	301 305	330 746	180 848	205 025	253 432	Jan.-Sept.

28. — FOREIGN TRADE WITH VARIOUS COUNTRIES.

Country	Imports (s. i. f.)					Exports (f. o. b., free exports)				
	Whole year		January—September			Whole year		January—September		
	1947	1948	1948	1949*	1947	1948	1948	1949*		
	%	%	%	Mill. mk	%	%	%	Mill. mk	%	
Europe:										
Belgium	7.9	4.9	5.2	2 295	5.2	5.2	3.8	3.9	1 759	4.1
Bulgaria	0.0	0.1	0.0	44	0.1	0.0	0.1	0.2	59	0.1
Czechoslovakia	0.7	1.0	0.7	773	1.7	0.3	0.5	0.5	524	1.2
Denmark	6.4	8.1	8.9	2 473	5.5	7.2	6.4	6.6	3 005	7.1
France	4.3	4.5	4.4	4 450	10.0	3.9	5.6	4.7	1 678	4.0
Germany	0.0	0.7	0.6	565	1.3	0.1	0.8	1.0	909	2.1
Great Britain	17.5	25.1	24.8	9 566	21.5	30.0	28.3	28.9	12 482	29.4
Greece	0.5	0.6	0.3	100	0.2	0.7	0.9	0.9	374	0.9
Holland	4.7	6.0	5.2	3 816	8.6	4.5	7.2	5.1	2 614	6.2
Italy	0.4	0.5	0.6	566	1.3	1.5	0.5	0.4	568	1.3
Norway	3.9	2.2	2.6	631	1.4	2.0	1.4	1.4	585	1.4
Poland	3.6	6.9	6.9	1 668	3.7	2.1	2.0	2.2	808	1.9
Rumania	0.0	0.0	0.0	2	0.0	0.0	0.0	—	112	0.3
Soviet Union	11.3	12.5	13.7	6 299	14.1	12.4	14.7	16.1	6 718	15.8
Sweden	4.8	4.8	4.3	2 828	6.3	5.7	5.4	5.5	1 859	4.4
Switzerland	0.8	1.1	1.2	468	1.0	0.9	0.9	0.8	106	0.2
Turkey	0.5	0.6	0.4	81	0.2	0.4	0.5	0.5	152	0.3
Other European countries	0.4	1.3	1.0	741	1.7	1.7	2.0	1.5	1 214	2.9
Total for Europe	67.7	80.9	80.8	37 366	83.8	78.6	81.0	80.2	35 526	83.6
Asia	0.2	0.1	0.1	27	0.1	1.5	1.5	1.2	302	0.7
Africa	0.1	0.2	0.2	140	0.3	3.1	3.1	3.1	1 080	2.6
United States	23.7	12.0	12.8	3 718	8.3	11.5	9.5	11.4	2 977	7.0
Other States of North America	0.5	0.4	0.5	52	0.1	0.1	0.2	0.1	53	0.1
South America	7.8	6.3	5.6	3 202	7.2	4.5	4.1	3.4	2 227	5.3
Australia	0.0	0.1	0.0	79	0.2	0.7	0.6	0.6	313	0.7
Grand total	100.0	100.0	100.0	44 584	100.0	100.0	100.0	100.0	42 478	100.0

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

* Preliminary figures subject to minor alterations.

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

Year and Month	Total Imports	Groups of Imported Goods				Total Exports	Principal Exported Goods				Year and Month
		Raw materials	Machinery	Food-stuffs	Other consumption goods		Sawn timber	Mechanical pulp	Dry cellulose	Paper	
1944	457	468	360	560	400	323	292	309	337	314	1944
1945	709	729	798	713	447	452	433	597	436	445	1945
1946	896	888	883	947	846	799	802	835	700	777	1946
1947	950	941	898	1 030	912	1 175	1 177	1 257	1 148	1 049	1947
1948	1 036	1 080	957	1 019	998	1 383	1 323	1 746	1 393	1 246	1948
1948 Jan.—Sept.	1 042	1 092	962	1 025	1 007	1 378	1 320	1 791	1 380	1 226	1948 Jan.—Sept.
1949 Jan.—May	1 021	1 033	1 050	999	981	1 329	1 397	1 381	1 315	1 227	1949 Jan.—May
Jan.—June	1 012	1 024	1 012	1 009	976	1 319	1 349	1 396	1 283	1 214	Jan.—June
Jan.—July	1 029	1 034	1 035	1 035	991	1 339	1 393	1 370	1 255	1 211	Jan.—July
Jan.—August	1 045	1 051	1 051	1 052	1 004	1 344	1 406	1 343	1 226	1 208	Jan.—August
Jan.—Sept.	1 062	1 068	1 076	1 069	1 009	1 349	1 420	1 324	1 204	1 203	Jan.—Sept.

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

30. — TOTAL SALES OF WHOLESALE FIRMS.

Month	Total Sales Mill. mk						Month
	1944	1945	1946	1947	1948	1949	
January	1 046	1 412	2 840	3 456	5 514	7 576	January
February	1 206	1 482	2 957	3 897	8 347	8 237	February
March	1 360	1 585	3 470	4 617	7 594	9 174	March
April	1 246	1 626	3 680	4 241	9 343	9 392	April
May	1 411	1 848	4 039	5 327	8 997	10 571	May
June	1 043	1 759	3 731	4 675	8 472	9 877	June
July	948	1 400	3 402	4 633	8 450	8 998	July
August	1 229	1 847	3 911	5 302	9 148	11 332	August
September	1 023	2 420	4 040	6 438	10 169		September
October	1 077	2 954	4 622	6 470	10 383		October
November	1 191	3 186	4 551	6 427	10 561		November
December	1 419	3 267	5 024	7 311	10 755		December
Total	14 199	24 786	46 267	62 794	107 733		Total
Jan.-August	9 489	12 959	28 030	36 148	65 865	75 157	Jan.-August

Calculated by the «Usni Suomi». The figures represent approximately 80-90 % of the turnover of all wholesalers in Finland.

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

Quarter	Total Industry					Home Market Industry					Export Industry					Quarter
	1945	1946	1947	1948	1949	1945	1946	1947	1948	1949	1945	1946	1947	1948	1949	
Jan.—March	69	87	111	138	154	89	110	135	176	193	40	56	77	85	98	Jan.—March
April—June	67	87	110	137	144	79	103	130	168	182	48	63	80	95	91	April—June
July—Sept.	66	95	105	124		76	115	128	150		50	66	74	87		July—Sept.
Oct.—Dec.	77	100	124	139		94	122	157	171		53	70	78	94		Oct.—Dec.
Whole year	70	92	113	135		85	113	138	166		47	64	78	90		Whole year

«Unitas» Index based on seasonally adjusted quarterly figures.

32. — BUILDING ACTIVITY.

Month	Consumption of Cement in Finland ¹⁾						Plans approved in the Capital ²⁾						Month
	1 000 tons						All buildings, 1 000 m ³						
	1944	1945	1946	1947	1948	1949	1944	1945	1946	1947	1948	1949*	
January	31	46	27	54	74	101	0.6	64.7	105.6	39.2	34.7	34.0	January
February							0.3	35.5	91.8	28.4	71.4	146.1	February
March	60	89	79	112	160	192	25.6	71.9	39.2	37.5	135.0	145.1	March
April							2.9	116.3	97.1	64.3	80.2	78.7	April
May							8.1	229.7	54.5	67.6	110.7	135.7	May
June							70.2	101.7	56.9	62.2	91.4	48.7	June
July	52	83	127	152	164	192	1.5	126.5	119.9	64.1	92.2	310.6	July
August							6.9	42.5	87.4	72.5	35.3	96.6	August
September							0.0	12.6	57.8	65.6	75.4	88.0	September
October	44	63	96	103	129	192	1.7	47.7	101.6	122.5	70.0	70.0	October
November							40.6	150.9	73.2	37.9	57.8	57.8	November
December							42.0	36.1	119.2	27.9	65.1	65.1	December
Total	187	281	329	421	527	627	200.4	1 036.6	1 004.2	689.7	919.2	919.2	Total
Jan.-June	91	135	106	166	234	293	116.1	801.9	710.2	501.4	726.3	1 083.5	Jan.-Sept.

