



BANK OF FINLAND

MONTHLY BULLETIN

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THE FINNISH MARKET REVIEW.

GENERAL SURVEY.

No pronounced change has occurred in the economic position in one direction or the other during the last few weeks. The influence of the difficulties in selling, which have been experienced during the current year, especially in the export markets, have, indeed, extended in some measure in the sphere of the Finnish economy, but this has proceeded so slowly that no great difficulties of adjustment have occurred. In industry production has shown a fairly steep drop from last year, on the basis of the available figures, but it should be noted that 1951 in particular represented a period of exceptional activity, so that there is naturally a big difference between the figures for last year and this year, although this does not yet necessarily signify that the position threatens to become acute. In foreign trade a downward trend has prevailed. Imports, which continued to be very heavy at the beginning of the year, have gradually fallen off owing to Government measures and the reduced exports. The balance of trade both in August and September recorded a surplus of exports in consequence. The terms of trade have constantly deteriorated and are now about one-third worse than the average for last year. The unfavourable tendency of deposit business in September was partly a seasonal phenomenon, but it is mainly considered to be due to the general worsening of the economic situation.

Alongside these adverse phenomena bright features are visible in the economic trend.

Building activity is still very lively and shows no signs of falling off. The tendency of the export markets arouses hopes of a change for the better. In regard to sawn timber new selling opportunities have appeared at slightly raised prices. In the case of chemical pulp, too, the market is becoming firmer as regards both sales and prices. The trade agreements with the Soviet Union and China have made it possible to increase the disposal of the finer qualities of paper in particular. Employment is in general fairly good; there is local unemployment in some spheres, but this has not attained any large proportions. In the metal trade the change-over to commercial production after completing the war indemnity appears to be proceeding without much trouble. Prices have tended to fall and the wages front has been peaceful.

THE MONEY MARKET.

The accumulation of time deposits in all the financial institutions was still very lively in August, but fell off greatly in September as already mentioned. The decrease in deposits seems to be largest in the rural credit institutions. The degree to which deposit business has declined is shown by the fact that, whereas the total deposits increased in *all financial institutions* in September 1951 by 1,570 million marks and last August by 5,832 million, they dropped in September this year by 424 million. In spite of the poor result for September, the increase during January—September this year, 30,100

million marks, was appreciably larger than the corresponding increase in 1951, 21,500 million.

In the *commercial banks* September proved more favourable than in the financial institutions as a whole, seeing that deposits increased, though only by 100 million marks, which was much less than in the previous September, 607 million, and that cheque accounts, in regard to which the tendency this year has been very unfavourable, now grew by 1,541 million marks. As the loans granted by the commercial banks were reduced at the same time by 127 million marks, the difference between loans and deposits thus fell off to some extent. It was, however, still very large, loans in September being 12,085 million in excess of deposits, whereas the difference in September 1951 amounted to 7,808 million. The quantity of rediscounted bills has remained at a lower level than in the spring owing to stricter control.

The position of the *Bank of Finland* has recorded no marked change during the last few weeks. Loans to its own clients have remained, broadly speaking, unchanged since June and rediscounted bills have fallen off slightly. The greatest changes occurred in the bill credits granted to the Treasury, in consequence of which there were also considerable fluctuations at times in the total loans. Besides, principally owing to the increase in the Treasury's debt the total loans of the central bank are at present at a considerably higher level than at the beginning of the year, but only slightly higher than in the autumn of 1951. The falling off in trade and the drop in prices have evoked a downward tendency in the note circulation. The foreign currency reserve of the Bank of Finland, which had dropped very steeply earlier this year, has, in broad lines, remained unchanged in recent weeks.

PRICES.

During both the summer and the autumn prices have tended downward, though the tendency has not been pronounced. This fall in prices is due partly to the lowering of prices in the world market, which has exerted an influence on internal prices through both import and export prices, and partly

to internal factors that have already been referred to.

The falling tendency has been most clearly visible in wholesale prices, the fluctuations in their level being more sensitively felt than in the cost of living, the index for which has remained unaltered for a long time. The wholesale price index (1935 = 100) fell both in August and September, by 4 and 6 points respectively, to 1,734 points. The wholesale price index has constantly fallen since November last year, when it stood at 1,936. The fall in prices and the altered trend in employment have contributed to stabilize the wages and to ensure peace in the labour market.

TRADE AND INDUSTRY.

In August and September *foreign trade* differed from the previous months of this year in that exports exceeded imports for the first time this year. The export surplus was very small, 468 million marks, in August, but considerably larger, or 1,675 million, in September. Nevertheless, this year's surplus of imports was still very large, 26,717 million marks, at the end of September, whereas at the corresponding time last year there was a surplus of exports amounting to 19,304 million. The change that has occurred in the balance of trade since August is due to the steep drop in imports from the earlier months of the year.

The indices of *industrial production* record a fall almost all along the line and especially in comparison with last year and the early months of this year. The volume index of total industrial production (1948 = 100) rose, it is true, from July — the quietest time of the year owing to holidays — to September from 93 to 128 points, but was in both months much below the corresponding figures for the previous year, 109 and 137. Although productive activity, as illustrated by the index, has decreased very much since last year, this should not be interpreted as activity in industry having in a large measure come to a standstill. To some extent workers have had to be dismissed and machines stopped, but this has by no means become a general phenomenon.

October 30, 1952.

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

	1951	1952					
	Mill. mk	Mill. mk					
	31/10	31/5	30/6	31/7	30/8	30/9	31/10
ASSETS.							
Gold Reserve	5 420	5 865	5 865	5 865	5 865	5 865	5 865
Foreign Currency	15 730	17 400	14 478	12 831	11 836	9 741	9 467
Foreign Bills	2 687	5 789	6 289	6 316	5 395	5 345	5 547
Foreign Bank Notes and Coupons	203	138	154	172	163	164	159
Foreign Clearing Accounts	846	6 269	4 970	3 859	2 048	1 672	3 243
IFB-cover ¹⁾	1 662	1 662	1 662	1 662	1 662	1 662	1 662
Inland Bills	28 368	25 796	29 876	30 205	37 358	38 409	38 039
Loans on Security	47	57	57	57	57	57	57
Advances on Current Accounts	445	489	264	387	370	529	441
Bonds	939	953	1 065	1 053	1 052	1 169	1 166
Sundry Assets	2 816	772	673	809	817	541	670
Total	59 163	65 190	65 353	63 216	66 623	65 154	66 316
LIABILITIES.							
Notes in circulation	42 014	46 579	45 052	44 173	45 193	43 768	42 440
Other Liabilities payable on demand:							
Current Accounts less Banker's cheques ..	²⁾ 993	1 323	2 075	137	2 221	1 645	2 412
Bank-Post-Bills	33	89	79	117	50	44	37
Mark Accounts of holders abroad	762	2 041	2 050	2 222	2 344	2 242	3 424
Foreign Clearing Accounts	—	—	—	—	—	—	—
IFB ¹⁾	1 662	1 662	1 662	1 662	1 662	1 662	1 662
Sundry Accounts	197	135	329	141	85	104	255
Foreign Debt	1 825	2 264	2 287	2 414	2 473	2 458	2 531
Capital	5 000	5 000	5 000	5 000	5 000	5 000	5 000
Reserve Fund	1 527	2 234	2 234	2 234	2 234	2 234	2 234
Earnings less Expenses	1 102	547	653	762	867	957	1 076
Undisposed Profits	—	7	7	7	7	7	7
Sundry Liabilities	4 048	3 309	3 925	4 347	4 487	5 033	5 238
Total	59 163	65 190	65 353	63 216	66 623	65 154	66 316

2. — NOTE ISSUE OF THE BANK OF FINLAND.

