



BANK OF FINLAND

MONTHLY BULLETIN

Vol. XXVIII. No. 12

DECEMBER

1954

THE FINNISH MARKET REVIEW

PUBLIC FINANCES

Since the change of Cabinet in October, fiscal policy has been one of the main economic issues. As described in the Market Review for October, the leading parties — Agrarians and Social Democrats — agreed upon a fairly detailed economic programme, which principally aimed at preventing the imminent rise in the cost of living index and the consequent rise in the index-tied wages. Most of the price and tax reductions contained in the programme were introduced at the beginning of November, so that the cost of living index for that month dropped to 98 from 104 in October.

The reduction of prices of grain, milk, butter, sausages and sugar is one of the most important points in the Government Programme. These reductions will cause subsidies to rise by about 13,000 million marks a year. At the same time the Government raised agricultural income by increasing producer prices of grain, milk and butter — without an increase in consumer prices — which implies expenditure of about 2,500 million annually. Another important price reduction was accomplished by the removal of the sales tax on textiles as from November 1. This is estimated to reduce the yield of this tax by roughly 10,000 million marks a year, besides which refunds of the sales tax on textiles in stock will amount to 5,400 million.

The sales tax on sawnwood was abolished as from December 7 and the consequent reduction in revenue will be 1,500 million

marks in 1955. To promote housing, such buildings as were started after October 1954 will have the sales tax on building materials partly refunded, which means annual expenditure of 2,500 million. Further, an adjustment of salaries of civil servants from the beginning of 1955 will probably increase Government expenditure by some 3,000 million annually.

The measures enumerated above can be estimated to reduce revenue or increase expenditure by about 36,000 million marks in all, which corresponds to one-sixth of the budget total for 1954. This will be partly compensated for by reductions in other expenditure: unemployment grants, for instance, were lowered thanks to the favourable employment situation; further, the fact that the refunding of export fees is completed allowed this item to be left out. On the other hand there will be no such reduction in Government stocks of grain and fuel as considerably improved the cash position in 1954.

It has proved difficult to find such means of increasing revenue as would neither raise the cost of living index nor neutralize the increase in disposable income brought about by the reductions in prices and taxes. A number of measures calculated to improve the balance have already been decided on to counterbalance the estimated deficit for 1955.

Rates of customs duty will be raised from the beginning of 1955, which, in conjunction with larger imports, is estimated to increase

customs revenue by 4,000 million marks. More important still are the decisions concerning companies' income tax for 1954: depreciation allowances are to be reduced and the rate of tax raised from 32 to 38 per cent, besides which larger prepayments will be collected in 1955. By this means company income tax will yield about 10,000 million marks more than in 1954.

On account of all these measures the relation between revenue and expenditure — excluding loans and redemptions — may deteriorate by some 17,000 million during 1955 as compared with 1954. This is of course a very rough estimate and rests, i.e., on the assumption that the rise in tax revenue — automatically following a rise in economic activity — will approximately cover the additional expenditure which is to be expected during the year.

As for borrowing, an amount equalling at least that of 1954, when more than 11,000 million were raised, is aimed at. In addition, it has been proposed that special cash reserve bonds to a total of 5,000 million should be offered to the credit institutions. The demand for these bonds will depend, except on the development of the money market, in a decisive degree on the cash reserve requirements, the revision of which is in the Government Programme. Redemptions of the Public Debt will probably not exceed 6,000 million marks and will thus be 3,000 million less than in 1954. Excluding the cash reserve bonds the overall balance for 1955 may therefore be estimated to deteriorate by about 14,000 million.

Seeing that there will probably be a surplus of some 10,000 million marks for

1954, this means for 1955 a deficit of about 4,000 million, of which part at least will be covered by cash reserve bonds. As the Treasury's balance on current account with the Bank of Finland is now (December 31) 15,500 million, the financing of the deficit will evidently present no difficulties, not even in August, when the cash position of the Treasury is usually most strained owing to the redemption of indemnity bonds.

For checking the expansive effects of the Public Sector, measures of monetary and currency policy have been planned. Among them is the proposed revision of the cash reserve requirements, or some other measures to restrict credits. The anticipated monetary pressure of foreign trade is planned to be relieved by a special system introduced at the end of 1954. According to this, exporters of wood products may deposit Finnish or foreign currency with Bank of Finland and be granted considerable tax reductions in reward. Of more consequence is, however, the general currency policy designed for 1955. During 1954 the Bank of Finland considerably increased its exchange reserves, and this of course eased the position of the credit market. Seeing that the present exchange reserves already are fairly sufficient to eliminate normal seasonal fluctuations and in view of the internal economic development, the Bank of Finland holds the opinion that the exchange reserves should not be substantially augmented in 1955. An approximate equilibrium in the balance of payments by increasing imports is therefore the aim for the year ahead.

December 31, 1954.

CONTENTS OF THE TABLES

I. MONEY MARKET

Bank of Finland

1. Statement
2. Note issue
3. Notes in circulation, foreign currency and cover for the issue of notes
4. Note reserve, home loans and rediscounted bills
5. Bills and balance of current accounts
6. Foreign clearing accounts
7. Rates of exchange

Commercial Banks

8. Home deposits and credits from the Bank of Finland
9. Home loans
10. Position towards foreign countries
11. Foreign payment position of all banks
12. Post Office Savings Bank, deposits and giro accounts
13. Deposits in the savings banks
14. Deposits in co-operative credit societies and consumers' co-operative societies
15. Deposits in all credit institutions
16. Insurances in life assurance companies
17. Changes in number and capital of limited companies
18. Bankruptcies
19. Stock Exchange
20. Stock Exchange index

II. STATE FINANCES

21. Public Debt
22. State revenue and expenditure
23. Collection of taxes and charges

III. TRADE AND INDUSTRY

Foreign trade

24. Value of imports and exports
25. Value of imports and exports in different classes of goods
26. Imports of the most important articles
27. Exports of the most important articles
28. Unit value index of imports and exports
29. Foreign trade with various countries

Home trade and industry

30. Wholesale trade
31. Sales of petrol
32. Volume index of industrial production
33. Building activity

IV. TRAFFIC

34. Foreign shipping
35. State Railways

V. LEVEL OF PRICES

36. Wholesale price index
37. Cost of living index
38. Bank of Finland building cost index

VI. LABOUR MARKET

39. Index of working hours in industry
40. Number of unemployed
41. Cessation of work

SOME ARTICLES IN EARLIER ISSUES OF BANK OF FINLAND MONTHLY BULLETIN

1953	Nos. 9—10	Finland's Balance of Payments for 1952	1954	No. 4	Tourist Traffic in Finland	
•	•	11—12	•	•	5	The Finnish Commercial Banks in 1953
•	•	•	•	•	6	The Post-War Development of Finnish Agriculture
•	•	•	•	•	7	Finland's Balance of Payments in 1953
1954	No. 1	The Bank of Finland in 1953	•	•	8	The Public Finances in 1953
•	•	•	•	•	•	Finnish Customs Duties in 1919—1954
•	•	2	•	•	9	Trade between Finland and the USSR
•	•	•	•	•	10	Post-War Road Transport
•	•	•	•	•	11	Finnish Air Transport
•	•	4	•	•		Demobilization of Price Controls in Finland

STATISTICS

1. STATEMENT OF THE BANK OF FINLAND

	1953		1954		
	Mill. mk		Mill. mk		
	15/12	23/11	30/11	8/12	15/12
ASSETS					
Gold Reserve	5 862	6 943	6 940	6 937	6 937
Foreign Currency	14 112	22 435	23 778	24 179	24 628
Foreign Bills	5 947	6 898	6 923	6 927	6 932
Foreign Bonds	208	964	964	964	964
Foreign Bank Notes and Coupons	110	63	63	84	85
Foreign Clearing Accounts	9 581	6 098	5 392	4 594	4 345
IMF & IBRD cover ¹⁾	1 662	1 662	1 662	1 662	1 662
Inland Bills ²⁾	21 411	15 113	15 680	16 202	18 000
Treasury Bond Loan 1953	20 000	20 000	20 000	20 000	20 000
Loans on Security	33	33	33	33	33
Advances on Current Accounts	359	331	167	290	221
Bonds	2 256	2 169	2 172	2 330	2 321
Sundry Assets	885	396	282	698	1 074
Total	82 426	83 105	84 056	84 900	87 202
LIABILITIES					
Notes in circulation	44 822	47 517	48 711	48 632	48 857
Other Liabilities payable on demand:					
Current Account of the Treasury	7 770	11 401	10 546	12 812	14 685
Other Current Accounts less Banker's cheques	2 262	1 299	1 289	1 239	831
Bank-Post-Bills	51	14	12	17	112
Mark Accounts of holders abroad	3 026	782	890	896	892
IMF & IBRD ¹⁾	3 387	2 481	2 350	2 350	2 350
Sundry Accounts	521	206	854	265	468
Foreign Debt	5 596	6 441	6 464	6 468	6 474
Equalization Accounts	5 639	3 082	3 029	2 127	2 239
Capital	5 000	5 000	5 000	5 000	5 000
Reserve Fund	2 848	3 683	3 683	3 683	3 683
Earnings less Expenses	1 504	1 163	1 192	1 375	1 575
Undisposed Profits	—	36	36	36	36
Total	82 426	83 105	84 056	84 900	87 202

2. NOTE ISSUE OF THE BANK OF FINLAND

	1953		1954		
	Mill. mk		Mill. mk		
	15/12	23/11	30/11	8/12	15/12
RIGHT TO ISSUE NOTES					
Gold Reserve and Foreign Balances ³⁾	26 239	37 303	38 668	39 091	39 546
Additional Right of Issue	50 000	50 000	50 000	50 000	50 000
Total	76 239	87 303	88 668	89 091	89 546
AMOUNT OF ISSUE USED					
Notes in circulation	44 822	47 517	48 711	48 632	48 857
Other Liabilities payable on demand	17 017	16 183	15 941	17 579	19 338
Undrawn Advances on Current Accounts	665	678	843	719	788
Total	62 504	64 378	65 495	66 930	68 983
NOTE RESERVE					
Available	5 146	8 039	8 853	8 363	8 563
Dependent on supplementary cover	8 589	14 886	14 320	13 798	12 000
Total	13 735	22 925	23 173	22 161	20 563
Grand total	76 239	87 303	88 668	89 091	89 546

¹⁾ IMF & IBRD = International Monetary Fund & International Bank for Reconstruction and Development.

²⁾ All Treasury bills converted into a bond loan on Sept. 16, 1953.

³⁾ Foreign currency, bills payable abroad in foreign currency, foreign bonds listed on foreign Stock Exchanges, bonds and interest coupons in foreign currency which have fallen due and foreign money.

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

End of Month	Notes in circulation Mill. mk				Foreign Currency ¹⁾ Mill. mk				Cover for the Issue of Notes Percentage of Liabilities payable on demand				End of Month	
	1952	1953	1954	Monthly Movement	1952	1953	1954	Monthly Movement	1952	1953	1954	Monthly Movement		
Jan.	<i>44 774</i>				<i>24 123</i>				<i>105.2</i>					Jan.
Feb.	40 134	41 104	42 230	-2 789	22 496	11 079	14 233	+ 598	107.2	117.2	106.8	±0.0		Feb.
March	44 044	44 078	44 658	-1 567	22 654	11 698	14 800	+ 567	103.8	114.4	103.5	-3.3		March
April	44 338	43 804	45 508	+ 850	20 937	11 620	15 623	+ 823	105.8	110.9	103.0	-0.5		April
May	46 579	45 962	47 169	+1 661	18 005	11 355	14 980	- 643	106.2	111.7	104.5	+1.5		May
June	45 052	43 247	44 605	-2 564	17 400	11 106	14 655	- 325	108.2	113.7	105.6	+1.1		June
July	44 173	42 615	44 720	+ 115	14 478	11 176	15 872	+1 217	112.1	116.7	106.7	+1.1		July
Aug.	45 193	45 075	45 850	+1 130	12 831	11 658	17 811	+1 939	116.2	114.1	108.2	+1.5		Aug.
Sept.	43 768	43 185	45 080	- 770	11 836	12 821	17 992	+ 181	119.3	112.7	110.3	+2.1		Sept.
Oct.	42 440	42 759	46 498	+1 418	9 741	12 882	20 104	+2 112	122.5	110.1	110.5	+0.2		Oct.
Nov.	45 497	45 590	48 711	+2 213	9 467	13 734	21 252	+1 148	119.5	109.0	111.9	+1.4		Nov.
Dec.	46 153	45 019			9 583	13 985	23 778	+2 526	117.7	109.2	113.5	+1.6		Dec.
					9 646	13 835			114.7	106.8				

¹⁾ Net 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		
	1952	1953	1954	1952	1953	1954	Monthly Movement	1952	1953	1954	Monthly Movement			
Jan.	<i>32 359</i>			<i>20 694</i>				<i>16</i>					Jan.	
Feb.	32 897	18 235	17 587	20 661	41 525	38 298	-5 875	217	14 315	3 068	-5 200		Feb.	
March	30 482	18 610	17 756	21 901	39 695	36 442	-1 856	1 995	13 242	1 550	-1 518		March	
April	30 467	18 987	15 646	22 961	37 314	38 263	+1 821	4 994	9 781	3 529	+1 979		April	
May	29 011	18 195	16 864	24 593	38 653	37 930	- 333	7 655	11 093	2 944	- 585		May	
June	26 823	14 429	15 878	28 004	43 711	39 654	+1 724	8 332	9 788	3 677	+ 733		June	
July	24 774	16 966	12 794	31 859	42 474	43 543	+3 889	9 961	8 273	7 679	+4 002		July	
Aug.	26 091	15 848	19 092	32 311	42 462	37 937	-5 606	7 346	3 756	3 042	-4 637		Aug.	
Sept.	21 048	14 338	23 132	39 447	42 926	34 681	-3 256	5 716	1 338	1 084	-1 958		Sept.	
Oct.	21 152	15 698	20 100	40 657	42 240	38 767	+4 086	7 411	4 442	5 138	+4 054		Oct.	
Nov.	20 223	15 301	22 665	40 199	41 992	36 963	-1 804	8 422	5 665	3 596	-1 542		Nov.	
Dec.	15 976	16 445	23 173	44 294	40 993	37 542	+ 579	9 512	5 149	4 342	+ 746		Dec.	
	11 939	12 273		46 915	44 173			17 217	8 268					

¹⁾ IMF & IBRD cover, inland bills, loans on security, advances on current accounts and, since Sept. 1953, the Treasury Bond Loan 1953.