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

33. — FOREIGN SHIPPING.

Year and Month	Arrivals				Sailings				Year and Month
	Number of vessels		Net reg. tons		Number of vessels		Net reg. tons		
	Total	of which Finnish	Total	of which with Cargo	Total	of which Finnish	Total	of which with Cargo	
1946	3 024	1 557	2 338 761	1 482 639	3 020	1 571	2 332 110	1 844 150	1946
1947	4 020	1 926	3 568 942	2 362 715	3 989	1 895	3 492 515	2 684 134	1947
1948	5 243	2 543	4 017 493	2 849 573	5 275	2 556	4 072 374	2 862 504	1948
1948 Jan.-Sept.	3 854	1 779	2 900 539	2 069 704	3 830	1 814	2 859 041	1 976 169	1948 Jan.-Sept.
1949									1949
June	570	240	372 032	233 467	552	251	362 455	304 549	June
July	792	297	509 481	255 604	788	326	466 695	412 871	July
August	737	352	428 656	242 757	719	333	412 951	345 788	August
September	741	301	435 656	257 380	750	306	462 088	394 845	September
Jan.-Sept.	3 890	1 769	2 704 732	1 669 177	3 821	1 786	2 658 887	2 237 303	Jan.-Sept.

Figures supplied by the Statistical Office of the Shipping Board.

34. — STATE RAILWAYS.

Month	Weight of Goods transported			Axle-kilometres of goods trucks		Revenue (less Re-imbursments)			Regular Expenditure			Month
	1 000 tons			Mill. km		Mill. mk			Mill. mk			
	1947	1948	1949	1948	1949	1947	1948	1949	1947	1948	1949	
January	1 144	1 154	1 017	66	60	477	1 017	909	480	786	815	January
February	1 022	1 157	1 046	73	64	443	1 048	872	557	951	1 083	February
March	1 118	1 239	1 170	79	70	479	1 194	1 005	587	1 003	1 017	March
April	1 167	1 313	1 011	84	63	552	1 205	960	540	966	998	April
May	1 326	1 350	1 091	73	64	616	1 136	969	693	1 081	1 174	May
June	1 282	1 493	1 090	72	62	646	1 281	1 068	782	1 020	1 056	June
July	1 492	1 416	1 169	74	68	880	1 293	1 123	702	1 044	1 210	July
August	1 395	1 293		70		877	1 170		608	951		August
September	1 439	1 313		70		827	1 064		696	968		September
October	1 408	1 304		72		840	1 093		681	1 020		October
November	1 203	1 280		68		721	1 084		692	995		November
December	1 160	1 142		62		902	1 057		1 496	1 183		December
Total	15 156	15 454		863		8 260	13 642		8 514	11 958		Total
Jan.-July	8 551	9 122	7 594	521	451	4 093	8 174	6 906	4 341	6 841	7 353	Jan.-July

According to Monthly Statistics of the Finnish State Railways.

* Preliminary figures subject to minor alterations.

35. — WHOLESALE PRICE INDEX. 1935=100.

Month	Index for Goods in Finnish Wholesale trade										Articles of Import (c. i. f.)		Articles of Export (f. o. b.)		Month	
	Finnish Goods															
	Total Index		Total		Products of agriculture		Products of forestry		Products of industry		Imported Goods					
1948	1949	1948	1949	1948	1949	1948	1949	1948	1949	1948	1949	1948	1949	1948	1949	
	<i>1 010</i>		<i>1 029</i>		<i>1 571</i>		<i>1 386</i>		<i>738</i>		<i>962</i>		<i>955</i>		<i>1 174</i>	
Jan.	1 026	1 088	1 042	1 099	1 504	1 137	1 415	1 516	771	950	983	1 060	978	1 007	1 265	1 211
Feb.	1 033	1 083	1 050	1 088	1 479	1 117	1 428	1 481	788	941	992	1 068	988	1 003	1 274	1 201
March	1 074	1 076	1 106	1 078	1 456	1 082	1 457	1 485	879	943	995	1 065	986	1 003	1 271	1 200
April	1 079	1 071	1 103	1 074	1 393	1 057	1 458	1 480	894	946	1 019	1 061	990	984	1 285	1 195
May	1 089	1 057	1 114	1 055	1 391	1 017	1 474	1 418	908	949	1 025	1 060	996	996	1 285	1 189
June	1 102	1 058	1 132	1 063	1 431	1 050	1 474	1 418	924	951	1 027	1 044	996	989	1 276	1 178
July	1 124	1 102	1 162	1 113	1 463	1 157	1 566	1 409	933	1 004	1 027	1 074	1 006	1 061	1 292	1 206
Aug.	1 118	1 112	1 153	1 112	1 412	1 144	1 566	1 394	935	1 010	1 030	1 109	1 009	1 091	1 292	1 222
Sept.	1 116	1 124	1 147	1 118	1 362	1 187	1 543	1 373	948	1 014	1 038	1 135	1 012	1 091	1 294	1 225
Oct.	1 110		1 141		1 318		1 546		952		1 032				1 296	
Nov.	1 107		1 132		1 285		1 536		951		1 043				1 266	
Dec.	1 104		1 126		1 269		1 522		950		1 049				1 238	
Whole year	1 090		1 117		1 397		1 499		903		1 022		996		1 278	

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	August 1938— July 1939 = 100			1935 = 100										Month		
	Total Index			Total Index		Foodstuffs		Rent		Fuel and light		Clothing			Taxes	
	1947	1948	1949	1947	1948	1949	1948	1949	1948	1949	1948	1949	1948		1949	1948	1949
	<i>468</i>		<i>509</i>		<i>994</i>		<i>161</i>		<i>1 211</i>		<i>679</i>		<i>1 155</i>			
Jan.	471	763	795	513	831	866	1 037	1 057	161	161	1 226	1 593	745	954	1 247	1 900
Feb.	482	753	780	525	820	850	999	1 023	161	161	1 242	1 569	785	959	1 247	1 900
March	524	761	772	571	829	841	990	1 003	161	161	1 317	1 548	809	967	1 247	1 900
April	546	765	775	594	833	844	975	999	161	161	1 326	1 550	816	971	1 331	1 900
May	559	765	776	609	833	845	963	984	161	221	1 343	1 515	847	979	1 331	1 900
June	567	773	782	618	842	852	976	992	161	221	1 347	1 521	859	982	1 331	1 900
July	595	809	814	648	881	887	983	1 079	161	221	1 349	1 510	868	949	1 908	1 862
Aug.	607	816	808	661	889	881	993	1 064	161	221	1 349	1 506	883	962	1 908	1 862
Sept.	617	812	813	672	885	885	978	1 069	161	221	1 372	1 478	899	984	1 908	1 862
Oct.	632	810		689	882		1 124		161		1 406		920		1 930	
Nov.	690	805		751	876		1 098		161		1 545		930		1 930	
Dec.	720	798		785	869		1 075		161		1 601		934		1 930	
Whole year	584	786		636	856		1 016		161		1 369		858		1 604	