	1951	1952					
	Mill. mk	Mill. mk					
	31/10	31/5	30/6	31/7	30/8	30/9	31/10
RIGHT TO ISSUE NOTES.							
Gold Reserve and Foreign Balances ³⁾	24 040	29 192	26 786	25 184	23 259	21 115	21 038
Additional Right of Issue	50 000	50 000	50 000	50 000	50 000	50 000	50 000
Total	74 040	79 192	76 786	75 184	73 259	71 115	71 038
AMOUNT OF ISSUE USED.							
Notes in circulation	42 014	46 579	45 052	44 173	45 193	43 768	42 440
Other Liabilities payable on demand	5 472	5 250	6 195	4 279	6 362	5 697	7 790
Undrawn Advances on Current Accounts	579	540	765	641	656	498	585
Total	48 065	52 369	52 012	49 093	52 211	49 963	50 815
NOTE RESERVE.							
Available	6 005	4 281	6 312	7 958	10 068	11 223	9 924
Dependent on supplementary cover	19 970	22 542	18 462	18 133	10 980	9 929	10 299
Total	25 975	26 823	24 774	26 091	21 048	21 152	20 223
Grand total	74 040	79 192	76 786	75 184	73 259	71 115	71 038

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

²⁾ Banker's cheques not deducted.

³⁾ 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
	1950	1951	1952	Monthly Movement	1950	1951	1952	Monthly Movement	1950	1951	1952	Monthly Movement	
	<i>29 606</i>				<i>2 428</i>				<i>108.0</i>				
Jan.	27 790	31 820	40 134	— 4 640	2 888	5 445	22 496	—1 627	108.4	110.2	107.2	+ 2.0	Jan.
Feb.	29 491	36 647	43 428	+ 3 294	4 160	6 111	22 654	+ 158	109.7	106.6	103.8	— 3.4	Feb.
March	29 935	37 447	44 044	+ 616	4 734	5 133	20 937	—1 717	106.4	102.6	105.8	+ 2.0	March
April	30 266	38 329	44 338	+ 294	5 316	4 235	18 005	—2 932	112.8	101.6	106.2	+ 0.4	April
May	30 326	39 055	46 579	+2 241	5 016	4 328	17 400	— 605	114.1	107.5	108.2	+ 2.0	May
June	31 328	39 670	45 052	—1 527	4 930	4 457	14 478	—2 922	110.9	105.4	112.1	+ 3.9	June
July	32 734	39 826	44 173	— 879	6 230	7 352	12 831	—1 647	112.0	107.7	116.2	+ 4.1	July
Aug.	34 014	41 446	45 193	+1 020	6 250	12 421	11 836	— 995	112.5	109.0	119.3	+ 3.1	Aug.
Sept.	34 004	42 272	43 768	—1 425	6 423	13 484	9 741	—2 095	114.3	111.0	122.5	+ 3.2	Sept.
Oct.	32 484	42 014	42 440	—1 328	4 506	15 730	9 467	— 274	114.9	112.5	119.5	— 3.0	Oct.
Nov.	33 916	44 053			3 959	16 826			113.2	107.8			Nov.
Dec.	34 383	44 774			5 510	24 123			108.0	105.2			Dec.

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
	1950	1951	1952	1950	1951	1952	Monthly Movement	1950	1951	1952	Monthly Movement	
	<i>4 964</i>			<i>40 302</i>				<i>2 428</i>				
Jan.	4 924	18 173	32 897	37 360	36 453	20 661	— 33	1 005	5 735	217	+ 201	Jan.
Feb.	5 748	14 900	30 482	39 720	38 520	21 901	+1 240	1 969	10 652	1 995	+1 778	Feb.
March	4 473	11 658	30 467	38 876	39 810	22 961	+1 060	830	8 090	4 994	+2 999	March
April	16 292	11 687	29 011	39 493	39 451	24 593	+1 632	20	10 888	7 655	+2 661	April
May	16 585	13 734	26 823	39 663	40 285	28 004	+3 411	2 312	11 345	8 332	+ 677	May
June	16 677	10 821	24 774	39 157	42 318	31 869	+3 855	3 102	15 560	9 961	+1 629	June
July	15 340	13 616	26 091	40 795	40 749	32 311	+ 452	2 244	11 930	7 346	—2 615	July
Aug.	15 111	17 206	21 048	41 386	37 556	39 447	+7 136	1 486	4 346	5 716	—1 630	Aug.
Sept.	14 388	19 745	21 152	42 493	36 123	40 657	+1 210	2 612	3 945	7 411	+1 695	Sept.
Oct.	13 937	25 975	20 223	43 024	30 522	40 199	— 458	2 335	723	8 422	+1 011	Oct.
Nov.	12 271	24 169		44 074	30 251			3 283	18			Nov.
Dec.	13 553	32 359		40 535	20 694			6 913	16			Dec.

¹⁾ IFB-cover, inland bills, loans on security and advances on current accounts.

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

End of Month	Treasury Bills ¹⁾ (included in Home Loans) Mill. mk			Private Bills (included in Home Loans) Mill. mk			Balance of Current Accounts due to others than the Treasury ²⁾ Mill. mk				End of Month
	1950	1951	1952	1950	1951	1952	1950	1951	1952	Monthly Movement	
	<i>22 030</i>			<i>15 351</i>			<i>1 865</i>				
Jan.	21 130	16 730	8 115	14 930	13 647	12 253	1 839	318	2 599	—1 472	Jan.
Feb.	21 630	13 230	6 656	15 625	14 215	12 803	2 618	292	2 160	— 439	Feb.
March	21 830	16 630	4 874	15 835	14 870	12 543	3 293	2 029	2 095	— 65	March
April	23 430	12 530	3 180	15 605	15 652	13 247	2 540	641	1 171	— 924	April
May	21 230	<i>11 922</i>	4 153	15 731	16 554	14 973	1 149	1 418	1 517	+ 346	May
June	19 830	9 707	5 443	14 946	16 649	16 134	1 010	2 735	2 671	+1 154	June
July	23 330	13 777	8 769	14 413	14 595	15 752	2 138	1 093	633	—2 038	July
Aug.	25 230	20 542	13 057	13 751	12 620	15 247	2 023	1 704	2 635	+2 002	Aug.
Sept.	25 530	20 459	16 935	13 969	11 447	15 725	3 503	1 335	2 001	— 634	Sept.
Oct.	26 230	18 369	15 874	14 125	10 938	15 406	1 614	993	2 584	+ 583	Oct.
Nov.	25 730	18 032		14 743	11 777		747	2 071			Nov.
Dec.	19 730	8 686		13 516	11 567		1 270	4 071			Dec.

¹⁾ IFB-cover included.

²⁾ Since May, 1951, the Balance of Current Accounts due to the Treasury is included in Treasury Bills. The figures in italics indicate the position at the end of the previous year.

Bank Rate since December 16, 1951, 5 3/4 %.
(Former Rate 7 3/4 %)

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

End of Month	Net Claims (+) or Net Indebtedness (—) Mill. mk			
	1950	1951	1952	Monthly Movement
	<i>—1 297</i>			
Jan.	— 446	— 647	+3 361	+ 64
Feb.	— 277	+ 355	+4 545	+1 184
March	+ 125	+ 676	+6 427	+1 882
April	— 28	+ 893	+6 930	+ 503
May	— 134	— 347	+6 269	— 661
June	— 9	—1 644	+4 970	—1 299
July	+ 120	—1 711	+3 859	—1 111
Aug.	— 151	—1 922	+2 048	—1 811
Sept.	+ 62	— 763	+1 672	— 376
Oct.	—1 638	+ 846	+3 243	+1 571
Nov.	—2 127	+1 373		
Dec.	—1 662	+3 297		

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

		1951 31/12	1952 31/10
New York	1 Dollar	231:—	231:—
London	1 Pound	646:—	646:—
Stockholm	100 Kronor	4 450:—	4 450:—
Copenhagen	100 Kroner	3 340:—	3 340:—
Oslo	100 Kroner	3 235:—	3 235:—
Paris	100 Francs	66:—	66:—
Brussels	100 Francs	462:—	462:—
Amsterdam	100 Guilders	6 090:—	6 090:—
Zürich	100 Francs	5 300:—	5 300:—
Frankfurt a/M	100 DM	—	5 500:—
Prague	100 Koruny	462:—	462:—
Montreal, nom.	1 Dollar	227:—	240:—
Rio de Janeiro	100 Cruzeiros	1 260:—	1 260:—
Moscow, nom.	100 Rubel	5 775:—	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 Mill. mk		Deposits Mill. mk		Mill. mk		Mill. mk			Mill. mk		
	1951	1952	1951	1952	1951	1952	1950	1951	1952	1951	1952	
	<i>24 461</i>		<i>36 579</i>		<i>4 933</i>		<i>61 980</i>		<i>5 692</i>			
Jan.	24 247	38 478	37 344	48 051	5 614	8 348	64 561	67 205	94 877	4 625	204	Jan.
Feb.	21 534	35 190	37 824	49 528	5 373	8 466	61 938	64 731	93 184	10 289	1 983	Feb.
March	28 762	36 897	37 882	50 704	5 798	8 464	65 166	72 442	96 065	7 852	4 972	March
April	25 348	30 681	38 189	51 512	5 694	7 652	66 150	69 231	89 845	10 563	7 311	April
May	28 468	30 493	38 421	52 259	5 597	7 433	64 120	72 486	90 185	10 892	7 502	May
June	32 822	32 803	38 541	52 251	6 006	6 786	64 217	77 369	91 840	14 894	8 345	June
July	28 659	31 221	39 207	53 426	6 685	8 184	65 506	74 551	92 831	11 375	8 517	July
Aug.	33 580	30 396	41 322	55 654	7 131	8 873	65 987	82 033	94 923	4 086	5 696	Aug.
Sept.	32 853	31 937	41 930	55 754	6 250	7 409	66 459	81 033	95 100	3 725	6 553	Sept.
Oct.	34 753	29 354	42 280	55 802	7 922	7 533	63 932	84 955	92 739	703	7 406	Oct.
Nov.	41 947		42 797		8 684		63 307	93 428		—		Nov.
Dec.	42 768		46 678		7 740		65 973	97 186		—		Dec.

Tables 7—9 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		Total				End of Month	
	Inland Bills Mill. mk		Other Credits Mill. mk		Mill. mk		Mill. mk			Monthly Movement		
	1951	1952	1951	1952	1951	1952	1950	1951	1952			
	<i>34 498</i>		<i>32 941</i>		<i>3 092</i>		<i>59 796</i>					
Jan.	36 189	52 380	34 762	36 466	2 890	3 629	61 408	73 841	92 475	+3 237	Jan.	
Feb.	38 141	55 207	34 085	36 663	2 821	3 770	62 197	75 047	95 640	+3 165	Feb.	
March	39 768	58 481	34 176	37 019	2 770	4 139	62 795	76 714	99 639	+3 999	March	
April	43 054	60 339	34 601	36 697	2 792	3 691	64 618	80 447	100 727	+1 088	April	
May	45 977	61 144	34 608	36 892	3 000	3 818	65 845	83 585	101 854	+1 127	May	
June	48 333	61 153	36 067	37 595	3 299	3 656	65 617	87 699	102 404	+ 550	June	
July	49 658	63 550	34 781	37 797	3 392	3 750	65 653	87 831	105 097	+2 693	July	
Aug.	48 141	62 124	34 249	37 779	3 406	4 321	65 249	85 796	104 224	— 873	Aug.	
Sept.	47 070	61 998	35 521	37 779	3 549	4 440	65 720	86 140	104 217	— 7	Sept.	
Oct.	48 115	62 979	34 756	37 689	3 958	4 494	66 365	86 829	105 162	+ 945	Oct.	
Nov.	49 720		35 804		3 775		68 316	89 299			Nov.	
Dec.	49 884		35 694		3 660		70 531	89 238			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	
	1950	1951	1952	1950	1951	1952	1950	1951	1952	Monthly Movement		
	<i>2 714</i>			<i>2 220</i>			<i>+ 494</i>					
Jan.	2 804	4 579	10 052	1 939	4 287	9 238	+ 865	+ 292	+ 814	—1 592	Jan.	
Feb.	2 279	5 047	9 535	1 928	4 360	9 572	+ 351	+ 687	— 37	— 851	Feb.	
March	2 342	5 475	9 078	1 879	5 309	9 834	+ 463	+ 166	— 756	— 719	March	
April	2 726	6 718	7 800	2 150	6 563	11 107	+ 576	+ 155	—3 307	—2 551	April	
May	2 377	7 570	7 429	2 105	6 929	10 968	+ 272	+ 641	—3 539	— 232	May	
June	2 968	9 581	8 158	2 252	7 198	10 016	+ 716	+2 383	—1 858	+1 681	June	
July	3 136	7 528	8 769	1 992	7 108	9 698	+1 144	+ 420	— 929	+ 929	July	
Aug.	3 911	9 365	8 549	2 342	8 569	8 669	+1 569	+ 796	— 120	+ 809	Aug.	
Sept.	3 552	8 483	9 091	3 204	8 426	9 457	+ 348	+ 57	— 366	— 246	Sept.	
Oct.	4 184	9 134	8 906	3 555	8 125	9 276	+ 629	+1 009	— 370	— 4	Oct.	
Nov.	4 275	11 375		4 193	8 361		+ 82	+3 014			Nov.	
Dec.	4 867	10 608		4 454	8 202		+ 413	+2 406			Dec.	