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

End of Month	Net claims on the State ¹⁾ Mill. mk			Private Bills (Included in Home Loans) Mill. mk			Balance of Current Accounts due to others than the Treasury Mill. mk				End of Month		
	1952	1953	1954	1952	1953	1954	1952	1953	1954	Monthly Movement			
Jan.	<i>8 686</i>			<i>11 567</i>			<i>4 071</i>					Jan.	
Feb.	8 115	11 886	14 476	12 253	14 777	13 345	2 599	4 148	2 324	-1 514		Feb.	
March	6 656	10 226	16 621	12 803	15 720	12 769	2 160	1 118	2 049	- 775		March	
April	4 874	10 701	11 159	12 543	16 347	12 694	2 095	801	2 175	+ 126		April	
May	3 180	10 581	12 655	13 247	16 489	12 916	1 171	254	1 887	- 288		May	
June	4 153	15 824	14 911	14 973	17 857	13 892	1 517	1 653	2 331	+ 444		June	
July	5 443	15 133	7 695	16 134	18 906	14 004	2 671	2 027	3 609	+1 278		July	
Aug.	8 769	21 005	11 012	15 752	17 459	13 034	633	4 367	2 101	-1 508		Aug.	
Sept.	18 057	25 192	15 809	15 247	16 168	11 894	2 635	4 531	2 306	+ 205		Sept.	
Oct.	16 935	19 848	8 013	15 725	15 782	11 548	2 001	5 279	1 618	- 688		Oct.	
Nov.	15 874	16 584	10 560	15 406	14 456	11 306	2 584	4 277	1 749	+ 131		Nov.	
Dec.	15 983	18 519	11 116	15 230	13 874	11 338	3 389	3 180	1 582	- 167		Dec.	
	14 739	14 381		14 678	13 812		4 033	4 338					

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

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

6. BANK OF FINLAND FOREIGN CLEARING ACCOUNTS

End of Month	Net Claims (+) or Net Indebtedness (-) Mill. mk				
	1951	1952	1953	1954	Monthly Movement
	<i>-1 662</i>				
Jan.	- 647	+3 361	+4 174	+ 8 840	- 757
Feb.	+ 355	+4 545	+4 666	+ 9 628	+ 788
March	+ 676	+6 427	+6 154	+10 029	+ 401
April	+ 893	+6 930	+6 473	+ 9 940	- 89
May	- 347	+6 269	+5 300	+ 9 678	- 262
June	-1 644	+4 970	+4 434	+ 8 503	-1 175
July	-1 711	+3 859	+5 651	+ 7 962	- 541
Aug.	-1 922	+2 048	+5 938	+ 7 722	- 240
Sept.	- 763	+1 672	+7 016	+ 7 113	- 609
Oct.	+ 846	+3 243	+8 122	+ 6 575	- 538
Nov.	+1 373	+3 867	+8 925	+ 5 392	-1 183
Dec.	+3 297	+4 430	+9 597		

7. RATES OF EXCHANGE QUOTED BY THE BANK OF FINLAND

		1954 15/12
New York	1 Dollar	231: —
London	1 Pound	646: —
Stockholm	100 Kronor	4 450: —
Copenhagen	100 Kroner	3 340: —
Oslo	100 Kroner	3 235: —
Paris	100 Francs	66: —
Brussels	100 Francs	462: —
Amsterdam	100 Guilders	6 090: —
Zürich	100 Francs	5 300: —
Frankfurt a/M	100 DM	5 500: —
Prague	100 Koruny	3 208: —
Montreal, nom.	1 Dollar	238: —
Rio de Janeiro	100 Cruzeiros	1 260: —
Moscow, nom.	100 Rubel	5 775: —

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

End of Month	Due to the Public				Due to other Credit institutions		Total			Credits from the Bank of Finland		End of Month
	Cheque Accounts		Time Deposits		Mill. mk		Mill. mk			Mill. mk		
	1953	1954	1953	1954	1953	1954	1952	1953	1954	1953	1954	
	<i>28 020</i>		<i>59 742</i>		<i>6 856</i>		<i>97 186</i>			<i>15 294</i>		
Jan.	26 624	32 743	60 629	71 633	8 137	8 785	94 877	95 390	113 161	13 420	2 033	Jan.
Feb.	25 397	31 672	61 798	72 788	8 265	9 862	93 184	95 460	114 322	12 907	1 130	Feb.
March	27 423	31 838	62 734	74 255	8 511	9 893	96 065	98 668	115 986	9 749	3 065	March
April	27 361	31 790	63 489	74 922	8 855	9 950	89 845	99 705	116 662	11 088	2 508	April
May	28 523	33 214	63 906	75 389	8 221	9 436	90 185	100 650	118 039	9 270	3 151	May
June	31 951	34 561	63 922	75 285	8 152	9 064	91 840	104 025	118 910	7 704	4 884	June
July	31 198	34 319	64 781	75 827	10 021	10 481	92 831	106 000	120 627	3 093	3 002	July
Aug.	33 206	34 177	66 133	77 249	9 795	11 302	94 923	109 184	122 728	413	1 108	Aug.
Sept.	33 815	32 891	65 907	76 909	7 847	10 634	95 100	107 569	120 434	1 982	4 477	Sept.
Oct.	35 132	34 832	65 888	77 107	8 014	10 696	92 739	109 034	122 635	2 531	3 431	Oct.
Nov.	34 124	34 008	66 017	77 933	8 092	10 692	94 853	108 223	122 633	2 595	3 524	Nov.
Dec.	32 112		70 455		7 502		94 618	110 069		5 607		Dec.

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

9. COMMERCIAL BANKS — HOME LOANS

End of Month	To the Public				To other Credit institutions		To the State		Total		End of Month
	Inland Bills		Other Credits		Mill. mk		Mill. mk		Mill. mk		
	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	
	<i>64 809</i>		<i>40 072</i>		<i>4 595</i>				<i>109 476</i>		
Jan.	65 354	62 713	40 962	44 134	4 901	5 797	—	3 000	111 217	115 644	Jan.
Feb.	66 714	62 470	40 708	45 127	4 489	6 134	—	3 600	111 911	117 331	Feb.
March	67 776	64 814	40 264	46 002	4 470	6 046	—	2 700	112 510	119 562	March
April	68 942	66 671	40 597	46 457	4 429	5 752	—	2 900	113 968	121 780	April
May	68 119	67 351	41 232	46 947	4 601	5 866	—	3 000	113 952	123 164	May
June	66 743	67 805	41 628	49 415	4 761	6 084	—	1 700	113 132	125 004	June
July	65 925	69 351	41 442	49 659	6 224	6 831	—	2 000	113 591	127 841	July
Aug.	64 040	69 736	41 257	50 079	6 269	6 790	2 950	2 500	114 516	129 105	Aug.
Sept.	63 439	70 056	41 810	51 688	5 680	7 392	4 150	1 000	115 079	130 136	Sept.
Oct.	63 568	70 847	42 528	53 145	5 892	7 761	6 000	1 000	117 988	132 753	Oct.
Nov.	63 660	70 659	43 106	54 018	6 443	7 020	4 050	1 000	117 259	132 697	Nov.
Dec.	61 696		43 963		5 120		2 500		113 279		Dec.

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

10. COMMERCIAL BANKS — POSITION TOWARDS FOREIGN COUNTRIES

End of Month	Claims Mill. mk			Indebtedness Mill. mk			Net Claims (+) or Net Indebtedness (-) Mill. mk				End of Month	
	1952	1953	1954	1952	1953	1954	1952	1953	1954	Monthly Movement		
	<i>10 608</i>			<i>8 202</i>			<i>+2 406</i>					
Jan.	10 052	8 002	5 847	9 238	7 417	4 122	+ 814	+ 585	+ 1 725	+ 662	Jan.	
Feb.	9 535	6 835	6 507	9 572	6 794	5 041	- 37	- 59	+ 1 466	- 259	Feb.	
March	9 078	7 383	6 305	9 834	6 902	5 580	- 756	+ 481	+ 725	- 741	March	
April	7 800	6 952	5 995	11 107	6 200	6 330	-3 307	+ 752	- 335	-1 060	April	
May	7 429	4 581	7 238	10 968	3 824	6 910	-3 539	+ 757	+ 328	+ 663	May	
June	8 158	5 329	6 101	10 016	3 938	6 340	-1 858	+1 391	- 239	- 567	June	
July	8 769	5 717	7 529	9 698	3 923	6 731	- 929	+1 794	+ 798	+1 037	July	
Aug.	8 549	5 556	8 632	8 669	4 165	8 274	- 120	+1 391	+ 358	- 440	Aug.	
Sept.	9 091	4 671	8 613	9 457	3 854	8 383	- 366	+ 817	+ 230	- 128	Sept.	
Oct.	8 906	5 184	7 910	9 276	4 693	7 532	- 370	+ 491	+ 378	+ 148	Oct.	
Nov.	8 338	6 404	8 658	8 125	5 528	7 676	+ 213	+ 876	+ 982	+ 604	Nov.	
Dec.	7 539	6 183		7 282	5 120		+ 257	+1 063			Dec.	

11. FOREIGN PAYMENT POSITION OF ALL BANKS ¹⁾

End of Month	Net Claims (+) or Net Indebtedness (-) Mill. mk				Monthly Movement
	1952	1953	1954		
	<i>+27 718</i>				
Jan.	+24 494	+10 250	+19 176	+ 904	
Feb.	+24 972	+10 537	+20 514	+1 338	
March	+24 214	+12 296	+21 165	+ 651	
April	+20 427	+12 471	+20 350	- 815	
May	+19 952	+10 477	+20 315	- 35	
June	+17 880	+10 415	+20 157	- 158	
July	+15 779	+12 518	+22 231	+2 074	
Aug.	+12 680	+14 044	+22 280	+ 49	
Sept.	+10 030	+15 671	+24 470	+2 190	
Oct.	+10 270	+16 724	+25 257	+ 787	
Nov.	+10 737	+17 972	+27 371	+2 114	
Dec.	+ 9 243	+18 272			

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

End of Month	Giro Accounts Mill. mk		Deposits Mill. mk				End of Month
	1953	1954	1952	1953	1954	Monthly Movement	
	<i>10 765</i>		<i>18 243</i>				
Jan.	6 366	7 273	19 461	24 190	27 464	+ 390	Jan.
Feb.	6 598	7 296	20 490	24 817	28 259	+ 795	Feb.
March	12 068	12 936	20 849	25 057	28 743	+ 484	March
April	6 619	7 194	20 927	25 014	28 688	- 55	April
May	6 875	7 391	21 087	25 227	28 687	- 1	May
June	16 143	15 263	21 202	25 181	28 432	- 255	June
July	6 851	7 874	21 375	25 072	28 612	+ 180	July
Aug.	6 548	7 592	22 350	25 691	29 088	+ 476	Aug.
Sept.	11 680	13 796	22 449	25 722	28 540	- 548	Sept.
Oct.	7 382	8 470	22 534	25 700	28 644	+ 104	Oct.
Nov.	7 066	7 874	22 826	25 883	28 921	+ 277	Nov.
Dec.	10 672		23 562	27 074			Dec.