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

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

Year	Total Index					Index of the Contractor					Index of Overhead Costs					Year
	I	II	III	IV	Aver.	I	II	III	IV	Aver.	I	II	III	IV	Aver.	
1938	.	.	.	.	127	.	.	.	.	127	.	.	.	.	121	1938
1939	129	130	134	141	134	130	130	134	141	134	124	124	128	134	128	1939
1940	151	157	165	172	161	152	158	165	173	162	141	147	154	157	150	1940
1941	180	189	195	199	191	181	191	196	201	192	164	173	178	182	174	1941
1942	212	226	231	243	228	213	227	233	245	230	193	206	204	215	205	1942
1943	244	252	259	264	255	246	254	261	266	257	216	223	230	233	226	1943
1944	267	271	272	283	273	269	273	274	286	276	236	240	241	245	241	1944
1945	299	299	396	503	529	432	302	399	507	534	436	259	342	435	457	1945
1946	564	613	657	683	629	570	619	664	689	636	489	530	569	591	545	1946
1947	706	733	781	935	789	708	734	782	937	790	679	715	762	911	767	1947
1948	1 125	1 194	1 206	1 210	1 184	1 115	1 182	1 192	1 197	1 172	1 246	1 348	1 380	1 385	1 340	1948
1949	1 208	1 199	1 166			1 196	1 188	1 160			1 365	1 346	1 230			1949

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

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

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	
1948												1948
Jan.-March	106.1	106.1	106.3	103.0	114.7	103.8	107.3	114.1	105.7	103.6	108.9	Jan.-March
April-June	107.3	107.1	107.6	104.0	115.9	105.4	110.2	105.8	108.7	107.6	107.6	April-June
July-Sept.	108.9	109.5	107.9	108.2	116.4	107.4	115.7	111.4	106.8	106.4	110.3	July-Sept.
Oct.-Dec.	104.8	105.3	103.7	100.7	107.5	100.7	119.0	107.8	108.5	103.4	104.0	Oct.-Dec.
1949												1949
Jan.-March	99.8	102.7	94.3	100.7	89.0	97.5	116.9	101.7	109.4	97.5	91.4	Jan.-March
April-June	98.1	102.6	89.3	99.8	93.1	99.3	108.9	107.0	108.8	90.6	88.1	April-June
July-Sept.	95.6	101.0	86.3	91.8	97.4	101.1	109.0	108.7	112.6	83.1	89.1	July-Sept.

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

39.—NUMBER OF UNEMPLOYED.

End of Month	Unemployed qualified for registration										End of Month	
	On Relief Work			Without Work			Total					
	1947	1948	1949	1947	1948	1949	1945	1946	1947	1948		1949
January	—	588	12 191	—	342	14 071	10 893	2 529	—	930	26 262	January
February	—	1 671	22 763	—	498	15 793	9 066	2 220	—	2 169	38 556	February
March	—	2 252	35 315	—	346	16 126	7 955	2 384	—	2 598	51 441	March
April	—	1 047	29 652	—	47	9 614	7 251	2 515	—	1 094	39 266	April
May	—	338	12 591	—	37	3 329	6 420	1 065	—	375	15 920	May
June	—	—	2 982	—	—	929	4 838	—	—	—	3 911	June
July	—	—	684	—	—	256	3 606	—	—	—	940	July
August	—	—	437	—	—	776	3 011	—	—	—	1 213	August
September	—	—	578	—	—	4 174	2 794	—	—	—	4 752	September
October	—	—	—	—	—	—	2 621	—	—	—	—	October
November	—	1 169	—	—	2 200	—	2 691	—	—	3 369	—	November
December	—	5 556	—	—	8 222	—	2 594	—	—	13 778	—	December

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

40.—CESSATION OF WORK.

Month	Initiated			Continued from previous month			Total			Month
	Number	affecting		Number	affecting		Number	affecting		
		employers	work-people		employers	work-people		employers	work-people	
1948										1948
August	8	22	1 873	2	2	75	10	24	1 948	August
September	11	21	3 951	3	16	964	14	37	4 915	September
October	12	30	2 005	9	31	3 827	21	61	5 832	October
November	2	5	191	7	37	2 726	9	42	2 917	November
December	1	1	36	2	21	248	3	22	284	December
1949										1949
January	1	23	43	1	1	36	2	24	79	January
February	2	2 511	2 636	1	23	43	3	2 534	2 679	February
March	5	208	7 839	—	—	—	5	208	7 839	March
April	3	3	312	1	3	29	4	6	341	April
May	6	14	275	2	4	189	8	18	464	May
June	3	3	677	4	13	205	7	16	882	June
July	12	14	4 742	2	4	259	14	18	5 001	July

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

CERTAIN PARTICULARS ABOUT FINLAND.

1. FORM OF GOVERNMENT.

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

The Diet, composed of 200 members, is elected by universal suffrage. The proportions of the different parties in the Diet elected in 1948 are at present as follows:

	Number
Agrarian party	56
Social-Democratic party	54
Democratic League	38
Unionist party	33
Swedish party	14
Progressive party	5

2. LAND.

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

3. POPULATION.

NUMBER OF INHABITANTS (1948): 3.9 millions (present population). Sweden (1947) 6.8, Switzerland (1947) 4.5, Denmark (1947) 4.1 and Norway (1947) 3.1 millions.

DENSITY OF POPULATION (1948): In South Finland 22.0, in North Finland 3.3 and in the whole country an average of 12.8 inhabitants to the square kilometre.

DISTRIBUTION (1948): 75.0 % of the population inhabit the country, 25.0 % the towns and urban districts. The largest towns are (1948): Helsinki (Helsingfors), the capital, 357 865 inhabitants, Turku (Åbo) 95 446, Tampere (Tammerfors) 94 402.

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

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

RELIGION (1946): Lutheran 96.0 %, Greek-Orthodox 1.7 %, others 2.3 %.

EDUCATION (1947): Practically all persons over 15 years of age are literate. There are three universities (the oldest founded in 1640) and 7 colleges of university standard.

INCREASE OF POPULATION (1947): Births 27.7 ‰, deaths 11.9 ‰ (deaths in France in 1947 13.0 ‰, and in the United Kingdom in 1947 12.1 ‰), natural increase 16.0 ‰.

4. TRADE AND COMMUNICATIONS.

FOREST RESOURCES (1949): The growing stock comprises 1 370 million of solid cub. m. incl. bark (48 379 million cub. feet), of which pine is 45.5 per cent, spruce 32.2 per cent, the rest 22.3 per cent being leaf-trees, chiefly birch. Of the growing stock 1 031 million trees, 63.6 per cent of them pines, are up to the standard required for logs (minimum for sawmill logs 18' × 6" and for plywood logs 14' × 7"). The annual increment is about 41 million of solid cub. m. green wood excl. bark (1 441 cub. ft). The total removal in 1946 calculated according to the use of wood was 40 million cub. m. (1 425 million cub. ft). In

the years 1923 to 1938, in the then area of the country, it averaged 41 million cub. m. (1 463 million cub. ft) per year, the corresponding yearly increment being 45 million cub. m. (1 591 million cub. ft).

AGRICULTURE (1941): Cultivated land 2.3 million hectares, divided as follows: area under cultivation under 10 hectares 33.1 %, 10—50 ha 54.4 %, 50—100 ha 7.2 %, over 100 ha 5.3 %. Cultivated land (1948) is divided between the different kinds of crops as follows: 40.1 % hay, 11.3 % temporary grass-land for grazing, 16.8 % oats, 6.9 % wheat, 6.3 % rye, 5.5 % barley, 4.3 % potatoes, 9.1 % other. The number of dairies in 1947 amounted to 517.

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

INDUSTRY (1946): Number of industrial concerns 5 691, workpeople 236 723, gross value of products of industry 112 081 million marks.

LENGTH OF RAILWAYS (1949): 4 966 km, of which 4 713 km State railways and 253 km private. The gauge is in general 1.524 m.

MERCHANT FLEET (1940): Steamships 385 (422 723 gross reg. tons), motor vessels 102 (67 406 gross reg. tons), sailing-ships with auxiliary engine 154 (15 151 gross reg. tons), other sailing-ships 12 (14 718 gross reg. tons). Total 653 (519 998 gross reg. tons).

5. FINANCE AND BANKING.

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

STATE FINANCES. According to the finance accounts for 1948 the State revenue was 113 692 million marks, of which 99 434 million marks were current revenue, and State expenditure 104 587 million marks, of which 75 175 million marks were current expenditure. The principal sources of revenue were as follows: direct taxes 33 788, indirect taxes 16 880, sales tax 27 676, interest and dividends, etc. 7 903, State property and undertakings (net) 3 686, and capital revenue 14 258. For Public Debt see table 20 in this issue.

MUNICIPAL FINANCES. According to the finance accounts for 1946 expenditure amounted to 13 509 million marks. Income from taxation was 6 734 million marks, taxed income 79 283 million marks. The municipal income tax (non-progressive) averaged 8.5 % of the ratepayers' income.

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

THE COMMERCIAL BANKS (1949): Number 6, possess 452 offices, where all kinds of banking business in transacted. There is one banking establishment per 8 687 inhabitants.

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

OTHER BANKS (1949): Mortgage banks 5, Savings banks 447, Co-operative Credit Societies 767 and a Central Bank for the latter.

FINLAND'S BALANCE OF PAYMENTS FOR 1948.

BY

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In so far as the increase in economic activity and supplies recorded in 1948 depended on foreign imports, it still largely originated in loans and credits received from abroad. Current income in the balance of payments indeed increased in the year, but so did current payments, resulting in a considerable deficit. Statistically the war reparations did not show in this deficit, but actually they made a great additional demand on the resources of the country. The deficit on current transactions and the contractual repayments on loans were partly covered by currency reserves and other short-term assets, but the rest was financed by loans.

PRINCIPLES OF CALCULATION.

As before, the data for current transactions have been collected by the Central Statistical Office and those for capital movement by the Bank of Finland Institute for Economic Research. The present report is not entirely comparable with the previous balance of payments reports as it has been constructed according to new principles — those recently adopted by the International Monetary Fund for its international comparisons in this field. With some corrections in the basic material for 1947, this alters the figures previously presented for that year, chiefly in the following respects.

The balance is as before divided into current transactions and capital movement, which are counterparts of each other. Yet,

war reparations, which have before been recorded outside the ordinary account, have now been included in exports and counter-balanced by a debit item in donations. Thus they do not show in the net balance, which agrees with the fact that the deliveries do not involve any actual foreign payments. Similarly the deliveries to the Soviet Union on account of former German assets have before been recorded outside the ordinary income account. In the present report they have been distributed between various items. Their contra-entry is still a decrease in the foreign debt, although it is now considered as being long-term and not short-term as previously. Shipping freights have before been presented net, while their gross amount is now entered as an income which is partly offset by the ships' expenditure abroad. Besides, gross freights are now reported less Finnish travellers' estimated share in them. The marine and transport insurance paid to Finnish companies for imports have before been deducted from the official import value, but now the official c. i. f. value is entered including the part of it paid to residents in this country. An offsetting addition has been made to insurance receipts. Further, the movement in monetary gold has been transferred from current transactions to the capital movement. The principles for computing the capital movement have also been changed, chiefly the concept of the difference between long-term and short-term debts. As reported in

earlier years, the long-term debt referred only to the consolidated loans running for several years, while all others were considered as short-term. Now the limit between these two categories has been set at 12 months without otherwise considering the nature of the obligation. Consequently, a large group of loans and credits has been

transferred from short-term to long-term debts.

CURRENT TRANSACTIONS.

The current receipts and payments and their net amount in the balance of payments for 1947 and 1948 are seen in the table below.

	1947			1948		
	Receipts Mill. mk	Payments Mill. mk	Net receipts Mill. mk	Receipts Mill. mk	Payments Mill. mk	Net receipts Mill. mk
Merchandise	55,520	48,010	7,510	67,940	67,440	500
Non-monetary gold movement	—	—	—	—	—	—
Foreign travel	480	270	210	1,000	500	500
Transportation	4,840	2,100	2,740	7,250	2,710	4,540
Insurance	1,295	1,435	—140	1,790	2,030	—240
Investment income	—	1,295	—1,295	—	1,260	—1,260
Government, not included elsewhere	375	160	215	250	200	50
Miscellaneous	50	95	—45	100	100	—
Donations	1,395	10,405	—9,010	1,390	11,550	—10,160
Total current transactions	63,955	63,770	185	79,720	85,790	—6,070
Errors and omissions			525			—843

The livelier foreign intercourse was registered in the balance of payments as an increase both in receipts and payments in 1948. Current receipts increased by 25 per cent, to 79,720 million marks, and current expenditures still more or by 35 per cent, reaching 85,790 million marks. The increase was fairly general in most of the fields of activity concerned, but above all in foreign trade. Export prices still rose on an average in 1948, although an unfavourable turn was registered towards the end of the year. The export volume increased only slightly. In the table above the greater part of the merchandise receipts refer to free exports (f. o. b.) 43,340 millions marks in 1947 and 55,360 million in 1948, with some minor adjustments of the official value. These figures exclude the exports to the Soviet Union on account of former German assets, 1,775 million marks' worth in 1947 and 1,030 million in 1948, as recorded in the special clearing account. The rest of the merchandise receipts consists of 10,405 million marks of reparations deliveries in 1947 and 11,550 million in 1948. The counter-entries of these amounts are entered as payments under donations. The considerable increase in free exports in 1948 was accompanied by a still greater increase in imports, according to the trade returns (c. i. f.) from 46,970 million marks to 66,370

million. Most of this was an actual increase in the volume of goods imported, but also prices rose in the period. The payments for merchandise in the table above include smuggling, estimated at 170 million marks for 1948, and the value of the gifts in kind, 900 million marks in the same year.

The increase in trade and the further replacement of the merchant fleet show in rising shipping receipts. Of the total transportation receipts in the table above 4,570 million marks consist of gross freights in 1947 and 6,750 million in 1948. The rest represents harbour charges and repairs. The corresponding payments contain the estimated part of the gross freights which was used by Finnish ships abroad, 1,600 million marks in 1947 and 2,360 million in 1948. The rest is repair costs. It should be remembered that, as usual, shipping freights are partly earned in transporting imported goods, i. e. from the point of view of the balance of payments, both freight incomes and the import value include amounts which do not involve any foreign payment. Yet, what is thus earned by shipping counterbalances what is paid for imports, raising the totals, but without influencing the balance. On the other hand, as mentioned above, the passenger fares paid by Finnish residents to domestic ships have

been estimated and deducted from the shipping receipts.

The payments on investments consist of interest and were about the same in the two years presented. Donations received consist of gifts in kind valued at 920 million marks in 1947 and 900 million in 1948, and money gifts of 395 and 410 million respectively. This item also contains emi-

grants' remittances. Donations paid represent the countervalue of war reparations.

MOVEMENT OF CAPITAL AND MONETARY GOLD.

The net movement of assets and liabilities increasing and decreasing '(—)' is entered below for 1947 and 1948.

	1947			1948		
	Assets Mill. mk	Liabilities Mill. mk	Net assets Mill. mk	Assets Mill. mk	Liabilities Mill. mk	Net assets Mill. mk
Private (excluding Commercial Banks):						
Long-term capital	—	—78	78	—	—47	47
Short-term capital	12	3,536	—3,524	—103	—859	756
Official and banking institutions:						
Long-term capital	—	2,855	—2,855	1,034	3,335	—2,301
Short-term capital	9,729	2,718	7,011	—7,543	—1,314	—6,229
Monetary gold	—	—	—	814	—	814
Total movement of capital and monetary gold	9,741	9,031	710	—5,798	1,115	—6,913

The term official institution is used in a wide sense, including the loans guaranteed by the State or State institutions, while banking institutions refer only to the Commercial Banks. The short-term capital movement includes the real temporary operations where the investments mature on demand or within 12 months after the obligation was incurred. All other investments are considered as long-term. Consequently several credits which are elsewhere treated as short-term are here entered as long-term. Such are the Swedish bill credit, the cotton loans of which the promissory notes run for 15 months, and the special clearing account for the former German assets payable to the Soviet Union.

In 1947 assets increased considerably, by 9,741 million marks, but the greater part of the increase was in currencies committed as documentary credits, the increase issuing from loan proceedings. In 1948, on the other hand, the assets were very largely used up in the financing of the great deficit in current transactions, being reduced by 5,798 million marks. The rest of the deficit and the necessary repayments of loans were covered by new long-term debt. Total liabilities increased by 1,115 million marks, the inward capital movement thus being 6,913 million marks. This exceeds the deficit in the current transactions by 843 million marks which cannot be accounted for owing to the deficiencies in

the material on which these calculations are based.

The long-term private liabilities were slightly reduced by repayment of non-guaranteed bond loans. Short-term private liabilities increased very much in 1947, by 3,536 million marks to 4,783 million, chiefly in the form of export prepayments. In 1948 they again decreased by 859 million to 3,924 million. Private assets were of small importance.

In Finland, most of the foreign financial transactions have always been carried out by the banks or by the State or at least under State guarantee, and are still more so in the present period of currency control. As a matter of fact no private loans have lately been raised, borrowing has been entirely official. The long-term official and banking liabilities, in the wider sense of these statistics, have changed as follows:

	1947		1948	
	Increase Mill. mk	Decrease Mill. mk	Increase Mill. mk	Decrease Mill. mk
Official loans ..	8,207	—	6,715	—
Bond loans	—	—26	2	—84
Amortization ...	—	—635	—	—667
Other contractual repayments ..	—	—2,809	—	—1,185
Other long-term capital movement	1,166	—3,048	566	—2,012
Total change in long-term official liabilities	9,373	—6,518	7,283	—3,948
Net change	2,855	—	3,335	—

In 1947 a number of new official loans were received in addition to the amounts available from earlier years. Of these credits 8,207 million marks were utilized in 1947 and the rest transferred to 1948. In that year the Export-Import Bank of Washington granted the Bank of Finland 10 million dollars for the purchase of machinery, appliances etc. required by the woodworking industry and 10 million for the purchase of cotton in the U. S. A., in addition to which an earlier Government credit granted by the same bank and various American exporters was increased by one million dollars. Argentina granted a revolving credit equivalent to 18.3 million dollars, and a number of firms in several countries increased the amounts put at the disposal of Finnish shipping companies for the building and purchase of merchant vessels. Total official credits were utilized to an amount of 6,715 million marks, including 1,115 million marks of these ship purchasers' Government-guaranteed credits. The countries extending the loans are shown in the following table, indicating the amounts drawn in 1947 and 1948.

	Amounts drawn	
	1947	1948
	Mill. mk	Mill. mk
Argentina	776	1,930
Brazil	476	8
Colombia	137	538
Denmark	55	34
Netherlands	27	653
Norway	110	4
Sweden	583	29
United Kingdom	1,814	300
United States	4,229	3,219
Total amounts drawn	8,207	6,715

The currency situation has not been favourable of late to the repurchase of bonds or other noncontractual repayments on the foreign debt. Instead both amortization in serial instalments and other contractual repayments have demanded considerable amounts, the former 635 million marks in 1947 and 667 million in 1948, the latter 2,809 and 1,185 million respectively in these two years. Of the amortization the repayment of the war debt to the United Kingdom constituted the largest single item. The other contractual repayments were made on the ship purchasers' credits and the cotton credit, and, in 1947, on the Iceland credit and the Swedish export

credit. On the debt to Sweden no repayment will be made until 1954, and on the new debt incurred in recent years repayment has not in general started immediately; often it begins only after the termination of the war reparations period. The other long-term capital movement registered under liabilities a decrease caused by payments to the Soviet Union on account of former German assets, and under the same heading an increase referring to investments made in Finland by the transfer of these payments.

Long-term assets increased by 1,034 million marks in 1948, which corresponds to the subscription paid to the International Bank for Reconstruction and Development.

In 1947 net short-term official and banking assets increased by 7,011 million marks, and in 1948 they were reduced by 6,229 million. Of the component items clearing accounts, excluding the special account for former German assets, from a net credit balance of 753 million marks at the end of 1947 had become a net debit balance of 1,070 million by the end of 1948. A new liability arose when the International Bank for Reconstruction and Development opened an account in the Bank of Finland for the subscription paid in Finnish marks by this country. It amounted to 930 million marks and together with the amount paid in dollars caused the increase in long-term assets referred to above. On the other hand, the other liabilities of the Bank of Finland and those of the Commercial Banks were reduced by 3,560 million marks, or from 5,225 million at the end of 1947 to 1,665 million at the end of 1948. At the same time the assets of the banks were used up. The currency holdings segregated under documentary credits were reduced from 3,511 million marks to 5,743 million and other assets from 8,330 million to 4,062 million, or total assets by 7,036 million. Part of the decrease was caused by the purchase of gold, the monetary gold reserve increasing by 814 million marks in 1948 valued at the present parity value of gold.

THE FINANCING OF INTERNATIONAL TRANSACTIONS.

The capital movement in the balance of payments is indeed the counterpart of the

current transactions, but it also contains transactions which are necessary independently of the simultaneous current transactions. Such are the payments representing obligations under international agreements or contracts which have to be met regardless of the status of the balance of payments. Together with the payments on the war indemnity they have been called the special official financing, which for 1947 and 1948 include the items listed below. In order to simplify the presentation such offsetting transactions as only involve shifts from one category of debt to another have been eliminated. Consequently the identification of these figures in the tables above may sometimes prove difficult.

	1947	1948
	Mill. mk	Mill. mk
Reparations	-10,405	-11,550
Repatriation of bonds	-26	-84
Amortization	-635	-667
Other contractual repayments..	-2,809	-1,185
Payments to the Soviet Union of former German claims, net	-1,882	-1,446
IBRD subscription, net	—	-104
Currency reserve under docu- mentary credits	-5,485	2,768
Total special official financing	-21,242	-12,268

Thus the obligations having first demands on the available supply of exchange have been considerable, 21,242 million marks in 1947 and 12,968 million in 1948. In its study of the balance of payments of the countries of the world the International Monetary Fund has introduced a concept of compensatory official financing to indicate the financing undertaken by the monetary authorities, including the commercial banks, to provide the exchange necessary to cover these obligations as well as the surplus or deficit in current transactions, and the net private capital movement. Including the errors and omissions not accounted for in the balance, the following specification shows the total amounts to be met by such compensatory official financing.

	1947	1948
	Mill. mk	Mill. mk
Current receipts (excluding UNRRA aid)	63,940	79,720
Current payments (excluding payment of reparations = donations)	-53,365	-74,240
Private capital, net		
Long-term	-78	-47
Short-term	3,524	-756
Special official financing	-21,242	-12,268
Errors and omissions	525	-843
Total to be covered by com- pensatory official financing	-6,696	-8,434

The amounts to be met by compensatory transactions totalled 6,696 million marks in 1947 and 8,434 million in 1948. They were met in the following ways:

	1947	1948
	Mill. mk	Mill. mk
UNRRA grant	15	—
Drawn on long-term credits ..	8,102	6,715
Sale of bonds	—	2
Short-term capital, net		
Clearing accounts	-2,048	1,823
Other liabilities	3,879	-3,560
Other assets	-3,252	4,268
Monetary gold	—	-814
Total compensatory official fi- nancing	6,696	8,434

CONCLUSIONS.

As already repeatedly stated and further indicated by the above figures, the balance of payments situation has demanded substantial borrowing of late. However, these circumstances can also be viewed from the contrary aspect. It may be said that the credits received in a large number of countries has allowed Finland to import more than had otherwise been possible, cotton and machinery from the United States, coffee from Colombia and ships from several countries, to give some samples only. Thanks to this, economic rebuilding and the raising of the standard of living has advanced at a quicker rate than without the aid of such foreign capital. It has eased the present situation, but may prove a burden when the time of repayment arrives.

SOCIAL LEGISLATION AND WORK IN FINLAND.¹⁾

BY

NILLO SALOMAA, MAG. PHIL.

I.

INTRODUCTION.

Finland was, and still is, mainly an agricultural country, but whereas two thirds of the population earned their living chiefly by agriculture at the end of last century, the proportion has decreased rapidly during the present century and is now only about half of the population. On the other hand, the number of people engaged in industry, transport and commerce has greatly increased, from one tenth to about one third of the population. Finland has thus proceeded towards ever increasing industrialization. At the same time the proportion of the non-independent population, i. e., of workers and of those in the employment of others, has grown to such an extent that at present approximately half of the population engaged in trades is non-independent and therefore especially in need of social protection. This change in economic life has caused the extension of social work to more and more spheres in the last few decades. The situation in the immediate past has been influenced decisively by the war of 1939—1944, the heavy human and economic losses having necessitated a powerful development of social services.

THE ORGANIZATION OF SOCIAL WORK.

The leading position in guiding and supervising social work in Finland is occupied by the Ministry for Social Affairs, though some important duties in social policy are performed by other Ministries, such as public health services by the Ministry of the Interior, or more precisely by

the Medical Board subordinated to it, and labour market policy by the Ministry of Communications and Public Works.

The Ministry for Social Affairs is divided into five permanent departments and one temporary department, the division of work between them being evident, in broad lines, from their designations. Thus, the Labour Department deals with questions of labour protection and factory inspection, and the Insurance Department with private and social insurance and their inspection. The Department of Social Welfare comprises a Poor Office, a Child Welfare Office, and a Rehabilitation Office. The Temperance and Liquor Trade Department deals with temperance work and the liquor trade. Finally, the General Department, the head of which is also Head of Chancellery of the Ministry, is sub-divided into the Chancellery, the Housing Office, the Office for Population Matters and the Social Research Office.

For dealing with the regulation of wages and matters connected with them the Ministry for Social Affairs established a temporary Wages Department in 1945.

The Ministry employs labour dispute mediators, factory inspectors, social welfare inspectors and liquor trade inspectors. Besides, an Insurance Court for questions of accident insurance and a State Accident Office are subordinated to the Ministry, as well as a Wages Commission for the control of wages.

Through these institutions and officials the Government guides and controls social work, and also participates in active

¹⁾ A résumé of the *Social Legislation and Work in Finland*, published by the Ministry for Social Affairs. Helsinki—Finland, 1949. 179 pages.

measures. Local measures, however, are generally entrusted to lower public authorities, the communes.

The most important communal organ is the Social Welfare Board, besides which Child Welfare Boards are established in the largest towns. The Social Welfare Board controls the communal relief institutions, especially homes for the aged and other destitute persons and various institutions for child welfare. Particularly the large places have temperance boards, home management boards, labour exchange boards with their subordinate labour exchanges or labour agents, and factory and housing inspectors. During the war lease boards were established in the communes.

Although the social work is carried on principally as a legal function of the Government and communes, voluntary organizations are also of considerable importance, employers' and workers' organizations devoting themselves particularly to labour conditions and labour protection. *The Confederation of Finnish Trade Unions (SAK)* is the central organization for the workers' local unions and for trade unions embracing the whole country, its membership being about 350,000 at present. In addition, there are the *Confederation of Intellectual Workers*, with about 68,000 members, and the *Finnish Employers' Confederation* whose members employ over 200,000 workers.

Another sphere of social service in which voluntary organizations have for long occupied an important position in supplementing official activities and even preceding them, is social welfare work. During the war this voluntary work attained greater dimensions than ever before, while crystallizing at the same time into definite forms of organization. Within its framework not only money, clothing and food have been distributed to sufferers from the war and others in need, but various child welfare institutions, advice stations, rehabilitation centres, trade schools etc. are maintained. The most important welfare organizations now existing are the *Mannerheim League for Child Welfare*, the *Save the Children Fund*, the *Salvation Army*, the *Finnish Red Cross* and various associations of disabled persons. The social work of the church congregations should also not be

forgotten. The varied services of industrial establishments for the benefit of their workers and clerical staffs have also attained an ever more important position of late.

The co-ordinator of the private welfare organizations and leading organ of voluntary welfare work is a society called *Finland Relief*, on the board of which the Government is represented.

THE ORGANIZATION OF LABOUR RELATIONS.

One of the principal tasks of post-war social policy has consisted in the care of workers and the improvement of labour relations. These are now subject to the Labour Agreement Act of 1922, supplemented by the Labour Regulations Act of the same year, the Apprenticeship Act issued in 1923, the Merchant Seamen's Act issued in 1924 and the Collective Agreement Act renewed in 1946.

According to law, a *labour agreement* can be concluded both for intellectual and for manual labour, but civil servants are not subject to the Labour Agreement Act.

The parties to a labour agreement are free to draw up its contents regarding wages, the duration of the agreement, and other conditions, provided they are not contrary to the Labour Agreement Act or other legislation. The limitations evolve partly from the obligations which the legislation concerning workers' protection imposes on employers in favour of the weaker party to the agreement, partly from other stipulations of the law or good practice, and partly, too, collective agreements and labour regulations, as well as the wages control introduced during the war, restrict the freedom of the contracting parties in drawing up the agreement.

Labour regulations — as confirmed by the Ministry for Social Affairs — are compulsory in industrial establishments employing not less than 10 workers. These rules, on which the workers are entitled to express their opinion, must state the hours of starting and ending work, the intervals of rest, conditions of engagement and dismissal, consequences of infringing the rules etc., besides which they may include stipulations for the maintenance of discipline.

The *Collective Agreements Act* dates from 1924, but the law did not at first acquire the same significance as in some other countries. It was only in 1944 that such agreements began to be drawn up generally, especially in industry. It then became necessary to examine this law and remedy its omissions. On June 7, 1946, a new Act was passed, according to which a collective agreement may be concluded between one or more employers or a registered association of employers and one or more registered workers' associations on the conditions to be observed in labour contracts and labour relations. Such agreements generally refer to wages, hours of work, holidays, periods of rest, the order of work and the termination of the contract, but other matters may also be stipulated in them.

Collective agreements are binding not only on those employers and associations who concluded the agreement or subsequently acceded to it, but also on their member associations and those employers and workers who are, or during the existence of the agreement have been, members of an association bound by the agreement. Employers who are bound by a collective agreement are not entitled, within the sphere to which it refers, to conclude a labour contract with an independent worker doing the kind of work covered by the agreement on terms conflicting with the collective agreement.

As the network of collective agreements extended, it became necessary to establish a special legal body for settling disputes as to the interpretation of the agreements and other legal differences arising from them. On the same date as the new *Collective Agreements Act* a law concerning a *Labour Court*, was enacted to come into force on January 1, 1947. According to this law, the labour court deals with and settles, as a special court, disputes as to the validity, application and contents of collective agreements, as to whether any action is contrary to their stipulations or of the *Collective Agreements Act*, or as to what the consequences of such action are. Cases of punishable offences are not within the competency of this court.

The Labour Court consists of a President and eight members, all of them appointed

by the President of the Republic for a term of three years. The President and two members are appointed from among people who cannot be considered to represent either employers or workers. The President and one of these two members, who acts as Vice-President, must have a legal training and be conversant with the work of a judge, while the other member must be specially acquainted with labour matters. Of the remaining six members, who must also be conversant with labour conditions, three are appointed on the proposal of the employers' central organizations and three on the proposal of the central organizations of workers' and employers' trade unions.

Collective agreements oblige the parties to them, on pain of special penalties, to avoid all *labour disputes* directed against an agreement or its individual clauses. As the economic loss caused by labour disputes affects the national economy and the community in general, efforts are made to prevent them and reduce their number by special negotiations prescribed by the law concerning mediation in labour disputes, issued in 1946.

In virtue of this law the Government appoints mediators for the different districts of the country for a term of three years. In special cases the Ministry for Social Affairs may appoint a temporary mediator or a board of mediation to negotiate with the parties and try to bring about a settlement.

In order that the regular course of the life of the community should be protected from sudden stoppages of work, the disputing parties are forbidden by law to organize a stoppage on account of a labour dispute, if it would affect more than ten workers, unless they have given certified notice, at least two weeks before work is to cease, to the mediator concerned and to the opposite party that a stoppage of work may occur. If the dispute concerns such vital spheres as railway or telegraphic communications, postal, electric, police or medical institutions, or essential transport of foods, or institutions, undertakings or works comparable to those mentioned, the Ministry for Social Affairs may temporarily forbid the stoppage of work.

Differences of opinion about labour relations are to be dealt with in the first

instance by local *production committees* to be set up, in virtue of a law passed in 1946 and remaining in force up to the end of 1949, provisions having been made for its prolongation. It provides for such committees in all industrial establishments in which not less than 120,000 hours are worked annually, excluding overtime. This joint organ, composed of representatives of the employer, the workers and the clerical staff, is entrusted with the duty, besides promoting labour peace, of acting as a consultative organ for dealing with the economic side of the establishment and its productive capacity and questions concerning the workers' conditions on the site of employment; supervising the efficient use of fuel and raw materials and the marketing of the products; planning measures for facilitating the supply of equipment and foodstuffs to the workers; promoting their professional skill and technical training and organizing their leisure. The management is bound to supply the production committee with all the information it requires for dealing with the above questions, and the employer is liable for the expenses of the committee.

When necessary, the production committee should make recommendations regarding the questions dealt with before the management of the enterprise, the organizations of workers, clerical staff or employers concerned, or the Ministry for Social Affairs. The work of the committees is guided and controlled by the Ministry for Social Affairs, assisted by a *Central Production Committee* as a consultative body.

LABOUR MARKET POLICY.

Chronic mass unemployment, the scourge of many highly-developed industrial countries, has not occurred in Finland. Unemployment in this country has been a phenomenon of times of depression and other abnormal periods. In recent times the greatest unemployment occurred during the worst period of the world-wide economic depression in 1931—1932, when the maximum number of unemployed was about 92,000 or about 2 per cent of the population. This does not take into account the fact that after the war of 1939—1940 a large part of the displaced inhabitants of

the ceded territories, was without work for longer or shorter periods and had to be supported by the State. — On the other hand, a seasonal surplus supply of labour has occurred at times in the winter.

The state of the labour market had been comparatively favourable as regards employment after the war, chiefly in connection with the war indemnities. Yet, in the course of 1948 it abruptly deteriorated owing to the reduction of exports — caused by the rising costs of production in the woodworking industry and the drop in prices abroad — the tightening of the money market and the falling off of building activity. By the end of March 1949 the number of unemployed was fully 50,000.

The Government and communes have organized public *relief works* for the unemployed and in exceptional cases financial help has been given. To facilitate the employment of the available manpower *public labour exchanges* were established, governed by a Labour Exchange Act passed in 1936. According to this, the communes are bound to establish and maintain labour exchanges subordinated to a labour exchange board or to appoint a labour agent, when the Government considers it necessary. Besides the public labour exchange service, the work of finding employment may be performed by specially licensed associations. The Government shares in the cost of labour exchange activities by paying the communes 40 per cent (in some cases even more) of the annual expenses.

THE CONTROL OF WAGES.

Formerly questions of wages were in general determined between employers and workers without the interference of Government authorities, though official mediators took part in settling strikes arising out of wage disputes. Besides, in certain spheres of work, e.g., in forestry and timber floating the Government, by supervising wages, endeavoured to remove the worst defects.

The year 1942 was a turning-point in Finnish wages policy, for on October 1 a Government Order was published concerning the *control of wages*. To carry out the regulation a special *Wages Commission*

was established, subordinated to the Ministry for Social Affairs. As stoppages of work were entirely forbidden under the State of War Act, it was possible within the limits of the regulation order to keep a fairly strong hold on the rise in wages. Efforts were made to compensate workers to the extent of, on an average, two thirds of the rise in the cost of living. Those classes of workers whose wages had been lowest received full compensation, while those with the highest wages were granted compensation below the average. The object was to prevent an inflationary rise in wages. This principle of two-thirds compensation was maintained throughout the war, though later it was relaxed, so that in many spheres wages actually rose to a level corresponding to the cost of living, or even higher.

When the war ended in the autumn of 1944, however, there were more and more insistent demands for higher wages, and since then wages have been raised in several

stages. The rise has resulted in higher costs of production and, on the other hand, in increased purchasing power, which has, in turn, caused a rise in prices and fresh demands for higher wages. In the autumn of 1947 wages were pegged for this reason to a special cost of living index, every rise of a full 5 per cent in the index involving an increase of 5.5 per cent in wages.

As a result of the great demand for labour, the shortage of foodstuffs and other commodities, and many other factors affecting the level of wages, the rise in wages has been greater than the wages regulation orders had anticipated. According to statistics based on first-hand material, collected by the Employers' Confederation, industrial male workers' average earnings per hour had risen by the end of 1948 to 1,164 (1939 = 100), and female workers' average earnings per hour to 1,362, whereas the cost of living index was 804.

(To be continued)

ITEMS.

The devaluation of the mark. When England announced the devaluation of the pound sterling on September 18, 1949, the management of the Bank of Finland decided the next day that the Finnish mark should follow the pound and that its value in relation to the United States dollar should be correspondingly reduced. The exchange value of the pound thus remained unchanged, the à vista rate being 646 marks. The new dollar rate is 231 marks or 44.37 per cent higher than before. The new rates are shown in table 6 of this Bulletin.

*

Budget proposal for 1950. In the beginning of September the Government introduced its Budget for the ensuing calendar year. The following figures give

a general idea of it as compared with that of 1949.

	1950 Budget proposals Mill. mk	1949 Budget Mill. mk
Revenue		
Current	93,729	93,517
Capital	8,184	6,739
	Total 101,913	100,256
Expenditure		
Current	74,824	69,828
Capital	27,022	30,415
	Total 101,846	100,243

These figures show little difference between the two sets. Yet, the total expenditure of the current year will be very much increased by the supplementary Budget of 8,500 million marks of June and the one expected at the end of the year, and thus will exceed the proposed 1950 figures.

Finland's short-term foreign accounts. The short-term foreign debts and credit balances at the end of June 1949 have been calculated. These include investments maturing on demand or within 12 months after the obligation was incurred. The particulars are neither complete nor exact in all respects, yet on the whole they give a fairly correct idea of the movement of short capital between Finland and other countries. In the table below the situation at the end of June is compared with that at the beginning of the year.

<i>Liabilities</i>	1948	1949
	Dec. 31 Mill. mk	June 30 Mill. mk
Bank of Finland:		
Clearing accounts	1,614	1,403
Other	2,055	4,005
Commercial Banks	540	722
Bank-guaranteed credits	3,159	6,761
Other known debts	765	464
	Total 8,133	13,355
<i>Assets</i>		
State	440	—
Gold reserve	821	823
Bank of Finland:		
Clearing accounts	544	1,169
Documentary credits reserve	4,045	2,684
Other assets	3,352	4,577
Commercial Banks:		
Documentary credits reserve	1,698	1,870
Other assets	710	1,089
Other known balances	168	201
	Total 11,778	12,413
<i>Net assets</i>	3,645	—942

The assets and liabilities given above for the Bank of Finland and the Commercial Banks differ from the official figures, which are here shown corrected for domestic accounts and medium-term loans and in some other respects so as to obtain the actual foreign payment position.

In the first half of the year net assets decreased from a credit balance of 3,645 million marks to a debit balance of 942 million. Total assets did not change very much, increasing only from 11,778 million marks to 12,413 million, while liabilities increased from 8,133 million marks to 13,355 million. There was an increase particularly in the liabilities of the Bank of Finland and in bank-guaranteed credits, chiefly on exports. This change should be mainly ascribed to seasonal influences, as the position at the beginning of the ship-

ping season always differs from the one in Winter when shipping is coming to an end.

*

Trade agreements. On August 10 a one year trade agreement including conditions of payment was signed between Finland and *Israel*. The quota fixed is 3.3 million dollars' worth of Finnish exports and 1.9 million dollars' worth of imports. Finland's export will be mostly newsprint and other paper, cardboard and pasteboard, paper sacks, wallboard, pre-fabricated wooden houses, plywood, sawn timber, box boards, metal- and wood-working machines, electric motors, and other metal products, household china and pottery ware. Imports from *Israel* will chiefly consist of citrus fruits and products, essences, chemicals, dentist requisites, cotton, wool, silk and rayon cloth, and other textiles. *Israel* will pay 57.5 per cent of her imports from Finland with her own exports, 12.5 per cent with the funds of *Israelites* in Finland, and 30 per cent in free currencies.

A supplement to the trade and payments agreement between Finland and *Argentina* of more than a year ago was signed on September 8, whereby the trade between the two countries was extended for a year. Finland will export wood-working products, such as newsprint and other paper, cardboard and pasteboard, cellulose, wood pulp, wallboard, sawn timber and box boards, and machinery and machine requisites of the metal, wood and paper industries and for dairy production, electric motors, sewing-machines, railway locomotives and cars, fishing-boats, radio implements, and household pottery. Imports from *Argentina* will consist of hides, oil cakes, wool and cotton, linseed- and sunflower-oil, rye, maize, and dried fruit. The supplement agreement will result in trade valued at about 58 million dollars.

Finland and *Yugoslavia* signed a trade agreement on September 12, to be in force from October 1, 1949 to the end of 1950. Finnish exports include sulphate and sulphite cellulose, kraftpaper, newsprint and writing-paper, unprepared photographic paper, condensator paper, various technical papers and cardboards, cement sacks, birch plywood, distilled turpentine, and various machines and appliances. Goods imported

from Yugoslavia will be lead, raw material for the colour and dye industry, mercury, magnesite, calcinated soda, maize, and tobacco. The value of the trade is estimated at about 3 million dollars for the period.

On September 17 a trade agreement was signed between Finland and *Hungary* for the period September 1 to the end of next year. Finland will export cellulose, wood pulp, newsprint, cigarette and other paper, paper products, turpentine, asbestos, machinery for the paper, cellulose and wood industries, various other machines and appliances, cotton type staple fibre, sawn timber, pit props and sleepers. Finnish imports comprise sugar, paprika, medicinal plants, various electric and other machinery, raw material for the dye industry, and textiles. Total trade is estimated at about 8 million dollars.

*

Increase in the share capital of a Commercial Bank. The administrative board of the Kansallis-Osake-Pankki on October 11 decided to propose at the general meeting that the shareholders should be offered about 2.3 million 200 marks shares at the price of 100 marks each, and the depositors nearly 700,000 shares at the price of 200 marks each. This will increase the share capital of the bank to 1,500 million marks and the banks' own funds to about 2,170 million marks.

*

Anniversary of Finnish cooperation. The *Pellervo-Seura*, the central organization of agricultural cooperation, recently celebrated its 50th anniversary. It was founded by private initiative headed by Hannes Gebhard on October 2, 1899, a date regarded as the beginning of modern organized co-operation in Finland. At present there are about 5,000 farmers' cooperatives — stores, dairies, slaughter-houses, credit societies, and various small cooperatives — with 11 central enterprises embracing the whole country. In one way or another all the existing 300,000 independent farmers take an active part in these cooperative concerns, of which the members number about one million. About 4,000 representatives were sent to the anniversary festivities in Helsinki which were attended by the President

of the Republic J. K. Paasikivi — the first legal secretary of the Pellervo-Seura — and representatives of State departments, of cooperation in several foreign countries, of the International Federation of Agricultural Producers and of the International Cooperative Alliance.

*

Weather conditions and crop prospects. The weather was rather favourable in the beginning of the harvest period. Autumn sawings had been fairly successful, and the rains and favourable temperature in mid-summer compensated for the harm done by the frost in the ground melting so late in the spring and by the chilly early summer. Yet prospects declined as, at the end of July and in August, exceptionally severe frosts in the middle and north of the country injured vegetation considerably, particularly potatoes and barley. In spite of all this, crop prospects are not very much below the unusually favourable year of 1948, as seen in the table below. This may chiefly be ascribed to the fact that fertilizing and farming methods have now reached pre-war level.

The following table shows the crop prospects in the middle of October 1949 and 1948 (8 = very good, 7 = good, 6 = above average, 5 = average, 4 = below average, 3 = poor, 2 = almost failure, 1 = failure).

	October 1949	October 1948
Autumn wheat	6.0	5.8
Spring wheat	5.1	5.8
Rye	4.9	4.9
Barley	4.6	5.5
Oats	5.4	6.0
Potatoes	4.2	6.2
Hay	5.9	5.2

The table below is an estimate of the total crops in 1949, based on the situation in the middle of October, and the figures for 1948, in million kilogrammes.

	1949	1948
Wheat	248	265
Rye	190	199
Barley	172	214
Total bread grain		
	610	678
Oats	617	640
Potatoes	1,247	1,950
Field hay	2,869	2,308

*

Year Book of the Bank of Finland. The twenty-ninth volume of the Year Book has appeared in Finnish, Swedish, and English. As usual it contains a statistical section, and a review of the economic position of the country and of the Bank's business in 1948. It is published by the Bank of Finland Institute for Economic Research.

Economic Survey. A special economic review has been appended to the Budget

proposal for 1950. The national income and production up to the summer of 1949 are first examined; then the expected variations of market conditions. The survey, which has been prepared by the Division for National Economy of the Ministry of Finance, has been published separately under the title of „Finnish Economic Survey” and is available in Finnish, Swedish and English.

BANK OF FINLAND

(Cable address Suomenpankki)

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