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

End of Month	Net Claims (+) or Net Indebtedness (—) Mill. mk				End of Month
	1950	1951	1952	Monthly Movement	
	<i>—3 787</i>				
Jan.	—2 848	— 1 104	+24 494	—3 224	Jan.
Feb.	—2 589	+ 908	+24 972	+ 478	Feb.
March	—1 796	— 165	+24 214	— 758	March
April	—1 443	— 955	+20 427	—3 787	April
May	—2 200	+ 1 058	+19 952	— 475	May
June	—1 638	+ 1 779	+17 880	—2 072	June
July	+ 377	+ 1 059	+15 779	—2 101	July
Aug.	+1 262	+ 7 661	+12 680	—3 099	Aug.
Sept.	+ 851	+ 9 687	+10 030	—2 650	Sept.
Oct.	—2 573	+16 023	+10 270	+ 240	Oct.
Nov.	—4 455	+19 351			Nov.
Dec.	—2 250	+27 718			Dec.

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

End of Month	Giro Accounts Mill. mk				Deposits Mill. mk				End of Month
	1951	1952	1950	1951	1952	Monthly Movement			
			<i>12 237</i>						
Jan.	5 487	6 692	12 486	14 024	19 461	+1 218	Jan.		
Feb.	5 744	7 260	12 841	14 448	20 490	+1 029	Feb.		
March	9 151	12 153	12 991	14 962	20 849	+ 359	March		
April	5 442	6 322	12 809	15 091	20 927	+ 78	April		
May	6 506	6 086	13 029	15 191	21 087	+ 160	May		
June	12 806	16 155	12 894	15 397	21 202	+ 115	June		
July	6 233	6 628	13 158	15 675	21 375	+ 173	July		
Aug.	5 626	5 921	13 667	16 595	22 350	+ 975	Aug.		
Sept.	9 465	12 238	13 461	16 828	22 449	+ 99	Sept.		
Oct.	6 519	6 738	13 285	16 981			Oct.		
Nov.	6 229		13 260	17 263			Nov.		
Dec.	11 203		13 892	18 243			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 IFB-cover are taken into account, and for the Commercial Banks their net position is taken into account according to table 9 above.

²⁾ According to figures supplied by the Post Office Savings Bank. 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	
	1950	1951	1952	1950	1951	1952	1949	1950	1951	1952		Monthly Movement
	<i>35 337</i>			<i>2 124</i>			<i>29 334</i>					
Jan.	36 162	40 171	53 546	2 117	2 414	2 862	30 166	38 279	42 585	56 408	+1 194	Jan.
Feb.	36 691	41 029	54 870	2 098	2 264	2 815	30 818	38 789	43 293	57 685	+1 277	Feb.
March	37 119	41 791	56 054	2 014	2 364	2 977	31 496	39 133	44 155	59 031	+1 346	March
April	37 805	42 647	57 223	2 386	2 568	3 476	32 430	39 691	45 215	60 699	+1 668	April
May	36 910	43 166	58 137	2 299	2 599	3 201	32 827	39 209	45 765	61 338	+ 639	May
June	36 513	43 401	58 604	2 219	2 405	3 201	33 046	38 732	45 806	61 805	+ 467	June
July	36 874	44 166	59 995	2 620	2 743	3 791	34 060	39 294	46 909	63 786	+1 981	July
Aug.	36 994	45 201	61 128	2 463	2 756	3 521	34 380	39 457	47 957	64 649	+ 863	Aug.
Sept.	36 829	45 621	61 041	2 379	2 695	3 576	34 282	39 208	48 316	64 617	— 32	Sept.
Oct.	37 015	47 062		2 622	3 281		35 209	39 637	50 343			Oct.
Nov.	37 406	48 187		2 452	3 311		35 565	39 858	51 498			Nov.
Dec.	39 687	52 307		2 208	2 897		37 461	41 895	55 204			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
	1949	1950	1951	1952	Monthly Movement	1949	1950	1951	1952	Monthly Movement	
	<i>14 028</i>					<i>3 665</i>					
Jan.	14 248	18 441	21 887	32 388	+ 730	3 770	4 768	5 528	8 989	+ 547	Jan.
Feb.	14 550	18 876	22 493	33 526	+1 138	3 904	4 922	5 844	9 440	+ 451	Feb.
March	15 124	19 358	23 441	34 639	+1 113	4 024	5 071	6 226	9 793	+ 353	March
April	15 408	19 527	24 001	35 426	+ 787	4 076	5 151	6 700	10 047	+ 254	April
May	15 660	19 380	24 401	36 135	+ 709	4 113	5 051	6 794	10 374	+ 327	May
June	15 731	19 099	24 549	36 162	+ 27	4 094	4 957	6 825	10 260	— 114	June
July	16 118	19 402	25 381	37 040	+ 878	4 118	4 924	6 913	10 293	+ 33	July
Aug.	17 015	20 115	27 166	38 517	+1 447	4 151	4 961	7 024	10 292	— 1	Aug.
Sept.	16 984	20 059	27 548	38 106	— 411	4 178	4 937	7 170	10 204	— 88	Sept.
Oct.	17 196	20 092	28 667			4 189	4 957	7 459			Oct.
Nov.	17 235	20 464	29 645			4 277	5 065	7 781			Nov.
Dec.	18 189	21 609	31 658			4 649	5 356	8 442			Dec.

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

15. — DEPOSITS IN ALL CREDIT INSTITUTIONS.¹⁾

End of Month	Time Deposits Mill. mk		Total Deposits due to the Public Mill. mk		
	1951	1952	1951	1952	Monthly Movement
	<i>115 838</i>		<i>144 109</i>		
Jan.	117 804	160 958	145 945	204 803	+1 220
Feb.	120 500	166 497	145 828	206 905	+2 102
March	122 891	170 526	155 791	213 104	+6 199
April	125 206	173 313	155 077	210 185	—2 919
May	126 585	176 108	159 660	212 285	+2 100
June	127 323	176 619	164 306	214 949	+2 664
July	129 897	180 171	163 158	217 802	+2 853
Aug.	135 781	186 003	174 361	222 396	+4 594
Sept.	137 352	185 580	175 058	223 516	+1 120
Oct.	140 486		180 889		
Nov.	143 689		191 560		
Dec.	155 516		203 583		

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⁾				
	1951		1952		
	Number	Amount Mill. mk	Number	Amount Mill. mk	
	<i>13 781</i>	<i>2 187</i>	<i>15 251</i>	<i>2 804</i>	
Jan.	17 251	2 795	17 281	3 160	Jan.
Feb.	18 550	3 084	17 346	3 243	Feb.
March	17 733	2 939	15 389	2 883	March
April	18 756	3 143	15 417	2 864	April
May	15 895	2 678	14 282	2 725	May
June	10 984	1 809	9 811	1 821	June
July	11 862	2 009	11 015	2 053	July
Aug.	13 830	2 458	13 168	2 718	Aug.
Sept.	18 296	3 232			Sept.
Oct.	18 856	3 393			Oct.
Nov.	19 890	3 746			Nov.
Dec.					Dec.
	<i>195 684</i>	<i>33 473</i>			Total
	138 642	23 102	128 960	24 271	Jan.-Sept.

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

17. — CHANGES IN NUMBER AND CAPITAL OF LIMITED COMPANIES.¹⁾

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	
1948	1 316	1 679	691	4 367	183	235	+1 157	+ 5 811	+ 67	+ 241	1948
1949	1 390	1 573	622	8 695	276	353	+1 152	+ 9 915	+ 173	+1 049	1949
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	254	611	+ 782	+11 152	+ 172	+1 850	1951
1951											1951
Jan.-March	296	568	125	1 793	71	428	+ 228	+ 1 933	+ 23	+ 242	Jan.-March
April-June	233	1 227	145	1 395	55	29	+ 180	+ 2 593	+ 34	+ 744	April-June
July-Sept.	209	1 006	157	1 504	58	109	+ 156	+ 2 401	+ 51	+ 568	July-Sept.
Oct.-Dec.	287	487	244	3 783	70	45	+ 218	+ 4 225	+ 64	+ 296	Oct.-Dec.
1952											1952
Jan.-March	270	1 557	197	6 008	75	47	+ 195	+ 7 513	+ 26	+ 359	Jan.-March
April-June	301	1 254	172	2 400	69	31	+ 232	+ 3 623	+ 61	+ 828	April-June
July-Sept.	235	578	164	924	61	25	+ 174	+ 1 477	+ 45	+ 501	July-Sept.

Figures supplied by the Central Statistical Office.

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

18. — BANKRUPTCIES.

Month	Bankruptcies ¹⁾ Number				
	1948	1949	1950	1951	1952*
January	9	22	48	20	54
February	8	25	55	26	47
March	14	42	55	12	27
April	12	38	38	26	40
May	10	43	21	15	27
June	5	19	19	10	12
July	7	27	15	4	9
August	12	12	5	15	9
September	12	28	44	8	12
October	15	22	36	41	
November	11	25	42	51	
December	25	76	28	11	
Total	140	379	406	239	
Jan.-Sept.	89	256	300	136	237

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				
	1948	1949	1950	1951	1952*
January	122	89	148	287	187
February	105	84	155	248	166
March	106	217	235	264	203
April	147	189	358	281	194
May	89	84	299	219	243
June	120	157	226	238	107
July	100	76	185	162	145
August	91	124	235	230	156
September	93	151	318	216	136
October	99	141	340	192	169
November	113	131	228	215	
December	91	174	229	229	
Total	1 276	1 617	2 956	2 781	
Jan.-Oct.	1 072	1 312	2 499	2 337	1 706

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			
	1950	1951	1952	1950	1951	1952	1950	1951	1952	
January	116	210	203	115	137	137	116	226	217	January
February	120	221	199	117	137	139	121	240	211	February
March	128	242	194	112	130	130	132	266	207	March
April	145	229	187	132	127	129	149	251	198	April
May	157	205	169	140	126	121	162	222	178	May
June	162	210	166	142	125	119	166	227	174	June
July	175	199	177	145	125	122	183	214	187	July
August	180	207	180	147	128	123	189	223	191	August
September	181	209	177	144	133	123	190	224	187	September
October	195	198	172	143	129	122	207	212	181	October
November	193	189		138	129		212	201		November
December	184	203		134	132		195	217		December
Whole year	162	210		134	130		168	227		Whole year

Unitas 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. mk ¹⁾									Mill. Dollars ²⁾	End of Year and Month
	Funded Debt			Short-term Credit			Total Public Debt				
	Foreign	Internal	Total	Foreign	Internal	Total	Foreign	Internal	Total		
1947	33 484	57 292	90 776	5 073	22 251	27 324	38 557	79 543	118 100	868	1947
1948	38 512	53 523	92 035	5 093	24 489	29 582	43 605	78 012	121 617	894	1948
1949	57 487	48 162	105 649	5 666	28 550	34 216	63 153	76 712	139 865	605	1949
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											1952
April	64 994	41 533	106 527	4 086	6 474	10 560	69 080	48 007	117 087	507	April
May	64 893	41 739	106 632	4 068	7 109	11 177	68 961	48 848	117 809	510	May
June	64 639	41 940	106 579	4 045	17 077	21 122	68 684	59 017	127 701	553	June
July	64 395	41 655	106 050	3 978	10 838	14 816	68 373	52 493	120 866	523	July
Aug.	64 231	40 525	104 756	3 947	18 616	22 563	68 178	59 141	127 319	551	Aug.
Sept.	64 307	40 826	105 133	3 933	24 614	28 547	68 240	65 440	133 680	579	Sept.
Oct.	64 182	40 895	105 077	3 907	16 913	20 820	68 089	57 808	125 897	545	Oct.

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.

* 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 ²⁾	Profits of Business enterprises ³⁾	Total	Loans			Total	Redemptions	
Mill. mk								Mill. mk				
1950	137 219	129 643	109 278	1 311	— 926	7 576	6 075	143 342	102 006	41 336	10 014	1950
1951	204 633	182 448	150 152	1 892	4 387	22 185	19 712	206 987	143 924	63 063	20 009	1951
1952 Budget Suppl. ³⁾	171 397 1 334	162 377 108	134 466 —	1 857 —	4 001 28	9 020 1 226	7 123 1 000	171 357 14 410	130 404 6 408	40 953 8 002	10 467 —	1952 Budget Suppl. ³⁾
1951 Jan.-Aug.	111 510	105 230	83 992	1 212	310	6 280	5 323	103 111	86 523	16 588	4 840	1951 Jan.-Aug.
1952 Jan.-Aug.	130 153	125 330	100 509	1 657	— 411	4 823	3 205	125 012	943 338	30 674	12 167	1952 Jan.-Aug.

Tables 21—22 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 May and October.

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
Mill. mk												
1950	35 063	30 618	70 524	33 548	13 084	11 493	12 398	7 942	1 993	3 691	11 105	1950
1951	42 087	41 219	102 965	62 178	16 202	12 017	12 567	8 906	634	5 100	16 181	1951
1952 Budget	35 670	35 000	93 196	51 000	16 500	14 145	11 551	8 700	50	5 600	15 000	1952 Budget
1951 Jan.-Aug.	24 808	24 180	56 065	29 630	10 035	8 083	8 317	5 797	582	3 119	9 984	1951 Jan.-Aug.
1952 Jan.-Aug.	27 820	27 422	68 864	33 924	14 530	12 407	8 003	5 587	490	3 825	11 122	1952 Jan.-Aug.

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

24. — VALUE OF IMPORTS AND EXPORTS.

Month	Imports (c. i. f.) Mill. mk			Exports (f. o. b., free exports) Mill. mk			Surplus of Imports (—) or Exports (+) Mill. mk			Month
	1950	1951	1952	1950	1951	1952*	1950	1951	1952*	
January	6 522	7 516	15 197	4 274	8 286	14 637	— 2 248	+ 770	— 560	January
February	6 112	8 608	15 763	4 202	7 314	13 144	— 1 910	— 1 294	— 2 619	February
March	6 735	6 980	16 287	4 596	7 621	11 559	— 2 139	+ 641	— 4 728	March
April	6 596	11 285	17 305	5 372	10 187	11 389	— 1 224	— 1 098	— 5 916	April
May	7 069	13 231	19 513	5 769	16 297	13 010	— 1 300	+ 3 066	— 6 503	May
June	7 331	14 838	18 176	8 175	15 095	12 291	+ 844	+ 257	— 5 885	June
July	7 084	12 711	16 809	9 323	18 572	14 160	+ 2 239	+ 5 861	— 2 649	July
August	7 170	15 242	12 190	9 117	21 431	12 658	+ 1 947	+ 6 189	+ 468	August
September	8 204	15 432	11 894	7 627	20 344	13 569	— 577	+ 4 912	+ 1 675	September
October	8 248	17 008	12 093	5 736	22 292	14 310	— 2 512	+ 5 284	+ 2 217	October
November	7 961	16 506		7 303	20 030		— 658	+ 3 524		November
December	10 116	16 107		9 985	19 414		— 131	+ 3 307		December
Total	89 148	155 464		81 479	186 883		— 7 669	+ 31 419		Total
Jan.-Oct.	71 071	122 851	155 227	64 191	147 439	130 727	— 6 880	+ 24 588	— 24 500	Jan.-Oct.

Tables 25—28 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 (o. i. f.) Mill. mk					Exports (f. o. b.) Mill. mk				
	Whole year		January—September			Whole year		January—September		
	1950	1951	1950	1951	1952*	1950	1951	1950	1951	1952*
Dairy produce, eggs, honey	589	1 554	587	198	353	1 750	1 816	1 251	1 510	2 058
Other animal products, live animals	527	939	286	534	327	270	286	209	140	100
Vegetables	64	178	50	165	118	24	0	24	0	—
Eatable fruit	1 283	1 260	859	711	2 819	66	98	25	22	58
Coffee, tea, spices	3 387	4 397	2 166	3 082	4 257	—	—	—	—	0
Cereals, milling products..	5 361	9 955	3 828	7 163	11 690	350	189	212	189	200
Certain seeds and fruit, plants for industrial purposes	239	457	168	395	467	216	304	158	140	203
Raw materials for tanning and dyeing	100	141	68	113	52	—	—	—	—	1
Animal and vegetable fats	2 253	3 478	1 590	2 579	2 096	18	6	12	1	21
Meat and fish products ..	153	345	72	211	377	6	3	6	0	3
Sugar, sweets	3 533	4 360	2 441	3 191	3 522	20	26	14	18	14
Beverages, vinegars	315	758	168	428	552	650	992	150	715	27
Fodder	789	1 973	412	1 286	1 927	—	—	—	—	10
Tobacco	931	1 284	684	916	1 160	—	—	—	—	—
Minerals, ore	1 208	2 377	832	1 643	1 533	287	365	187	223	509
Mineral fuel and oils	10 937	20 672	7 394	13 319	18 123	5	2	1	1	5
Chemical and pharmaceutical products	2 783	5 048	1 932	3 669	3 398	296	324	224	233	189
Tanning and dyeing extracts, varnishes	1 918	3 045	1 355	2 404	1 375	2	7	2	5	6
Casein, albumen, glues	404	691	308	514	328	1	0	1	0	1
Fertilizers	2 206	3 799	1 471	2 649	3 338	1	—	1	—	0
Hides, skins, leather and furs; manufactures of these materials	1 484	2 945	1 114	2 306	1 162	674	426	563	396	599
Rubber and rubber articles	1 126	3 840	773	2 908	1 588	20	6	10	5	4
Wood and wood goods ..	154	312	114	218	213	35 585	73 407	24 945	50 064	51 973
Woodpulp	3	7	3	4	12	18 789	61 818	14 185	40 443	29 640
Cardboard and paper, their applications	120	179	80	112	181	16 273	37 290	11 922	25 454	23 059
Textile materials, textile goods	16 021	26 907	11 871	19 468	19 648	1 142	1 257	901	861	972
Footwear	55	118	40	42	89	7	12	7	10	0
Articles of stone and of other mineral material, glass	752	1 126	522	659	1 070	511	600	365	411	364
Base metals; articles made therefrom	12 397	22 229	8 970	14 495	23 713	1 216	2 067	1 024	1 675	1 396
Machinery, apparatus	7 399	10 262	5 087	6 624	12 261	1 298	1 952	677	1 001	1 900
Electric machinery and apparatus	3 812	4 887	2 707	3 178	5 191	356	666	319	401	490
Transport material	4 086	11 258	2 992	7 465	16 283	1 049	2 301	654	794	2 022
Instruments, clocks and watches, musical instruments	721	1 172	471	805	1 367	27	48	21	40	45
All others	2 038	3 511	1 408	2 439	2 544	570	615	385	395	548
Total free trade	89 148	155 464	62 823	105 843	143 134	81 479	186 883	58 455	125 147	116 417
Reparation deliveries						7 846	12 396	6 070	9 707	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
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	0	6 459	20 001	734	139	1 409	8 551	6 075	6 758	January
February	—	13 469	24 219	1 688	797	2 116	8 469	9 866	8 507	February
March	3 662	17 916	30 649	1 407	1 431	1 771	5 960	5 794	7 635	March
April	23 071	22 948	34 448	769	926	1 187	9 827	8 438	9 921	April
May	10 405	26 173	38 863	1 372	1 807	2 271	8 250	10 554	9 368	May
June	10 564	7 857	31 078	1 261	1 699	1 847	6 765	9 412	13 710	June
July	44 656	12 742	22 783	529	310	1 949	9 343	9 407	15 540	July
August	40 681	25 636	16 028	991	1 148	1 688	10 589	8 312	10 417	August
September	17 439	23 070	1 898	1 680	1 590	1 690	11 462	10 518	8 963	September
October	20 683	12 523		1 669	1 791		11 743	10 388		October
November	11 313	24 051		1 718	1 502		11 541	7 735		November
December	20 770	21 651		1 101	1 631		8 398	10 699		December
Total	203 244	214 495		14 919	14 771		110 898	107 198		Total
Jan.-Sept.	150 478	156 270	219 967	10 431	9 847	15 928	79 216	78 376	90 819	Jan.-Sept.

Month	Raw Tobacco Tons			Coal and Coke Tons			Petrol Tons			Month
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	358	388	442	220 603	187 312	245 332	23 373	13 235	20 012	January
February	333	403	425	142 476	145 243	190 351	16 710	18 733	17 260	February
March	375	339	387	79 096	95 080	120 097	16 488	21 068	20 437	March
April	311	397	362	65 865	106 882	173 122	16 179	17 546	20 787	April
May	402	395	461	108 871	242 342	253 915	20 161	21 034	24 681	May
June	434	442	435	161 157	167 149	308 438	20 355	24 842	26 130	June
July	109	115	240	156 373	202 822	250 309	18 412	27 459	28 099	July
August	496	499	443	151 303	169 090	300 973	17 928	26 498	19 213	August
September	424	416	469	276 046	236 888	234 381	30 648	23 259	29 688	September
October	379	470		212 053	284 008		19 129	25 287		October
November	438	439		138 197	302 154		18 569	24 721		November
December	211	310		217 259	244 744		25 650	22 424		December
Total	4 270	4 613		1 929 299	2 333 714		243 602	266 106		Total
Jan.-Sept.	3 242	3 394	3 664	1 361 790	1 552 808	2 076 918	180 254	193 674	206 307	Jan.-Sept.

Month	Mineral oils Tons			Fertilizers Tons			Raw Cotton Tons			Month
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	7 395	23 344	24 460	11 560	43 965	43 900	578	923	596	January
February	1 119	7 910	33 365	11 070	28 656	26 194	454	993	1 401	February
March	1 076	14 437	26 832	16 987	18 749	23 591	305	158	876	March
April	7 870	7 845	33 223	18 992	15 203	47 921	689	1 547	2 244	April
May	19 257	10 859	22 801	28 552	48 609	62 156	1 126	1 105	1 335	May
June	28 225	46 398	27 219	32 131	63 686	45 710	1 281	1 188	1 149	June
July	15 392	17 642	25 050	31 216	47 137	63 132	846	342	1 631	July
August	23 129	16 323	20 192	45 108	52 307	52 957	69	1 596	1	August
September	31 120	22 293	27 424	32 466	47 021	45 426	1 368	1 244	554	September
October	29 023	29 683		46 049	75 529		33	1 575		October
November	43 557	34 459		30 442	61 291		940	863		November
December	38 110	28 844		32 428	28 138		857	1 409		December
Total	245 273	260 037		337 001	530 291		8 546	12 943		Total
Jan.-Sept.	134 583	167 051	240 566	228 082	365 333	410 987	6 716	9 096	9 787	Jan.-Sept.

* 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
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	175	50	1 630	4 383	5 042	10 512	8 317	8 748	11 066	January
February	376	14	1 515	8 204	7 889	11 258	6 153	7 543	13 689	February
March	1 843	40	50	6 458	6 552	14 462	6 662	6 515	12 356	March
April	135	260	3 339	4 405	8 433	11 628	8 408	6 928	11 779	April
May	362	254	3 016	5 136	9 885	11 746	7 626	10 296	12 377	May
June	567	3 917	1 274	5 801	13 914	15 493	9 791	8 955	12 004	June
July	375	127	4 767	7 707	12 465	12 469	7 379	11 516	11 277	July
August	100	656	2 073	5 811	11 940	11 355	4 322	10 939	6 657	August
September	100	111	2 703	6 178	14 687	10 813	3 547	8 829	8 829	September
October	1 056	1 056		7 672	12 598		7 170	16 158		October
November	678	210		6 715	10 481		5 981	10 168		November
December	2 146	823		7 105	13 294		6 675	9 632		December
Total	7 913	7 518		75 575	127 180		82 031	116 227		Total
Jan.-Sept.	4 033	5 429	20 357	54 083	90 807	109 736	62 205	80 269	100 034	Jan.-Sept.

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
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	23	106	43	55	112	144	23	40	35	January
February	10	72	88	51	109	137	12	29	24	February
March	0	93	70	4	108	139	6	22	21	March
April	—	85	129	99	135	148	23	18	13	April
May	2	116	80	207	247	616	37	54	32	May
June	1	96	62	408	498	678	99	75	40	June
July	29	62	75	623	850	888	114	109	71	July
August	99	98	57	547	1 002	874	113	148	70	August
September	31	111	53	454	835	666	72	118	76	September
October	27	83		381	636		29	104		October
November	124	79		224	475		69	96		November
December	131	37		213	298		86	62		December
Total	477	1 038		3 266	5 305		683	875		Total
Jan.-Sept.	195	839	657	2 448	3 896	4 290	499	613	382	Jan.-Sept.

Month	Matches Tons			Plywood 1 000 m ³			Bobbins (spools) Tons			Month
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	156	147	239	16	21	27	148	215	169	January
February	251	110	190	16	17	19	256	171	137	February
March	277	123	54	21	16	20	358	286	99	March
April	220	127	72	21	27	24	174	449	80	April
May	226	181	117	19	32	19	224	459	80	May
June	105	42	50	15	23	18	247	277	97	June
July	160	109	61	19	20	14	177	282	117	July
August	69	1	37	13	22	10	129	194	42	August
September	247	114	106	11	23	17	111	330	76	September
October	195	242		3	30		9	291		October
November	341	102		19	24		152	339		November
December	234	100		22	24		267	143		December
Total	2 481	1 398		195	279		2 252	3 436		Total
Jan.-Sept.	1 711	954	926	151	201	168	1 824	2 663	897	Jan.-Sept.

¹⁾ Free exports. — ²⁾ 1 standard sawn timber = 4.672 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
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	11 200	19 752	6 914	45 221	47 872	49 647	30 843	32 189	29 197	January
February	11 394	8 906	11 831	37 426	34 942	48 897	28 046	19 760	24 524	February
March	16 299	13 684	8 124	40 227	34 502	41 842	37 343	21 360	15 118	March
April	14 998	25 182	14 456	49 513	51 287	48 180	33 672	28 683	20 198	April
May	17 214	22 282	20 286	44 225	63 585	29 725	35 923	47 246	19 799	May
June	18 795	20 050	8 835	57 354	53 527	26 413	39 102	29 937	13 174	June
July	21 165	25 118	9 000	44 345	48 888	17 867	30 687	39 022	8 091	July
August	17 358	20 439	2 834	39 581	49 028	22 976	24 050	35 223	7 967	August
September	11 363	23 102	11 549	47 564	38 523	39 765	37 204	29 796	23 077	September
October	15 208	16 352		34 709	60 335		14 791	30 806		October
November	11 436	10 488		32 353	48 450		26 976	40 247		November
December	10 875	4 333		40 822	62 779		26 771	33 555		December
Total	177 305	209 738		513 340	593 718		365 408	387 824		Total
Jan.-Sept.	139 786	178 515	93 829	405 456	422 154	325 312	296 870	283 216	161 145	Jan.-Sept.

Month	Cardboard All kinds Tons			Paper All kinds Tons			Newsprint (included in previous column) Tons			Month
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	9 471	13 847	13 285	30 209	37 774	52 270	23 590	28 187	35 768	January
February	11 354	11 221	11 546	46 024	40 937	44 992	35 817	27 218	27 795	February
March	12 787	9 532	9 074	48 232	36 691	41 622	37 825	24 653	25 338	March
April	14 695	13 107	10 474	48 727	49 588	47 863	38 165	29 359	36 967	April
May	13 349	21 542	7 419	42 020	70 326	50 133	29 034	46 721	39 000	May
June	9 876	12 408	6 339	42 045	50 197	36 184	31 522	32 234	28 576	June
July	12 400	14 555	6 107	41 799	56 962	44 957	31 086	33 858	34 731	July
August	12 962	14 602	4 729	36 967	48 229	37 083	25 811	29 010	28 773	August
September	11 867	12 425	6 794	47 597	57 330	50 557	36 332	36 192	34 865	September
October	9 694	13 502		42 526	52 994		31 087	32 936		October
November	8 783	13 212		38 366	45 478		29 264	25 082		November
December	11 633	15 311		41 768	58 636		29 218	36 994		December
Total	188 871	164 764		506 330	605 192		378 751	382 444		Total
Jan.-Sept.	108 761	122 739	75 767	383 670	448 034	405 661	289 182	287 432	291 813	Jan.-Sept.

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	
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
1951 Jan.-Sept.	1 934	2 144	1 526	1 977	1 585	2 564	2 480	3 031	3 422	2 126	1951 Jan.-Sept.
1952 Jan.-April	1 857	1 986	1 536	2 080	1 472	3 362	3 077	3 509	4 486	2 674	1952 Jan.-April
Jan.-May	1 857	2 002	1 531	2 077	1 439	3 232	3 027	3 414	4 212	2 708	Jan.-May
Jan.-June	1 866	2 026	1 537	2 058	1 425	3 128	2 854	3 351	4 029	2 613	Jan.-June
Jan.-July	1 876	2 032	1 545	2 071	1 417	3 034	2 721	3 389	3 824	2 556	Jan.-July
Jan.-Aug.	1 876	2 020	1 576	2 062	1 414	2 933	2 618	3 354	3 627	2 491	Jan.-Aug.
Jan.-Sept.	1 868	2 005	1 577	2 053	1 409	2 828	2 532	3 187	3 405	2 443	Jan.-Sept.

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 (s. i. f.)					Exports (f. o. b., free exports)				
	Whole year		January—September			Whole year		January—September		
	1950	1951	1951	1952*	1950	1951	1951	1952*		
	%	%	%	Mill. mk	%	%	%	%	Mill. mk	%
Europe:										
Belgium — Luxembourg ..	4.5	5.9	5.9	5 176	3.6	4.1	3.0	2.9	2 626	2.3
Bulgaria	0.1	0.1	0.0	15	0.0	0.1	0.0	0.0	74	0.1
Czechoslovakia	2.0	1.0	0.9	1 932	1.3	0.7	0.6	0.6	473	0.4
Denmark	8.0	5.7	5.5	5 707	4.0	7.4	4.5	5.1	3 900	3.3
France	6.1	6.8	6.7	13 743	9.6	5.4	5.9	5.5	8 592	7.4
Germany, Eastern	0.2	0.2	0.1	736	0.5	0.2	0.2	0.1	501	0.4
» Western	4.4	9.5	9.4	17 880	12.5	5.5	7.1	7.0	10 875	9.3
Great Britain	23.3	21.1	20.9	28 441	19.9	23.4	30.8	29.6	29 930	25.7
Greece	0.8	0.4	0.4	501	0.4	0.7	0.5	0.5	508	0.4
Holland	6.9	7.6	8.0	8 065	5.6	8.0	5.0	5.7	5 455	4.7
Italy	3.0	3.0	3.1	2 080	1.4	2.5	2.3	2.5	1 557	1.3
Jugoslavia	0.2	0.1	0.1	69	0.0	0.1	0.1	0.1	9	0.0
Norway	1.6	1.3	1.3	2 422	1.7	1.5	1.8	1.7	1 580	1.4
Poland	7.0	6.5	6.9	7 319	5.1	2.5	2.0	2.2	2 763	2.4
Rumania	0.0	0.0	0.0	10	0.0	0.6	0.1	0.1	36	0.0
Soviet Union	7.9	7.6	7.9	14 682	10.3	7.7	8.3	8.4	16 273	14.0
Sweden	6.6	5.6	4.6	8 268	5.8	4.1	3.1	3.5	4 653	4.0
Switzerland	0.7	0.7	0.7	1 526	1.1	0.5	1.1	1.2	1 840	1.6
Turkey	0.5	0.6	0.7	649	0.5	0.6	0.4	0.4	969	0.8
Rest of Europe	1.8	1.7	1.9	2 309	1.6	2.6	1.8	1.7	2 039	1.8
Total for Europe	85.6	85.4	85.0	121 530	84.9	78.2	78.6	78.8	94 658	81.3
Argentina	3.8	3.4	4.2	1 834	1.3	3.0	5.6	3.9	7 687	6.6
Brazil	1.1	1.1	0.9	2 527	1.8	1.4	1.9	2.0	2 017	1.7
Canada	0.0	0.3	0.3	430	0.3	0.0	0.0	0.0	23	0.0
United States	6.0	6.3	5.5	11 751	8.2	9.4	6.8	8.0	5 810	5.0
Rest of America	0.7	0.8	0.8	1 495	1.0	1.2	0.8	1.1	1 120	1.0
Africa	0.7	0.6	0.7	1 444	1.0	4.4	2.9	2.9	1 732	1.5
Asia	1.4	1.8	2.2	1 995	1.4	1.7	2.1	2.1	2 481	2.1
Oceania	0.7	0.3	0.4	128	0.1	0.7	1.3	1.2	889	0.8
Grand total	100.0	100.0	100.0	143 134	100.0	100.0	100.0	100.0	116 417	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			
	1949	1950	1951	1952
January	7 576	10 224	14 541	17 974
February	8 237	11 329	16 375	19 886
March	9 174	13 363	17 820	20 304
April	9 392	13 818	20 765	21 092
May	10 571	14 295	20 584	22 994
June	9 877	13 553	19 785	19 702
July	8 998	13 387	17 070	20 980
August	11 332	14 898	20 620	20 054
September	11 763	16 812	20 544	23 320
October	12 706	15 564	21 667	
November	12 961	15 199	23 363	
December	13 103	16 048	21 722	
Total	125 690	168 490	234 856	
Jan.-Sept.	86 920	121 679	168 104	186 306

Calculated by the «Uusi Suomi». The figures represent 80—90 % of the turnover of all wholesalers in Finland.

* Preliminary figures subject to minor alterations.

31. — SALES OF PETROL.

Wholesale for Traffic 1 000 tons					Month
1948	1949	1950	1951	1952	
14.2	15.0	34.4	17.4	15.2	January
12.4	13.5	9.1	16.8	18.4	February
14.4	15.7	16.1	18.3	19.2	March
15.9	15.6	18.8	19.3	19.9	April
18.2	17.7	25.4	22.5	26.1	May
25.7	18.7	21.0	24.2	27.0	June
18.2	18.8	23.3	26.1	28.4	July
16.6	22.2	21.5	24.7	28.1	August
16.5	17.1	19.9	23.4	25.6	September
17.5	18.0	21.5	24.8		October
16.6	15.7	18.7	23.0		November
13.4	15.8	22.8	26.2		December
199.6	203.8	252.5	266.7		Total
152.1	154.3	189.5	192.7	207.9	Jan.-Sept.

Figures supplied by the Ministry of Communications and Public Works.

82. — VOLUME INDEX OF INDUSTRIAL PRODUCTION. 1948=100.

Month	Total Industry			Home Marke Industry			Export Industry			Month
	1950	1951	1952*	1950	1951	1952*	1950	1951	1952*	
January	108	127	129	112	127	130	100	127	129	January
February	110	124	127	114	124	128	103	125	124	February
March	122	123	127	123	124	128	118	121	123	March
April	110	135	118	114	133	124	101	139	105	April
May	118	134	128	120	136	132	112	130	118	May
June	116	136	108	120	137	114	109	132	91	June
July	89	114	93	85	102	100	99	139	76	July
August	119	134	107	119	134	116	117	133	87	August
September	87	132	128	87	135	139	87	126	103	September
October	82	139		82	142		81	135		October
November	129	136		131	141		125	126		November
December	119	117		119	118		117	114		December
Total	109	129		111	129		106	128		Total
Jan.-Sept.	112	132	121	115	134	128	106	129	107	Jan.-Sept.

Calculated by the Central Statistical Office.

83. — BUILDING ACTIVITY.

Quarter	Consumption of Cement in Finland ¹⁾ 1 000 tons						Buildings completed in towns and boroughs ²