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

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

13. DEPOSITS IN THE SAVINGS BANKS

End of Month	Savings Accounts Mill. mk			Current Accounts Mill. mk			Total Mill. mk				End of Month	
	1952	1953	1954	1952	1953	1954	1951	1952	1953	1954		Monthly Movement
	<i>52 307</i>			<i>2 897</i>			<i>41 895</i>					
Jan.	53 546	66 937	78 448	2 862	2 996	3 381	42 585	56 408	69 933	81 829	+ 1 208	Jan.
Feb.	54 870	68 146	80 034	2 815	3 153	3 406	43 293	57 685	71 299	83 440	+ 1 611	Feb.
March	56 054	69 111	81 350	2 977	3 196	3 481	44 155	59 031	72 307	84 831	+ 1 391	March
April	57 223	70 117	82 428	3 476	3 451	3 581	45 215	60 699	73 568	86 009	+ 1 178	April
May	58 137	70 634	83 017	3 201	3 529	3 841	45 765	61 338	74 163	86 858	+ 849	May
June	58 604	70 372	82 630	3 201	3 412	3 699	45 806	61 805	73 784	86 329	- 529	June
July	59 995	71 061	83 348	3 791	3 851	4 061	46 909	63 786	74 912	87 409	+ 1 080	July
Aug.	61 128	71 641	84 218	3 521	4 043	3 901	47 957	64 649	75 684	88 119	+ 710	Aug.
Sept.	61 041	71 452	84 625	3 576	3 689	4 238	48 316	64 617	75 141	88 863	+ 744	Sept.
Oct.	61 783	72 085	85 932	3 987	4 120	4 458	50 343	65 770	76 205	90 390	+ 1 527	Oct.
Nov.	62 289	72 764	87 377	3 557	3 698	4 279	51 498	65 846	76 462	91 656	+ 1 266	Nov.
Dec.	65 799	77 256		3 159	3 365		55 204	68 958	80 621			Dec.

According to figures supplied by the Central Statistical Office.

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

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

End of Month	Deposits in Co-operative Credit Societies ¹⁾ Mill. mk					Deposits in Consumers' Co-operative Societies ²⁾ Mill. mk					End of Month
	1951	1952	1953	1954	Monthly Movement	1951	1952	1953	1954	Monthly Movement	
Jan.	21 609					5 356					Jan.
Feb.	21 887	32 388	39 373	45 174	+ 651	5 528	8 989	11 091	12 213	+ 262	Feb.
March	22 493	33 526	40 291	46 124	+ 950	5 844	9 440	11 621	12 498	+ 280	March
April	23 441	34 639	41 206	47 184	+ 1 060	6 226	9 793	11 696	12 793	+ 300	April
May	24 001	35 426	41 295	47 724	+ 540	6 700	10 047	11 690	12 896	+ 103	May
June	24 401	36 135	41 504	47 973	+ 249	6 794	10 374	11 694	12 867	- 29	June
July	24 549	36 162	41 317	47 550	- 423	6 825	10 260	11 547	12 659	- 208	July
Aug.	25 381	37 040	41 736	48 405	+ 855	6 913	10 293	11 461	12 566	- 93	Aug.
Sept.	27 166	38 517	42 839	49 827	+ 1 422	7 024	10 292	11 461	12 621	+ 55	Sept.
Oct.	27 548	38 106	42 553	50 289	+ 462	7 170	10 204	11 388	12 591	- 30	Oct.
Nov.	28 667	37 753	42 191	50 804	+ 515	7 459	10 200	11 347	12 644	+ 53	Nov.
Dec.	29 645	37 529	42 197	51 616	+ 812	7 781	10 262	11 424	12 809	+ 165	Dec.
	31 696	39 253	44 523			8 442	10 798	11 951			

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

15. DEPOSITS IN ALL CREDIT INSTITUTIONS¹⁾

End of Month	Time Deposits Mill. mk		Total Deposits due to the Public Mill. mk		
	1953	1954	1953	1954	Monthly Movement
Jan.	197 288		230 719		
Feb.	200 671	232 975	232 406	271 740	+ 4 456
March	205 123	237 802	235 775	275 424	+ 3 684
April	207 991	242 514	241 013	280 423	+ 4 999
May	209 907	244 937	243 171	282 823	+ 2 400
June	211 145	246 185	245 518	285 824	+ 3 001
July	210 395	244 653	248 564	285 593	- 231
Aug.	212 148	246 603	250 795	288 210	+ 2 617
Sept.	215 949	250 831	255 890	292 156	+ 3 946
Oct.	214 996	250 667	255 210	290 844	- 1 312
Nov.	215 271	252 804	257 231	295 142	+ 4 298
Dec.	216 297	256 269	256 854	297 669	+ 2 527
	229 418		267 351		

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

16. INSURANCES IN LIFE ASSURANCE COMPANIES

End of Month	New risks accepted ¹⁾				
	1953		1954*		
	Number	Amount Mill. mk	Number	Amount Mill. mk	
Jan.	12 706	2 638	9 566	2 285	Jan.
Feb.	13 308	2 794	11 559	2 800	Feb.
March	14 101	2 980	12 175	3 003	March
April	12 956	2 788	11 012	2 651	April
May	11 771	2 471	10 209	2 460	May
June	10 785	2 324	9 593	2 345	June
July	7 916	1 733	7 713	1 921	July
Aug.	9 038	1 826	7 939	1 942	Aug.
Sept.	10 695	2 369	9 431	2 334	Sept.
Oct.	11 968	2 646	11 544	2 918	Oct.
Nov.	12 446	2 719	11 408	2 843	Nov.
Dec.	13 548	3 436			Dec.
Total	141 218	30 724			Total
Jan.-Nov.	127 670	27 288	112 149	27 552	Jan.-Nov.

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

17. CHANGES IN NUMBER AND CAPITAL OF LIMITED COMPANIES

Year and Quarter	Founded		With increased Capital		Liquidated or with reduced capital		Net increase (+) or reduction (-)				Year and Quarter
	Num-ber	Capital Mill. mk	Num-ber	Increase of Capital Mill. mk	Num-ber	Reduction of Capital Mill. mk	All companies		Housing companies		
							Num-ber	Capital Mill. mk	Num-ber	Capital Mill. mk	
1950	1 421	3 527	1 079	12 826	255	228	+1 209	+16 125	+ 243	+1 773	1950
1951	1 025	3 288	671	8 475	253	611	+ 783	+11 152	+ 172	+1 850	1951
1952	1 225	5 530	878	16 980	316	234	+ 916	+22 276	+ 237	+2 727	1952
1953	1 110	4 414	549	6 981	360	2 230	+ 773	+ 9 165	+ 250	+3 150	1953
1953											1953
July-Sept.	253	1 534	90	235	61	720	+ 194	+ 1 049	+ 71	+1 160	July-Sept.
Oct. - Dec.	305	827	158	3 976	112	878	+ 203	+ 3 925	+ 64	+ 514	Oct. - Dec.
1954											1954
Jan.-March	321	2 661	114	1 888	116	111	+ 211	+ 4 438	+ 76	+ 939	Jan.-March
April-June	351	1 605	114	1 070	85	56	+ 270	+ 2 619	+ 109	+1 202	April-June
July-Sept.	293	1 090	106	649	65	204	+ 230	+ 1 535	+ 82	+ 870	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.

18. BANKRUPTCIES

Month	Bankruptcies ¹⁾				
	Number				
	1950	1951	1952	1953	1954*
January	48	20	54	32	117
February	55	26	47	75	104
March	55	12	28	43	116
April	38	26	41	26	67
May	21	15	32	24	69
June	19	10	12	23	28
July	15	4	12	38	41
August	5	15	10	11	67
September	44	8	18	50	54
October	36	41	75	112	
November	42	51	56	111	
December	28	11	44	67	
Total	406	239	429	612	
Jan. - Sept.	300	136	254	322	663

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

19. STOCK EXCHANGE

Month	Turnover of Stock Exchange ¹⁾				
	Mill. mk				
	1950	1951	1952	1953	1954
January	148	287	187	106	125
February	155	248	166	127	136
March	235	264	203	127	173
April	358	281	194	214	131
May	299	219	243	172	139
June	226	238	107	201	124
July	185	162	148	207	122
August	285	230	156	301	110
September	318	216	136	283	122
October	340	192	169	118	101
November	228	215	127	144	148
December	229	229	148	135	
Total	2 956	2 781	1 984	2 134	
Jan. - Nov.	2 727	2 552	1 836	1 999	1 431

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

20. STOCK EXCHANGE INDEX 1948 = 100

Month	Share Prices									Month
	All kinds			Bank Shares			Industrial Shares			
	1952	1953	1954	1952	1953	1954	1952	1953	1954	
January	203	164	243	137	124	148	217	169	262	January
February	199	166	236	139	125	148	211	172	253	February
March	194	165	234	130	118	147	207	172	250	March
April	187	176	224	129	126	140	198	185	239	April
May	169	191	219	121	132	133	178	202	234	May
June	166	199	218	119	135	133	174	211	232	June
July	177	203	231	122	140	137	187	215	248	July
August	180	227	238	123	144	141	191	245	256	August
September	177	227	237	123	141	139	187	245	255	September
October	172	226	239	122	142	138	181	243	258	October
November	166	230	243	122	144	139	173	247	262	November
December	164	231	243	121	145	138	170	247	263	December
Whole year	180	200	234	126	135	140	190	213	251	Whole year

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

21. PUBLIC DEBT

End of Year and Month	According to the Finance Accounts									Mill. Dollars ¹⁾	End of Year and Month
	Funded Debt			Short-term Credit			Total Public Debt				
	Foreign	Internal	Total	Foreign	Internal	Total	Foreign	Internal	Total		
1950	60 426	42 650	103 076	5 453	27 176	32 629	65 879	69 826	135 705	587	1950
1951	70 686	42 845	113 531	4 126	13 294	17 420	74 812	56 139	130 951	567	1951
1952	63 857	41 481	105 338	3 874	19 901	23 775	67 731	61 382	129 113	559	1952
1953 ²⁾	63 975	61 343	125 318	1 458	6 159	7 597	65 483	67 482	132 915	575	1953 ²⁾
1954											1954
June	62 993	60 787	123 780	1 236	6 826	8 151	64 279	73 755	138 034	598	June
July	62 801	60 833	123 634	1 190	4 597	5 787	63 991	65 480	129 471	560	July
Aug.	62 798	62 724	125 522	1 014	5 360	6 374	63 812	68 084	131 896	571	Aug.
Sept.	62 404	63 141	125 545	811	9 739	10 550	63 215	72 880	136 095	589	Sept.
Oct.	62 354	63 252	125 606	618	3 531	4 149	62 972	66 783	129 755	562	Oct.
Nov.	62 189	64 030	126 219	516	5 178	5 694	62 705	69 208	131 913	571	Nov.

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.

³⁾ All Treasury bills converted into a bond loan on Sept. 16, 1953.

* Preliminary figures subject to minor alterations.

22. STATE REVENUE AND EXPENDITURE

Year and Month	Total Revenue	Current Revenue				Capital Revenue		Total Expenditure	Current Expenditure	Capital Expenditure		Year and Month
		Total	Taxes ¹⁾	Interest and Dividends ¹⁾	Profits of Business enterprises ¹⁾	Total	Loans			Total	Re-demptions	
1952	205 017	196 555	161 437	2 210	6 295	8 462	5 358	204 180	145 844	58 336	13 396	1952
1953	223 795	185 969	152 439	2 540	3 070	37 826	29 626	221 167	141 943	79 224	14 168	1953
1954 Budget Suppl. ²⁾	183 152	168 122	136 586	2 350	3 465	15 030	10 194	183 144	129 480	53 664	11 589	1954 Budget Suppl. ²⁾
1953 Jan.-Oct.	24 007	17 655	16 800	—	—66	6 352	5 810	31 628	13 999	17 629	2	1953 Jan.-Oct.
1954 Jan.-Oct.	172 522	145 774	118 148	1 806	-1 778	26 748	23 864	154 959	108 488	46 471	6 757	1954 Jan.-Oct.
1954 Jan.-Oct.	167 927	153 139	120 936	2 214	1 434	14 788	10 092	154 741	109 083	45 658	10 796	1954 Jan.-Oct.

Tables 22—23 according to the accounts kept by the Treasury.

¹⁾ Taxes here include the surplus of the Alcohol Monopoly. — ²⁾ The figures given refer to net revenue. — ³⁾ Passed in June and December.

23. COLLECTION OF TAXES AND CHARGES

Year and Month	Direct taxes ¹⁾		Indirect taxes							Stamp duty	Employers' payments for Child allowances	Year and Month
	Total	Income and Property tax	Total	Sales tax	Import duty	Spirits taxes ²⁾	Excise dues					
							Total	On Tobacco	On Coffee			
1953	46 050	45 456	100 384	52 861	17 069	16 389	14 065	9 889	1 298	6 005	17 865	1953
1954 Budget Suppl. ²⁾	38 930	38 500	91 156	46 200	16 000	15 330	13 576	9 500	1 300	6 500	17 500	1954 Budget Suppl. ²⁾
1953 Jan.-Oct.	6 000	6 000	10 800	8 800	2 000	—	—	—	—	—	—	1953 Jan.-Oct.
1954 Jan.-Oct.	37 491	36 979	75 643	35 667	14 212	14 244	11 520	8 078	1 124	5 014	14 175	1954 Jan.-Oct.
1954 Jan.-Oct.	34 589	34 049	80 786	39 433	15 496	14 057	11 800	8 649	483	5 561	14 821	1954 Jan.-Oct.

¹⁾ Excluding direct taxes paid by the Alcohol Monopoly. — ²⁾ Surplus of the Alcohol Monopoly, direct taxes paid by it and excise on spirits. — ³⁾ Passed in December.

24. VALUE OF IMPORTS AND EXPORTS

Month	Imports (f. o. b.) Mill. mk			Exports (f. o. b., commercial exports) Mill. mk			Surplus of Imports (—) or Exports (+) Mill. mk			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	15 197	12 051	10 775	14 637	8 417	9 219	— 560	— 3 634	— 1 556	January
February	15 763	7 273	9 761	13 144	5 847	7 996	— 2 619	— 1 426	— 1 765	February
March	16 287	9 761	10 698	11 559	9 750	9 327	— 4 728	— 11	— 1 371	March
April	17 305	11 767	11 220	11 389	9 345	10 404	— 5 916	— 2 422	— 816	April
May	19 513	10 093	11 831	13 010	9 186	12 431	— 6 503	— 907	+ 600	May
June	18 176	9 986	11 874	12 291	12 180	14 557	— 5 885	+ 2 194	+ 2 683	June
July	16 809	9 630	12 723	14 157	13 801	16 445	— 2 652	+ 4 171	+ 3 722	July
August	12 190	9 719	12 032	12 658	12 900	14 788	+ 468	+ 3 181	+ 2 756	August
September	11 894	9 388	14 321	13 537	11 815	15 854	+ 1 643	+ 2 427	+ 1 533	September
October	12 093	10 636	14 067	14 332	13 683	15 792	+ 2 239	+ 3 047	+ 1 725	October
November	13 278	9 406	14 505	13 333	12 543	16 245	+ 55	+ 3 137	+ 1 740	November
December	13 681	12 150	—	12 782	12 088	—	— 899	— 62	—	December
Total	182 186	121 860	—	156 829	131 555	—	—25 357	+ 9 695	—	Total
Jan.-Nov.	168 505	109 710	133 807	144 047	119 467	143 058	—24 458	+ 9 757	+ 9 251	Jan.-Nov.

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 (s. i. f.) Mill. mk					Exports (f. o. b.) Mill. mk				
	Whole year		January—November			Whole year		January—November		
	1952	1953	1952	1953	1954*	1952	1953	1952	1953	1954*
Dairy produce, eggs, honey	473	412	382	411	35	2 826	2 094	2 531	1 812	2 785
Other animal products, live animals	638	709	505	511	471	153	187	134	164	876
Vegetables	123	93	123	91	69	—	1	—	1	1
Eatable fruit	3 594	2 150	3 155	1 804	2 623	152	10	142	9	25
Coffee, tea, spices	5 896	6 855	5 384	6 060	9 266	0	—	0	—	0
Cereals, milling products..	15 911	10 641	14 130	9 949	5 469	643	1 164	545	967	443
Certain seeds and fruit, plants for industrial purposes	483	591	472	565	1 115	472	636	312	579	82
Raw materials for tanning and dyeing	65	85	59	76	107	1	3	1	2	3
Animal and vegetable fats	2 678	2 530	2 411	2 198	1 951	21	38	21	38	369
Meat and fish products ..	593	432	522	410	283	3	0	3	0	0
Sugar, sweets	4 611	3 722	4 351	3 450	2 597	19	22	17	17	16
Beverages, vinegars	739	547	690	374	758	438	234	385	230	392
Fodder	2 593	1 109	2 387	1 026	939	89	196	44	179	21
Tobacco	1 551	1 554	1 465	1 436	1 537	—	—	—	—	0
Minerals, ore	2 049	1 198	1 844	1 027	1 660	693	1 120	655	1 036	1 165
Mineral fuel and oils	22 715	16 396	21 226	14 897	15 882	10	30	9	30	14
Chemical and pharmaceutical products	4 445	3 663	4 079	3 296	5 953	246	256	228	232	225
Tanning and dyeing extracts, varnishes	1 645	1 321	1 543	1 206	1 708	6	6	6	5	3
Casein, albumen, glues	407	336	381	301	487	3	2	3	2	13
Fertilizers	4 272	2 662	3 954	2 460	3 077	0	1	0	0	—
Hides, skins, leather and furs; manufactures of these materials	1 788	1 562	1 484	1 273	1 707	881	672	705	620	457
Rubber and rubber articles	1 941	1 359	1 846	1 271	1 978	7	18	6	15	17
Wood and wood goods ..	248	234	238	212	275	70 312	53 085	65 611	48 634	57 313
Woodpulp	14	11	14	11	5	36 307	22 256	34 030	20 089	26 809
Cardboard and paper, their applications	209	116	201	106	187	30 077	26 530	27 815	23 940	29 646
Textile materials, textile goods	24 081	14 883	22 781	13 210	17 832	1 213	1 115	1 188	1 022	1 531
Footwear	108	46	96	37	52	21	23	12	23	71
Articles of stone and of other mineral material, glass	1 813	793	1 250	712	1 179	494	466	452	417	501
Base metals; articles made therefrom	29 628	13 987	27 835	12 314	17 903	1 823	2 588	1 610	2 403	2 127
Machinery, apparatus	15 570	11 525	14 501	10 610	11 081	3 122	5 702	2 700	5 227	5 013
Electric machinery and apparatus	6 777	4 780	6 267	4 237	5 431	755	1 034	663	933	685
Transport material	19 975	11 851	18 245	10 868	14 040	5 083	11 077	3 326	9 909	11 480
Instruments, clocks and watches, musical instruments	1 676	1 082	1 567	972	1 444	62	54	60	39	83
All others	3 377	2 625	3 117	2 329	4 656	897	935	833	893	892
Total	182 136	121 860	168 505	109 710	133 807	156 829	131 555	144 047	119 467	143 058
Reparation deliveries						8 215	—	8 215	—	—

* Preliminary figures subject to minor alterations.

26. IMPORTS OF THE MOST IMPORTANT ARTICLES

Month	Wheat Tons			Coffee Tons			Sugar Refined and unrefined Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	20 001	20 956	9 376	1 409	2 075	2 083	6 758	5 725	4 206	January
February	24 219	793	20 531	2 116	1 791	1 250	8 507	7 469	3 996	February
March	30 649	17 208	21 393	1 771	1 583	2 980	7 635	7 771	6 621	March
April	34 448	54 317	13 317	1 187	1 917	1 867	9 921	13 572	7 540	April
May	38 863	35 461	12 539	2 271	1 841	2 448	9 368	12 360	15 092	May
June	31 078	26 780	11 540	1 847	1 988	1 942	13 710	13 820	10 409	June
July	22 783	30 041	21 274	1 949	1 827	2 807	15 540	10 187	16 550	July
August	16 028	23 694	3 804	1 688	1 914	1 709	10 417	14 353	11 603	August
September	1 898	15 726	6 611	1 689	1 779	2 969	8 963	10 924	14 036	September
October	13 302	5 975	3 298	1 841	920	2 485	8 795	11 391	7 360	October
November	42 158	6 952	32 565	2 219	2 501	2 455	13 720	5 995	2 012	November
December	40 521	11 260		1 804	2 881		7 180	9 568		December
Total	315 948	249 163		21 791	23 017		120 514	123 135		Total
Jan. - Nov.	275 427	237 903	156 248	19 987	20 136	24 995	113 334	113 567	99 425	Jan. - Nov.

Month	Raw Tobacco Tons			Coal and Coke Tons			Petrol Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	443	411	402	245 332	188 777	187 653	20 012	15 094	23 447	January
February	425	396	464	190 350	99 657	98 357	17 260	20 200	25 760	February
March	387	407	492	120 097	32 223	91 244	20 436	19 680	25 419	March
April	362	399	470	173 122	84 619	76 466	20 787	25 797	22 585	April
May	461	367	402	253 915	87 770	135 382	24 681	20 251	25 333	May
June	435	375	332	308 438	165 568	145 935	26 130	39 597	31 661	June
July	240	229	381	250 309	193 076	173 954	28 099	31 299	20 089	July
August	443	455	476	300 973	203 479	219 231	19 213	30 141	38 031	August
September	469	497	475	234 381	230 275	173 527	29 688	28 333	36 074	September
October	511	395	456	115 359	245 954	374 019	35 408	22 907	34 313	October
November	430	439	461	228 464	253 010	279 933	20 780	21 638	25 731	November
December	266	362		180 654	191 188		21 771	28 690		December
Total	4 872	4 732		2 601 394	2 025 596		284 265	303 627		Total
Jan. - Nov.	4 606	4 370	4 811	2 420 740	1 834 408	1 955 701	262 494	274 937	308 443	Jan. - Nov.

Month	Mineral oils Tons			Fertilizers Tons			Raw Cotton Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	24 460	32 420	47 937	43 900	5 286	31 024	597	1 020	4 405	January
February	33 365	40 823	45 711	26 194	2 362	32 209	1 401	1 524	732	February
March	26 832	28 171	56 082	23 591	22 526	26 080	876	1 293	2 595	March
April	33 223	25 588	57 560	47 921	15 813	53 312	2 244	463	980	April
May	22 801	30 205	39 571	62 156	44 074	41 288	1 335	724	762	May
June	27 219	41 881	39 074	45 710	27 578	23 217	1 149	518	393	June
July	25 050	25 557	38 505	63 132	36 172	40 932	1 631	—	2 614	July
August	20 192	23 031	35 528	52 957	40 683	33 673	1	2 369	1 939	August
September	27 424	40 861	47 784	45 426	19 214	51 843	554	348	0	September
October	36 572	44 061	54 699	36 704	56 144	38 254	1 082	—	414	October
November	30 830	40 739	68 391	46 336	38 715	38 344	2 416	371	1 469	November
December	36 118	42 061		35 410	34 319		984	1 607		December
Total	344 086	415 393		529 437	342 886		14 270	10 237		Total
Jan. - Nov.	307 968	373 337	530 842	494 027	308 567	415 176	13 286	8 630	16 303	Jan. - Nov.

* Preliminary figures subject to minor alterations.

26. IMPORTS OF THE MOST IMPORTANT ARTICLES — Continued

Month	Pig Iron Tons			Bar Iron and Bar Steel Tons			Sheet Iron and Steel Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	1 630	124	2 018	10 512	9 388	4 517	11 066	7 846	8 178	January
February	1 515	20	1 451	11 258	3 614	3 319	13 689	7 893	6 450	February
March	50	30	3 436	14 462	2 813	5 906	12 366	7 605	6 839	March
April	3 339	130	4 594	11 628	2 841	7 657	11 779	5 968	13 889	April
May	3 016	57	3 623	11 746	3 037	9 674	12 377	6 518	8 844	May
June	1 274	50	5 123	15 493	2 320	7 656	12 004	2 786	11 452	June
July	4 757	327	8 086	12 469	1 945	9 169	11 276	5 899	10 924	July
August	2 073	5	5 871	11 355	1 588	8 978	6 657	3 660	14 055	August
September	2 703	272	1 699	10 813	1 519	10 342	8 829	4 731	14 107	September
October	968	150	1 712	8 680	2 768	8 322	7 735	5 655	21 137	October
November	80	1 857	3 765	7 384	4 083	6 176	8 278	8 905	19 436	November
December	70	3 424		7 096	4 189		8 500	11 890		December
Total	21 475	6 446		132 896	40 105		124 546	79 356		Total
Jan. - Nov.	21 405	3 022	41 378	125 800	35 916	81 716	116 046	67 466	135 311	Jan. - Nov.

27. EXPORTS OF THE MOST IMPORTANT ARTICLES 1)

Month	Wooden Houses and Huts Floor area 1 000 m ²			Round Timber All kinds excl. fuel 1 000 m ³			Sawn Timber 2) All kinds 1 000 standards			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	43	19	49	144	47	116	35	49	39	January
February	88	36	88	137	24	60	23	13	21	February
March	70	126	89	139	76	74	21	27	12	March
April	129	115	72	148	66	126	13	34	21	April
May	80	49	95	617	172	276	32	40	36	May
June	62	6	73	678	318	467	40	79	78	June
July	76	93	53	888	381	623	71	120	113	July
August	57	103	37	874	349	558	71	85	102	August
September	53	74	53	666	297	468	76	67	89	September
October	144	118	66	477	262	397	92	56	85	October
November	133	78	76	203	208	274	73	63	77	November
December	114	80		141	188		64	55		December
Total	1 049	897		5 112	2 388		611	688		Total
Jan. - Nov.	935	817	751	4 971	2 200	3 439	547	633	673	Jan. - Nov.

Month	Matches Tons			Plywood 1 000 m ²			Bobbins (spools) Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	239	83	111	27	17	16	169	148	80	January
February	190	78	82	19	11	18	137	44	125	February
March	54	127	199	20	22	25	99	83	151	March
April	72	61	73	24	20	27	80	78	172	April
May	117	111	114	19	15	30	80	166	104	May
June	50	104	70	18	17	25	97	67	156	June
July	61	128	67	15	21	26	117	53	179	July
August	37	29	47	10	10	15	42	107	38	August
September	106	82	18	17	16	30	77	56	158	September
October	83	134	86	16	23	21	125	131	138	October
November	123	125	122	20	19	30	76	95	160	November
December	136	116		17	25		68	115		December
Total	1 268	1 178		222	216		1 167	1 143		Total
Jan. - Nov.	1 132	1 062	989	205	191	263	1 099	1 028	1 461	Jan. - Nov.

1) Commercial exports. — 2) 1 standard sawn timber = 4.673 m³.

* Preliminary figures subject to minor alterations.

27. EXPORTS OF THE MOST IMPORTANT ARTICLES — Continued

Month	Mechanical Pulp ¹⁾ Tons			Sulphite Cellulose ¹⁾ Tons			Sulphate Cellulose ¹⁾ Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	6 914	18 088	16 843	49 647	39 984	36 898	29 197	22 268	24 092	January
February	11 830	6 911	12 277	48 897	23 542	37 106	24 524	13 872	19 313	February
March	8 124	12 420	14 696	41 843	50 328	44 431	15 118	41 821	26 761	March
April	14 456	19 496	11 639	48 180	37 233	49 246	20 198	25 483	32 780	April
May	20 286	18 892	25 424	29 725	35 430	47 484	19 799	22 964	37 073	May
June	8 835	14 839	20 297	26 413	33 103	55 658	13 174	36 780	35 071	June
July	9 000	13 244	17 857	17 867	27 655	47 789	8 091	22 974	32 020	July
August	2 834	17 498	10 381	22 976	49 017	45 106	7 967	23 254	26 100	August
September	11 549	26 622	17 056	39 765	43 035	48 440	23 077	29 309	34 194	September
October	17 632	18 656	13 604	49 671	42 922	55 249	17 229	27 801	29 650	October
November	17 709	20 739	17 068	52 881	36 351	53 069	32 691	26 153	38 821	November
December	14 274	16 177		48 637	45 524		34 358	30 244		December
Total	143 443	203 532		476 502	464 124		245 423	322 923		Total
Jan. - Nov.	129 169	187 355	177 142	427 865	418 600	520 476	211 065	292 679	335 875	Jan. - Nov.

Month	Cardboard All kinds Tons			Paper All kinds Tons			Newsprint (Included in previous column) Tons			Month
	1952	1953	1954*	1952	1953	1954*	1952	1953	1954*	
January	13 285	9 983	11 230	52 270	48 944	56 245	35 768	35 637	33 686	January
February	11 547	8 666	10 235	44 992	30 401	51 092	27 795	18 699	28 520	February
March	9 074	11 096	13 712	41 623	68 284	59 241	25 338	42 733	32 169	March
April	10 474	9 906	16 345	47 864	57 866	67 053	36 967	34 040	36 115	April
May	7 419	9 004	12 683	50 133	55 299	63 578	39 000	34 553	34 238	May
June	6 339	10 711	12 118	36 184	56 412	56 371	28 576	32 564	28 360	June
July	6 107	9 984	13 329	44 957	53 396	62 681	34 731	33 697	30 559	July
August	4 729	7 011	10 558	37 083	62 111	60 904	28 773	35 279	33 373	August
September	6 794	9 630	13 326	50 557	53 196	64 763	34 865	31 377	33 708	September
October	10 350	10 866	15 822	59 928	67 726	79 172	38 814	36 762	40 419	October
November	11 479	11 545	14 899	54 134	53 849	56 064	32 982	32 222	24 192	November
December	11 604	12 414		49 363	64 109		28 833	34 618		December
Total	109 201	120 816		569 088	676 593		392 442	402 181		Total
Jan. - Nov.	97 597	108 402	144 257	519 725	612 484	677 164	363 609	367 563	355 339	Jan. - Nov.

¹⁾ Dry weight.

28. 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	
1949	1 105	1 117	1 134	1 089	1 043	1 336	1 440	1 249	1 144	1 199	1949
1950	1 403	1 358	1 395	1 590	1 257	1 500	1 663	1 386	1 355	1 347	1950
1951	1 946	2 133	1 585	1 955	1 594	2 801	2 605	3 258	3 835	2 374	1951
1952	1 841	1 946	1 586	2 017	1 396	2 614	2 457	2 797	2 900	2 298	1952
1953	1 695	1 677	1 633	1 935	1 361	2 074	2 499	2 011	1 702	1 762	1953
1954											1954
Jan. - April	1 709	1 606	1 943	1 942	1 353	1 856	2 511	2 012	1 875	1 815	Jan. - April
Jan. - May	1 686	1 580	1 831	1 956	1 368	1 903	2 509	2 006	1 884	1 819	Jan. - May
Jan. - June	1 684	1 575	1 793	1 974	1 366	1 980	2 569	2 010	1 889	1 822	Jan. - June
Jan. - July	1 678	1 564	1 762	1 987	1 384	2 053	2 583	2 006	1 896	1 822	Jan. - July
Jan. - Aug.	1 663	1 538	1 752	2 002	1 363	2 093	2 582	2 003	1 908	1 821	Jan. - Aug.
Jan. - Sept.	1 665	1 533	1 732	2 019	1 347	2 119	2 591	2 003	1 916	1 825	Jan. - Sept.
Jan. - Oct.	1 656	1 519	1 777	2 018	1 347	2 132	2 599	2 004	1 917	1 829	Jan. - Oct.
Jan. - Nov.	1 637	1 501	1 776	1 982	1 335	2 133	2 601	2 006	1 919	1 831	Jan. - Nov.

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

* Preliminary figures subject to minor alterations.

29. FOREIGN TRADE WITH VARIOUS COUNTRIES

Country	Imports (c. i. f.)					Exports (f. o. b., commercial exports)				
	Whole year		January — November			Whole year		January — November		
	1952	1953	1953	1954*		1952	1953	1953	1954*	
Europe:	%	%	%	Mill. mk	%	%	%	%	Mill. mk	%
Belgium — Luxembourg ..	3.3	2.7	2.7	3 920	2.9	2.7	2.8	2.6	4 227	3.0
Bulgaria	0.0	0.1	0.1	231	0.2	0.1	0.2	0.1	104	0.1
Czechoslovakia	1.5	3.4	3.4	3 747	2.8	0.4	0.6	0.6	910	0.6
Denmark	3.7	3.0	2.9	3 151	2.4	3.4	3.5	3.5	5 073	3.5
France	10.1	5.7	5.7	8 161	6.1	7.0	4.5	4.4	6 707	4.7
Germany, Eastern	0.5	1.9	1.9	3 542	2.6	0.4	1.4	1.3	2 409	1.7
Western	12.4	7.7	8.0	8 976	6.7	9.2	7.0	7.1	10 460	7.3
Great Britain	18.8	15.8	15.4	25 596	19.1	23.8	22.0	22.0	31 737	22.2
Greece	0.5	0.8	0.8	658	0.5	0.4	0.5	0.6	638	0.4
Holland	5.6	6.2	6.5	9 314	7.0	4.9	4.6	4.6	6 599	4.6
Italy	1.3	1.1	1.1	1 651	1.2	1.2	0.9	0.8	1 957	1.4
Jugoslavia	0.1	0.1	0.1	139	0.1	0.0	0.0	0.1	214	0.2
Norway	1.7	1.6	1.6	2 597	1.9	1.2	0.8	0.8	1 834	1.3
Poland	5.0	6.8	6.9	5 665	4.3	2.1	2.1	2.1	3 055	2.1
Rumania	0.0	0.0	0.0	148	0.1	0.0	0.1	0.1	464	0.3
Soviet Union	12.1	21.4	21.4	23 385	17.5	17.5	25.4	25.7	31 712	22.2
Sweden	5.8	4.3	4.3	6 015	4.5	4.0	3.2	3.3	3 974	2.8
Switzerland	1.2	1.6	1.6	1 521	1.1	1.3	0.3	0.3	987	0.7
Turkey	0.5	0.9	0.8	998	0.7	0.7	1.3	1.3	2 133	1.5
Rest of Europe	1.9	2.8	2.7	3 952	3.0	1.8	2.6	2.6	4 907	3.4
Total for Europe	86.0	87.9	87.9	113 367	84.7	82.1	83.8	83.9	120 101	84.0
Argentina	1.4	1.5	1.4	2 553	1.9	5.1	0.9	0.8	2 144	1.5
Brazil	1.4	2.3	2.0	7 428	5.6	1.5	1.3	1.0	2 933	2.0
Canada	0.3	0.2	0.2	88	0.1	0.0	0.1	0.1	142	0.1
United States	7.7	5.0	5.2	6 061	4.5	5.5	7.2	7.3	8 132	5.6
Rest of America	0.9	0.6	0.6	336	0.3	0.9	0.9	1.0	1 221	0.9
Africa	0.9	0.4	0.4	593	0.4	1.5	2.2	2.3	3 372	2.4
Asia	1.3	2.1	2.3	3 349	2.5	2.8	3.3	3.2	4 295	3.0
Oceania	0.1	0.0	0.0	32	0.0	0.6	0.3	0.4	718	0.5
Grand total	100.0	100.0	100.0	133 807	100.0	100.0	100.0	100.0	143 058	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.

30. WHOLESALE TRADE

Month	Total Sales Mill. mk			
	1951	1952	1953	1954
January	14 541	17 974	15 944	16 207
February	16 375	19 886	16 998	17 949
March	17 820	20 304	19 134	21 288
April	20 765	21 092	19 966	22 604
May	20 584	22 994	20 502	23 228
June	19 785	19 702	20 893	21 658
July	17 070	20 980	19 821	21 723
August	20 620	20 054	22 475	23 587
September	20 544	23 320	24 088	24 258
October	21 667	23 018	22 730	22 475
November	23 363	21 355	20 937	
December	21 722	20 551	22 589	
Total	234 856	251 230	246 077	
Jan. - Oct.	189 771	209 324	202 551	214 977

31. SALES OF PETROL

Wholesale for Traffic 1 000 tons					Month
1950	1951	1952	1953	1954	
34.4	17.4	15.2	22.2	20.7	January
9.1	16.8	18.4	21.0	21.6	February
16.1	18.3	19.2	21.6	23.6	March
18.8	19.3	20.0	22.2	26.4	April
25.4	22.5	26.1	29.5	27.7	May
21.0	24.2	27.0	29.0	30.9	June
23.3	26.1	28.4	23.8	31.3	July
21.6	24.7	28.1	28.4	29.8	August
19.9	23.4	25.6	27.9	28.9	September
21.5	24.8	25.7	28.8	28.6	October
18.7	23.0	20.9	24.5		November
22.8	26.2	22.1	30.4		December
252.5	266.7	276.7	309.3		Total
211.0	217.5	233.7	254.4	269.5	Jan. - Oct.

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

* Preliminary figures subject to minor alterations.

Figures supplied by the Ministry of Communications and Public Works.

32. VOLUME INDEX OF INDUSTRIAL PRODUCTION 1948 - 1950

Month	Total Industry			Home Market Industry			Export Industry			Month
	1952	1953*	1954*	1952	1953*	1954*	1952	1953*	1954*	
January	136	121	129	139	127	131	129	106	126	January
February	134	118	133	138	122	134	124	108	129	February
March	133	126	147	138	129	146	122	117	149	March
April	124	124	139	133	132	142	104	106	132	April
May	135	123	148	143	132	150	118	105	144	May
June	114	122	135	124	134	140	90	97	126	June
July	94	101	116	102	102	109	76	99	134	July
August	108	124	143	118	131	145	86	109	139	August
September	130	140	156	142	145	159	102	127	148	September
October	139	149	159	150	156	160	113	133	159	October
November	136	140		144	145		119	128		November
December	122	135		128	139		110	124		December
Whole year	125	127		133	133		108	113		Whole year
Jan. - Oct.	125	125	141	133	131	141	106	111	139	Jan. - Oct.

Calculated by the Central Statistical Office.

33. BUILDING ACTIVITY

Quarter	Consumption of Cement in Finland ¹⁾ 1 000 tons						Buildings completed in towns and market towns ²⁾ 1 000 m ²						Quarter
							Total			Dwelling houses			
	1949	1950	1951	1952	1953	1954	1952	1953	1954*	1952	1953	1954*	
Jan.-March	100	103	125	194	95	91	1 585	1 396	1 712	922	991	1 083	Jan.-March
April-June	192	240	201	205	272	345	1 190	1 489	1 081	566	691	610	April-June
July-Sept.	219	237	274	219	329	310	1 659	1 709	1 907	885	924	986	July-Sept.
Oct.-Dec.	133	182	205	133	160		2 556	2 355		1 288	1 079		Oct.-Dec.
Total	644	762	805	751	856		6 990	6 949		3 661	3 685		Total
Jan.-Sept.	511	580	600	618	696	746	4 434	4 594	4 700	2 373	2 606	2 679	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⁾ Compiled by the Research Office of the Ministry for Social Affairs.

34. FOREIGN SHIPPING

Year and Month	Vessels arrived				Vessels departed				Goods transported 1 000 tons		Year and Month
	Number		1 000 net reg. tons		Number		1 000 net reg. tons		Imports	Exports	
	Total	Finnish	Total	with Cargo	Total	Finnish	Total	with Cargo			
1950	7 118	2 845	4 876	2 948	7 088	2 823	4 834	4 199	4 021	6 001	1950
1951	9 079	3 051	5 853	3 590	9 052	3 051	5 846	4 978	5 537	7 527	1951
1952	8 443	3 131	5 946	4 046	8 426	3 094	5 957	4 607	5 475	5 911	1952
1953	6 693	2 624	5 045	3 198	6 721	2 629	5 055	4 321	3 950	5 518	1953
1953											1953
Jan. - Oct.	5 582	2 169	4 070	2 568	5 613	2 184	4 088	3 533	3 044	4 498	Jan. - Oct.
1954											1954
July	1 054	311	675	386	1 107	321	731	637	497	890	July
Aug.	1 006	305	707	364	971	293	653	582	456	804	Aug.
Sept.	844	278	655	395	850	263	650	547	589	781	Sept.
Oct.	774	251	623	407	803	270	659	539	664	748	Oct.
Jan. - Oct.	6 243	2 177	4 886	3 087	6 242	2 202	4 866	4 166	4 136	5 536	Jan. - Oct.

Figures supplied by the Statistical Office of the Shipping Board.

* Preliminary figures subject to minor alterations.

35. STATE RAILWAYS

Month	Weight of goods transported 1 000 tons			Axle-kilometres of goods trucks Mill. km			Revenue (less Re-imburements) Mill. mk			Regular Expenditure Mill. mk			Month
	1952	1953	1954	1952	1953	1954	1952	1953	1954	1952	1953	1954	
January	1 622	1 145	1 292	87	63	69	2 178	1 666	1 646	1 667	1 609	1 510	January
February	1 483	1 019	1 333	79	63	78	2 015	1 531	1 705	1 981	1 922	1 868	February
March	1 473	1 328	1 492	80	80	91	2 082	1 899	1 996	1 957	1 965	1 759	March
April	1 385	1 200	1 386	75	70	76	2 101	1 843	1 925	1 940	1 849	1 753	April
May	1 565	1 233	1 470	75	68	77	2 058	1 753	1 896	2 193	2 175	2 043	May
June	1 421	1 390	1 549	72	71	78	2 046	2 012	2 112	2 045	2 059	1 919	June
July	1 419	1 355	1 581	74	74	85	2 180	2 125	2 245	1 990	1 820	1 745	July
August	1 246	1 285	1 497	69	72	80	2 034	1 947	2 051	1 870	1 810	1 753	August
September	1 341	1 398	1 589	73	75	83	1 893	1 806	2 160	1 945	1 868	1 847	September
October	1 441	1 478	1 645	78	77	86	1 965	1 878	1 990	1 976	1 823	1 866	October
November	1 466	1 438		74	73		1 864	1 732		1 973	1 793		November
December	1 316	1 285		65	67		1 983	2 425		2 465	2 332		December
Total	17 178	15 554		901	853		24 399	22 617		24 002	23 025		Total
Jan.-Oct.	14 396	12 831	14 834	762	713	803	20 552	18 460	19 726	19 564	18 900	18 063	Jan.-Oct.

According to Monthly Statistics of the Finnish State Railways.

36. WHOLESALE PRICE INDEX 1935 = 100

Month	Index for Goods in Finnish Wholesale trade										Articles of Import (e. i. f.)		Articles of Export (f. o. b.)		Month		
	Total index		Finnish Goods								Imported Goods						
			Total		Products of agriculture		Products of forestry		Products of industry								
1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954	1953	1954		
Jan.	1 765	1 869	1 707	3 026	1 531	1 542	1 679	1 933								Jan.	
Feb.	1 769	1 733	1 884	1 844	1 733	1 726	3 073	2 884	1 530	1 531	1 525	1 495	1 674	1 539	1 972	1 988	Feb.
March	1 771	1 733	1 891	1 846	1 765	1 735	3 065	2 892	1 535	1 529	1 516	1 492	1 653	1 553	1 977	2 022	March
April	1 755	1 738	1 866	1 847	1 717	1 740	2 988	2 892	1 534	1 529	1 517	1 504	1 653	1 519	1 970	2 036	April
May	1 752	1 731	1 869	1 850	1 736	1 735	2 988	2 929	1 534	1 523	1 502	1 477	1 629	1 590	1 963	2 060	May
June	1 738	1 732	1 856	1 851	1 743	1 736	2 920	2 935	1 534	1 522	1 484	1 480	1 590	1 588	1 952	2 063	June
July	1 726	1 733	1 843	1 855	1 725	1 757	2 865	2 935	1 535	1 521	1 477	1 475	1 566	1 597	1 933	2 067	July
Aug.	1 714	1 727	1 824	1 846	1 744	1 775	2 759	2 877	1 534	1 521	1 478	1 471	1 574	1 581	1 915	2 097	Aug.
Sept.	1 699	1 725	1 803	1 845	1 757	1 773	2 631	2 877	1 539	1 520	1 475	1 468	1 566	1 545	1 914	2 102	Sept.
Oct.	1 687	1 722	1 789	1 836	1 723	1 675	2 596	2 937	1 538	1 516	1 469	1 478	1 556	1 521	1 907	2 093	Oct.
Nov.	1 703	1 740	1 811	1 865	1 703	1 732	2 734	3 044	1 534	1 510	1 474	1 472	1 549	1 531	1 920		Nov.
Dec.	1 703	1 694	1 820	1 811	1 712	1 674	2 806	3 052	1 521	1 436	1 455	1 446	1 534	1 515	1 939		Dec.
Whole year	1 709	1 825	1 701	2 856	1 516	1 461	1 534	1 461	1 532	1 486	1 590	1 944					Whole year

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

37. COST OF LIVING INDEX

Month	October 1951 = 100 ¹⁾		August 1938 - July 1939 = 100		1935 = 100										Month		
	Total index		Foodstuffs		Rent		Fuel and light		Clothing		Taxes						
					1953	1954	1953	1954	1953	1954	1953	1954	1953	1954			
Jan.	102	104	1 111	1 110	1 210	1 210	1 375	1 373	554	689	2 575	2 400	1 441	1 431	2 431	2 062	Jan.
Feb.	102	104	1 119	1 110	1 219	1 210	1 394	1 375	554	689	2 564	2 397	1 441	1 429	2 431	2 062	Feb.
March	103	103	1 119	1 108	1 219	1 207	1 396	1 366	554	689	2 555	2 373	1 440	1 429	2 431	2 062	March
April	103	104	1 119	1 115	1 219	1 215	1 399	1 388	554	689	2 544	2 367	1 428	1 426	2 431	2 062	April
May	103	104	1 122	1 114	1 223	1 214	1 406	1 384	554	689	2 546	2 360	1 433	1 426	2 431	2 062	May
June	103	103	1 117	1 109	1 217	1 208	1 393	1 377	554	689	2 521	2 259	1 439	1 428	2 431	2 062	June
July	103	104	1 121	1 114	1 221	1 213	1 402	1 388	554	689	2 492	2 254	1 437	1 427	2 431	2 062	July
Aug.	103	104	1 125	1 117	1 225	1 217	1 408	1 398	554	689	2 487	2 249	1 448	1 429	2 431	2 062	Aug.
Sept.	103	104	1 125	1 111	1 225	1 211	1 406	1 384	554	689	2 487	2 222	1 450	1 429	2 431	2 062	Sept.
Oct.	104	104	1 130	1 112	1 231	1 211	1 414	1 374	616	743	2 425	2 221	1 454	1 419	2 287	2 017	Oct.
Nov.	103	98	1 112	1 045	1 212	1 138	1 380	1 276	616	747	2 413	2 231	1 441	1 235	2 287	2 017	Nov.
Dec.	102		1 106		1 205		1 364		616		2 408		1 443		2 287		Dec.
Whole year	103		1 119		1 219		1 395		569		2 500		1 441		2 395		Whole year

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

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

38. BANK OF FINLAND BUILDING COST INDEX

Month	1935 - 100					1951 - 100								Month
	Total index			Index of the Contractor		Total index				Index of the Contractor ¹⁾				
	1949	1950	1951	1950	1951	1951	1952	1953	1954	1951	1952	1953	1954	
Jan.	..	..	..	..	..	87	103	101	100	87	104	101	101	Jan.
Feb.	..	..	..	..	..	90	102	100	99	90	103	101	100	Feb.
March	1 208	1 229	1 864	1 223	1 837	98	102	100	100	98	103	101	101	March
April	..	..	..	..	..	98	103	101	99	98	104	102	100	April
May	..	..	..	..	..	99	104	100	99	99	105	101	100	May
June	1 199	1 363	1 936	1 357	1 908	100	103	101	101	100	104	102	102	June
July	..	..	..	..	..	102	105	100	102	102	106	101	103	July
Aug.	..	..	..	..	..	103	104	101	102	103	105	102	102	Aug.
Sept.	1 166	1 441	1 983	1 434	1 955	106	104	101	102	106	105	102	102	Sept.
Oct.	..	..	..	..	..	105	103	101	101	105	104	102	102	Oct.
Nov.	..	..	..	..	..	105	103	101	101	105	104	102	102	Nov.
Dec.	1 170	1 593	1 990	1 570	1 962	105	101	100	101	105	102	101	102	Dec.
Whole year	1 186	1 407	1 943	1 396	1 916	100	103	101	101	100	104	101	101	Whole year

¹⁾ Total index less experts' fees and interest on building capital. For details concerning the calculation of the index see p. 33 in this Bulletin Nos. 8-4, 1952.

39. 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		
1952													1952
July-Sept.	90.1	94.5	80.6	97.3	80.7	90.3	103.4	87.3	93.4	84.8	77.2		July-Sept.
Oct.-Dec.	93.7	95.9	88.5	96.4	81.3	83.6	96.6	101.0	100.2	95.3	83.0		Oct.-Dec.
1953													1953
Jan.-March	93.8	95.3	90.0	94.5	76.3	85.7	96.3	108.9	100.9	93.2	87.2		Jan.-March
April-June	93.7	94.3	91.9	89.7	73.7	92.1	96.4	114.0	104.3	90.7	93.0		April-June
July-Sept.	96.8	95.5	100.3	89.9	91.8	98.6	101.9	103.9	99.8	97.4	103.0		July-Sept.
Oct.-Dec.	97.8	99.1	94.4	96.6	98.3	104.1	108.9	108.1	97.1	93.8	95.0		Oct.-Dec.
1954													1954
Jan.-March	97.9	98.5	96.3	96.6	99.7	104.8	101.1	103.9	98.3	96.0	96.7		Jan.-March
April-June	101.6	102.5	99.3	103.3	110.5	107.1	105.2	106.3	96.5	98.7	99.9		April-June
July-Sept.	105.4	106.3	103.2	107.3	110.2	108.9	102.8	112.1	103.2	102.0	104.2		July-Sept.

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.

40. NUMBER OF UNEMPLOYED

End of Month	Unemployed qualified for registration					
	Total			On Relief Work		
	1952	1953	1954	1952	1953	1954
January	7 763	54 207	51 916	5 703	39 244	42 438
February	10 368	65 726	52 840	8 600	54 822	46 538
March	12 224	61 582	49 837	10 752	56 324	46 091
April	8 273	40 181	36 985	7 765	38 077	34 180
May	2 514	21 457	11 010	2 444	20 978	10 388
June	151	2 390	268	148	2 285	211
July	58	696	—	55	514	—
August	37	1 056	—	37	614	—
September	1 068	5 562	—	627	3 224	—
October	4 139	16 037	1 886	2 960	9 146	667
November	17 208	34 630	6 751	9 747	22 130	4 022
December	35 501	46 096	—	21 946	34 432	—

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

41. CESSATION OF WORK

1953		1954*		Month
Employers affected	Work-people affected	Employers affected	Work-people affected	
4	1 113	2	68	January
14	1 572	7	774	February
8	736	3	100	March
10	804	2	157	April
50	5 363	73	10 530	May
12	1 228	41	784	June
29	1 025	3	220	July
4	541	2	64	August
7	1 101	5	290	September
11	1 462	2	3 432	October
3	465	—	—	November
2	32	—	—	December

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

CERTAIN PARTICULARS ABOUT FINLAND

1. FORM OF GOVERNMENT

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

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

2. LAND

THE AREA is 337,009 square kilometres (Great Britain's area is 245,000 sq. km and Italy's area 301,000 sq. km). Of the total area 9.4 % are inland waters. On an average 14.4 % of the land in the South of Finland is cultivated (1949), 2.0 % in the North, 8.2 % 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 (1953): 4.1 millions. Sweden (1952) 7.1, Switzerland (1953) 4.8, Denmark (1952) 4.3 and Norway (1952) 3.8 millions.

DENSITY OF POPULATION (1953): In South Finland 23.4, in North Finland 3.7 and in the whole country an average of 13.7 inhabitants to the square kilometre.

DISTRIBUTION (1953): 66.8 % of the population inhabit the country, 33.2 % the towns and market towns. The largest towns are (1953): Helsinki (Helsingfors), the capital 394,500 inhabitants, Turku (Åbo) 106,800, Tampere (Tammerfors) 105,000.

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

LANGUAGE (1950): Finnish speaking 91.1 %, Swedish speaking 8.5 %, others 0.3 %.

EDUCATION (1952): Practically all persons over 15 years of age are literate. There are three universities (the oldest founded in 1840) and 12 colleges of university standard.

INCREASE OF POPULATION (1952): Births 23.0 ‰, deaths 9.5 ‰, increase 12.8 ‰. Deaths in France (1952) 12.3 ‰ and in Great Britain (1952) 11.4 ‰.

4. TRADE AND COMMUNICATIONS

NATIONAL INCOME (1952, in thousand million marks): Gross national income at market price 793. Net national product at factor cost, by origin: agriculture 80 (13 %), forestry and fishing 77 (13 %), manufacturing 191 (31 %), construction 56 (9 %), transport and communications 44 (7 %), commerce, banking and insurance 76 (12 %), public activities 55 (9 %), other services 31 (5 %), total 610. Volume index 120 (1948 = 100).

FOREST RESOURCES (1950): The growing stock comprises 1,370 million of solid cub. m. incl. bark (48,384 million cub. ft), of which pine is 45.5 %, spruce 32.2 %, the rest 22.3 % being leaf-trees, chiefly birch. Of the growing stock 7,471 million cub. ft, 65.0 % of them pines, are up to the standard required for logs (minimum for sawmill logs 18' x 6" and for veneer logs 18' x 7"). The annual growth is about 41 million of solid cub. m. green wood excl. bark (1,448 mill. cub. ft). The

total removal in 1949 calculated according to the use of wood was 40 million cub. m. (1,413 million cub. ft). In the years 1923 to 1938 in the then area of the country, it averaged 41 million cub. m. (1,443 million cub. ft) per year, the corresponding yearly growth being 46 million cub. m. (1,624 million cub. ft).

AGRICULTURE (1950): Cultivated land 2.5 million hectares, divided as follows: area under cultivation under 10 hectares 41.2 %, 10—50 ha 53.6 %, 50—100 ha 3.8 %, over 100 ha 1.6 %. Cultivated land (1953) is divided between the different kinds of crops as follows: 43.4 % hay, 7.7 % temporary grassland for grazing, 19.0 % oats, 5.0 % wheat, 3.7 % rye, 6.7 % barley, 3.7 % potatoes, 10.8 % others. Dairy units in operation in 1953 amount to 459.

OWNERSHIP OF LAND (1950): The land area is distributed among different classes of owners approximately as follows: private 56.9 %, State 35.0 %, joint stock companies etc. 8.4 %, communities 1.7 %.

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

LENGTH OF RAILWAYS (1954): 5,046 km, of which 4,859 km State railways and 187 km private. The gauge is in general 1.524 m.

MERCHANT FLEET (1. 4. 1954): Steamers 327 (419,890 gross reg. tons), motor vessels 145 (236,320 gross reg. tons), sailing vessels with auxiliary engines 124 (11,797 gross reg. tons). Total 596 (668,007 gross reg. tons).

5. FINANCE AND BANKING

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

STATE FINANCES. According to the finance accounts for 1953 the State revenue was 223,795 million marks, of which 185,969 million marks were current revenue, and State expenditure 221,167 million marks, of which 141,943 million marks were current expenditure. See tables 21—23 in this issue.

MUNICIPAL FINANCES. According to the finance accounts for 1952 expenditure amounted to 98,483 million marks. Total revenue was 100,867 million marks, of which income from taxation was 57,395 million marks. The municipal income tax (non-progressive) averaged 10.9 % of the ratepayers income.

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

THE COMMERCIAL BANKS (1954): Number 6, possess 511 offices, where all kinds of banking business is transacted. There is one banking establishment per 8,200 inhabitants.

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

OTHER BANKS (1954): Mortgage Banks 5, Savings banks 481, Co-operative Credit Societies 604 and a Central Bank for the latter.

FINANCING OF INDUSTRY IN 1947—1952

BY

PENTTI POUKKA, MAG. PHIL.

When the restoration of the Finnish production machinery was initiated after the Second World War and economic life began to return to a normal peacetime footing, there was a great shortage of capital. It is true that the factories had suffered comparatively little direct damage, but part of them were lost in the ceded territory and the machine stock left had become dilapidated and was incapable of working to full capacity because of the shortage of power and raw materials. On the other hand, demand in the country for all kinds of industrial products exceeded supply and the exporting industry enjoyed a market that allowed for an increase in output to the limit technically possible. In addition, Finland was bound to deliver a large amount of industrial products to the Soviet Union in the form of war indemnities for several years.

The conditions for expanding industrial production were thus exceptionally favourable. As the keen competition between consumption and investment led to continuous inflation, practically all capital investment in the productive mechanism proved profitable from the point of view of private economy. It is no exaggeration to say that ordinary calculations of profitability lost their meaning. In both general economic policy and the planning of private industrial plants the technical reconstruction aspect reigned supreme. To begin with, the available productive mechanism had to be made capable of working at its full capacity and the expansion of factories for delivering the war

indemnity had to be carried out. Then came the turn of increasing other capacity. But, in planning, technical problems were still paramount. Investment was mainly restricted by the scarcity of requisites and labour, measures of control and financing difficulties.

An attempt to establish how industry was financed in the exceptional post-war years was made at the Economic Research Institute of Finland's Industry at the beginning of 1954 by an investigation carried out by Mr Pentti Hanski and the present writer. The figures quoted below are based on this investigation, in which a representative statistical method was employed, the material consisting of the balance sheets of 230 industrial concerns. The investigation refers to the financing of industry during 1947—1952.

CAPITAL INVESTMENTS

Of the gross capital investments in industry during 1947—1952, fixed assets naturally formed the greater part. Their proportion amounted to 72.8 per cent, while investments in inventories represented 25.0 per cent and cash and accounts receivable only 2.4 per cent. In examining the methods of financing the gross increase in the assets of industrial concerns all the categories of assets referred to should be regarded as a single entity, although it could perhaps be shown that for instance the supply of some machine had been financed entirely by borrowed funds. An analysis of the different components in

the increase of assets would be misleading, for financing a concern forms both in theory and in practice one whole, the division of which into categories would be arbitrary. However, for the sake of providing a sufficient description of the changes noticeable in the structure of financing it is also necessary to describe the growth of capital investments in each category of assets separately.

In normal cases increases in cash and accounts receivable do not generally result from the same kind of active investment policy as investments in inventories and, above all, in fixed assets. The changes in the first category may rather be regarded as a passive result of the development of markets and of investments in inventories and fixed assets.

If only that part of the credit balances is taken into account that exceeds the liabilities, the following figures illustrating the changes in the cash and accounts receivable are obtained:

	Mill. mk
1947	— 1,320
1948	+ 1,070
1949	— 310
1950	+ 1,570
1951	+ 4,090
1952	— 1,250

The changes in themselves show very clearly the general cyclical fluctuations during the period examined. The years of decline occurred in 1949 and 1952, when these assets fell off, while in 1951 there was a pronounced boom, when they increased very much. The decrease in 1947, which was a favourable year, may have been partly due to the fact that at that time investments in fixed assets were larger in comparison with the turnover than in the following years with the exception of 1952.

In an investigation based on balance sheet items the annual fluctuations in inventories undoubtedly form the most uncertain part. If the changes in inventories had been small and the level of prices steady, the uncertainty caused by the changes in valuation made in the balance sheets would have been confined to the annual fluctuations in the inventories. But as stocks increased in general and prices rose simultaneously, it is obvious that these investments, calculated on the basis of the balance sheets, are too small, taking the

whole period of investigation into consideration, besides which the fluctuations in the value of this category of assets appear less than they were in reality.

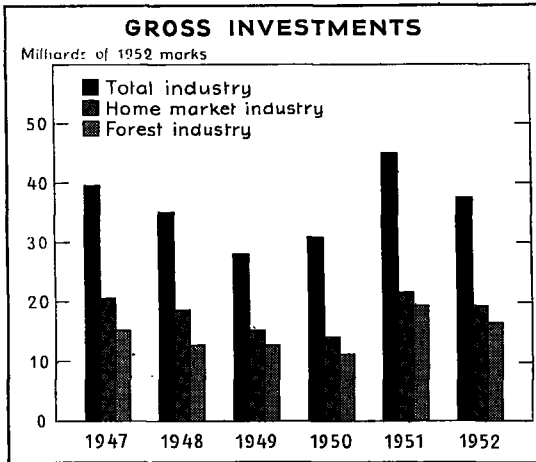
The following figures illustrate the annual increases in the inventories of industry:

	Mill. mk
1947	8,850
1948	7,180
1949	1,820
1950	1,650
1951	15,400
1952	5,540

In spite of the levelling caused by the valuation, these figures indicate that stocks were greatly increased during good years; the steep increase in 1951 is particularly striking.

Capital investments in fixed assets, which represented over 70 per cent of the total gross capital investments, offer a more interesting point. Owing to inflation, a direct comparison between the investments in terms of marks in different years is not possible, yet it is clearly visible that investments did not by any means fall off in the years of set-back, 1949 and 1952. On the contrary, in the latter year in particular, the investments were larger than in the preceding good year. From a financing standpoint this time-lag, especially characteristic of large-scale investment, is a very significant phenomenon, as is shown later.

Despite their comparatively slow fluctuations, investments in industry as a whole, however, followed the general development of trade. In regard to the forest industry investments in concerns employing over 800 workers and in those below this limit were examined separately. It was found that in the big concerns investments — also in terms of marks — were very slow in 1948—1949. In the smaller concerns they conformed very closely to the development of trade. In 1949 investments in the latter ceased growing, but subsequently there was again a distinct increase. Investments were at their highest in 1951 and, in contrast to the big concerns, fell off in the following year. It must be assumed that a detailed examination of the sensitiveness to market fluctuations would reveal very clearly the difference between small and large-scale investments in this respect.



The gross investments of industry in fixed assets, i. e. the annual increases of assets including depreciation and excluding appreciation, are shown in the following figures:

	Mill. mk
1947	10,690
1948	13,190
1949	15,650
1950	18,690
1951	25,940
1952	33,220

The above figures do not include the cost of repairs and maintenance, as the calculations are based on the balance sheets. However, on the basis of investigations into the structure of industrial costs the extent of this item may be estimated, part of which should be considered as investments, e. g. from the standpoint of the national income. It has been estimated that the total cost of repairs amounted to 41,400 million marks in 1947—1952, the gross capital investments in fixed assets thus amounting to about 158,000 million marks. Approximately half of this represents investments in the forest industry and the rest investments in other industries.

By adding up the annual increases in cash and accounts receivable, inventories and fixed assets, figures are obtained that illustrate the gross capital investment as a whole. The

annual total capital investments are given below, divided according to the main categories of industry. A separate class is formed by the so-called industrial complexes, consisting of concerns in which the number of workers in any one branch does not exceed 60 per cent of all the employees of the concern.

As the cost of repairs of investment nature is excluded and the increases in the inventories are too small owing to the growth of stocks, the inflation and the method of valuation, the figures quoted are obviously rather too low. The error cannot, however, be established on the basis of the balance sheet items. With regard to the structure of financing, the error tends to reduce the share of self-financing.

THE FINANCING OF CAPITAL INVESTMENTS

After the annual increases in the assets of concerns have been established, it can be calculated what part credits, share issues and self-financing have played in these investments. The amount of credits can be seen in the balance sheets. The share issues appear in the official statistics and the self-financing can be calculated by deducting credits and share issues from the total investments.

By calculating credit financing in the same way as the changes in cash and accounts receivable, i. e. including the indebtedness for outside capital only so far as it exceeds the credit balances, the following figures are obtained to illustrate the total credits of industry:

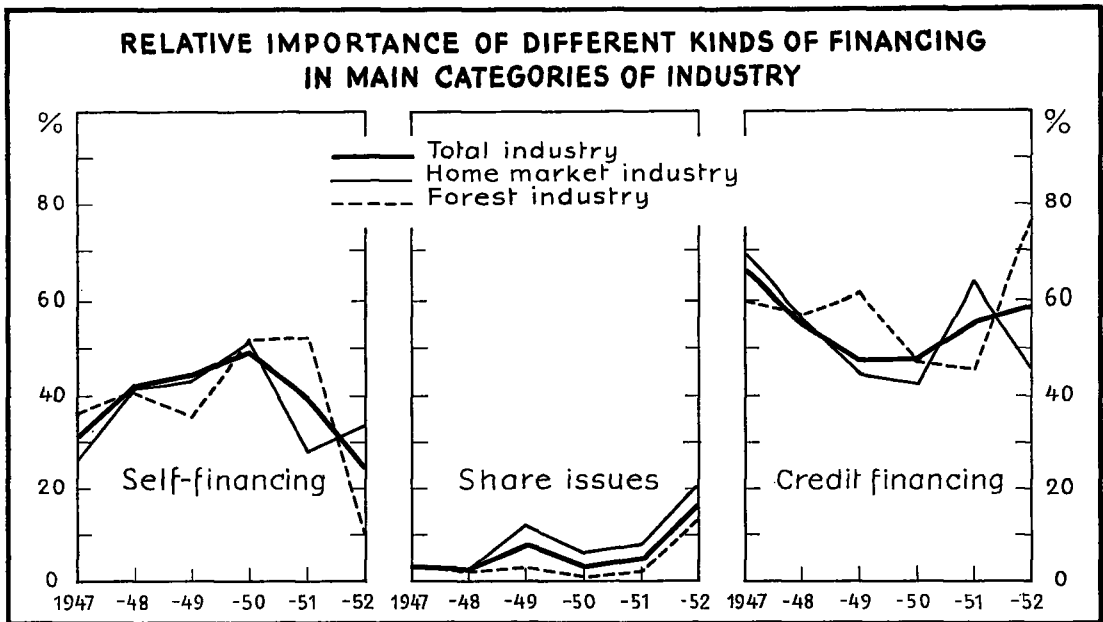
	Mill. mk
1947	11,970
1948	11,800
1949	8,130
1950	10,460
1951	25,170
1952	22,100

Direct comparisons of the mark amounts cannot be made owing to inflation, yet it is clear that credits decreased during the slumps in 1949 and 1952 and that there was a steep rise during the boom in 1951.

GROSS CAPITAL INVESTMENT IN INDUSTRY IN 1947—1952

million marks

	1947	1948	1949	1950	1951	1952
Home market industry	9,400	11,400	9,300	10,000	21,800	19,500
Forest industry	7,000	7,800	7,800	8,000	19,700	16,600
Industrial complexes	2,800	2,000	1,100	1,500	3,900	1,400
Total industry	18,200	21,400	17,200	21,900	45,400	37,500



For industry as a whole, long-term credit averaged 19.3 per cent of credit financing. In the forest industry the average amounted to 27.8 per cent and in the home market industry to 12.7 per cent. The proportions of long-term credit to total financing varied greatly from year to year, though this may have been partly due to changes in the method of accountancy. It is therefore difficult to establish clearly the trends in this respect, but in the latter half of the period examined the proportion of long-term credit was larger than in the first half.

Among long-term credits bond loans were of very small importance in comparison with, e.g., the pre-war period. The outstanding amount of bond loans of the home market industry was below the corresponding mark amount for 1938, whereas in the forest industry the amount for 1938 was exceeded in 1948. In the forest industry, however, the amount of unredeemed bond loans dropped in 1952 almost to the level of 1938, and the only issues made by the home market industry occurred in 1950.

The new foreign loans employed by industry in 1947—1952 amounted on an average to 1,300 million marks per annum in the forest industry and to considerably less in other branches.

In comparison with both credits and self-financing, share issues were very modest in size. In calculating the financing by share issues, bonus shares were, naturally, ignored and on the other hand fresh outside capital, obtained by issuing shares at more than their nominal value, was taken into account.

Altogether industry obtained 11,631 million marks of fresh capital by share issues. In 1952, when there was great difficulty in obtaining finance, issues of shares increased considerably, so that the amount of finance secured in this way exceeded half of the total amount for the full period examined.

In Government-controlled companies share issues played a far more important part than in private companies. About one-third of the issues in the home market industry and nearly one-half in the forest industry were made on behalf of companies controlled by Government.

As already mentioned, credit financing and share issues must be deducted from the gross capital investments in calculating the extent of self-financing. In principle, the same result should be arrived at by adding up the re-invested profits and the amounts written off. The figures below have been obtained by the former method.

	Mill. mk
1947	5,680
1948	9,060
1949	7,680
1950	10,770
1951	18,080
1952	9,140

CONCLUSIONS

On the basis of the figures quoted it may be said that of the gross capital investments in industry as a whole, credit financing represented 55.4 per cent, share issues 7.2 per cent and self-financing 37.4 per cent. As stated at the beginning of this article, the general economic conditions after the Second World War tended to maintain as high a degree of investment in industry as possible. It is also evident that total capital investment in industry continued throughout the period, even during temporary slumps, at the upper limit of the financing possibilities. The result of this was undoubtedly that when drawing up investment plans the structure of financing could hardly be considered. Roughly speaking, the most important point was that funds should be available at all. On the other hand, as soon as financing opportunities improved and there were technical possibilities for capital investment, efforts were made to take advantage of the position.

The annual changes in the structure of financing in the two main categories of industry are shown below.

THE FINANCING OF GROSS CAPITAL INVESTMENTS IN 1947—1952

	Per cent					
<i>Total Industry</i>	1947	1948	1949	1950	1951	1952
Credits	65.7	55.0	47.4	47.7	55.4	58.9
Share issues	3.1	2.7	7.8	3.1	4.8	16.7
Self-financing ..	31.2	42.3	44.8	49.2	39.8	24.4
<i>Home market industry</i>						
Credits	69.9	56.3	44.7	42.6	63.8	45.8
Share issues	3.5	2.1	12.1	6.1	8.0	20.8
Self-financing ..	26.6	41.6	43.2	51.3	28.2	33.4
<i>Forest industry</i>						
Credits	60.1	57.2	61.3	47.2	45.6	76.4
Share issues	3.4	2.0	2.9	0.9	2.1	13.2
Self-financing ..	36.5	40.8	35.8	51.9	52.3	10.4

The proportion of self-financing to the total financing of industry increased up to 1951, when it dropped rather abruptly. The apparent difficulties of financing during

that boom year were partly due to the fact that cash and accounts receivable that had not yet been converted into inventories and fixed assets grew considerably. But, above all, the change in the structure of financing at that time was effected by the circumstance that the pressure of the forest industry on the credit market was relieved owing to the favourable export conditions, while the home market industry hastened to increase its investments by means of borrowed funds. The growth of the proportion of credit financing in the home market industry from 42.6 per cent in 1950 to 63.8 per cent in the following year is clear proof of this.

It might be said that the favourable export conditions and the easier financial situation of the forest industry were partly evident in the growth of investments in the home market industry. The heavy investments of the forest industry were lagging, so that, credit being more easily obtained, more rapid investments could be made during the boom. When the export conditions quickly deteriorated in 1952 and the large investments of the exporting industry called for a great deal of capital, the demand for credit by that industry again grew in proportion. Since part of the investments of the home market industry had not yet been completed, this resulted — especially in the forest industry — in a financing crisis that affected all discussions of economic policy in that year.

As the above proportionate figures show, the ratio of self-financing in the forest industry to the total financing dropped enormously in 1952. At the same time the ratio of credit financing increased very heavily. The proportion of share issues, which had been very modest in the previous years, exceeded the ratio of self-financing. The tendency in the home market industry was quite the reverse. The proportion of credit financing fell and that of self-financing rose slightly. The home market industry, too, resorted to share issues on a much larger scale than in any previous year.

The abrupt changes in the structure of financing in 1951—1952 appear to be specially characteristic of the financing during the period covered by the investigation. Similar phenomena are visible in 1949—1950, though not so clearly. It was typical of

financing in 1947—1952, as already stated, that the mutual proportions of the financing methods were of comparatively small consideration in the investment and financing policy of the concerns. Attention was devoted mainly to securing the necessary funds. The abrupt fluctuations in the internal structure

of financing were, no doubt, exceptionally severe, because the investigation refers to an exceptional period. Unfortunately, however, any comparison with the structure of financing during normal times is impossible at present in the absence of suitable investigations.

ITEMS

New Embassies. In summer 1954 it was announced that the Finnish Government had agreed in principle to certain foreign countries' proposals suggesting to raise their legations in Helsinki to embassies. Consequently since then ten countries have raised or have decided to raise their legations to embassies. Envoys of the following states have already presented their ambassadorial credentials to the President of the Republic: USSR, France, the United States, Sweden, Great Britain, People's Republic of China, Denmark, Norway and Poland. Italy is expected to follow in the like soon.

In virtue of a law approved by the Diet last November the President of the Republic issued on December 30, 1954, a decree raising the Finnish Ministers in Washington, Peking, Copenhagen, Paris, London, Rome, Oslo, Warsaw, Stockholm and Moscow to the rank of Ambassadors.

Mr. Sakari Tuomioja, Governor of the Bank of Finland, former Prime Minister and Minister for Foreign Affairs, will be Finnish Ambassador in London from March 1, 1955.

The title of „Secretary of State” has been conferred on the Secretary General of the Ministry for Foreign Affairs. The new title is in rank equivalent to that of ambassador.

*

Customs Duties Raised. According to a Diet decision of December 21, the specific duties will be raised from the beginning of 1955 to 15 times from 10 times their pre-war level. *Ad valorem* duties, treaty duties and

the principal fiscal duties as well as the duties on certain industrial raw materials and consumer goods will not be affected. The rise is estimated to increase customs revenue by some 10 per cent.

*

Trade Agreements. Finland has recently concluded trade agreements with the following countries:

China, People's Republic. On December 13, 1954, an agreement was signed supplementing the trade agreement of June 21. Both countries will export 12 million roubles' worth of goods in addition to the quantities provided for in the main agreement. Part of the Finnish exports will be paid for in third country currency.

Poland, on December 17, 1954. Period: 1955. Finnish exports are estimated at about \$ 16 million and imports at about \$ 30 million. The difference will be covered by triangular settlements. Finnish exports will consist of iron ore, chemical pulp and other products of the forest industry, machinery, apparatus and appliances, and rayon, etc. Including the quantities of coal not delivered during 1954 under the previous agreement, altogether 1.6 million tons will be received from Poland. Other articles to be imported are joints of tubes, armoured glass, textiles, chemical products, etc.

Sweden, on December 17, 1954. Period: 1955. Finnish exports to Sweden will to a greater extent than hitherto be free from quota restrictions. Considering the redemption,

interest and other invisible payments due from Finland, the quotas of Finnish imports were fixed at 20 million Swedish crowns in all. Additional imports from Sweden will depend on the decision of the Finnish authorities.

Bulgaria, on December 21, 1954. Period: 1955. Finland's exports will amount to \$1.9 million and imports to \$1.88 million. Finland will export machinery and apparatus, paper and board products, chemical pulp, etc. and import tobacco, wines, volatile oil, spices, fruit, etc.

Norway, on December 31, 1954, trade and payments agreement for the period December 1, 1954 — November 30, 1955. Total trade is estimated at about 160 million Norwegian crowns. The rise from the previous period of agreement, implied by this figure, is primarily due to increased sales of pulpwood to Norway. Finland will export mainly pulpwood and products of the forest industry, household and sanitary ware, glass ware, and sport equipments, including rifles and cartridges. Of Finnish imports, 75 per cent will consist of raw materials and semi-manufactures, such as sulphur, fertilizers, herring meal, fat, titanium and other chemical products, iron ore and ferroalloys, aluminium and semimanufactures of aluminium. The remaining 25 per cent will consist of machinery and apparatus, etc.

*

Supplementary Budgets. Two new supplementary budgets were passed on December 30. The larger one enacted an increase in Government expenditure by 10,543 million marks, of which 5,595 million are current expenditure and 4,948 million capital expenditure. The greater part of the current expenditure consists of subsidies to compensate for the reduction of food prices introduced at the beginning of November. Of this, 2,870 million are assigned to price reductions of dairy produce, 600 million to export premiums for cheese and price equalization of butter in stock, 400 million to price reductions of sausages, and 250 million to the production of beet sugar. Capital expenditure includes appropriations for railway construction and housing and for raising the share capital of the Government-control-

led Otanmäki mine by 510 million marks. A loan of 2,310 million marks — to be raised in the USSR and transferred to Bank of Finland — is included among both capital revenue and capital expenditure. Half of it will be used for increasing the currency reserve, the other half being distributed as loans for productive purposes. Other revenue consists mainly of corrections to previous estimates of tax revenue, the yield of the income and property tax being increased by 6,000 million marks, import duties by 2,000 million and the sales tax by 8,800 million.

The other supplementary budget comprises additional expenditure of 15 million marks for increasing the salaries of physicians and surgeons at State hospitals.

*

Tax Relief. On December 3, the Diet passed an act regarding tax relief during 1956—1960 for deposits and bonds held by physical entities. According to this act deposits, Treasury bonds issued in 1950 or later, and private bonds issued in 1955 or later and the yield of them are to be exempted from taxation, provided no price index clause is attached to them. A similar act has been in force for 1951—1955.

*

Metal and Engineering Exports to West. Exports of Finnish metal products are primarily directed to the USSR, where sales are ensured by long-term trade agreements. Exports to western countries have, however, steadily increased. The principal countries of destination are Sweden, Norway, Denmark, Iceland, Turkey, Israel, and Brazil. The main products exported are: electrolytic copper and special alloy steels; machinery for the forest industry, especially for the pulp and paper industries; ships and vessels; medium and small size diesel and petrol engines for stationary and marine use; hoists and elevators; excavators, graders, and other road making machines; textile machines such as automatic looms; rock drills; electric motors and appliances; cables; sport and hunting rifles; locks; tools; household appliances.

Two new contracts of relatively big deliveries have been announced recently. The Swedish government will order an icebreaker

with diesel electric machinery developing 10,500 shaft horse powers and measuring 274 ft in length and 63.5 ft in breadth. Of the same type, one has previously been delivered to the Finnish government and one to the Russian government, who has ordered three altogether. They are built by the

Wärtsilä-koncernen AB. In December the Swiss paper mill Papierfabrik Utzenstorf ordered a newsprint paper machine, which represents the highest technical standard. Its construction speed will be 1,830 fpm and wire width 177 in. It, too, will be delivered by Wärtsilä.

BANK OF FINLAND

(Cable address Suomenpankki)

BOARD OF MANAGEMENT

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

HEADS OF DEPARTMENT

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

THE BANK OF FINLAND MONTHLY BULLETIN

is sent free of charge to anyone wishing to receive it. Finnish booksellers are, however, allowed to sell it at a price of 20 marks per copy. Should extracts from the Bulletin be printed, the source should be stated. Correspondence with regard to the Bulletin should be addressed to the Bank of Finland Institute for Economic Research, Helsinki, Finland.
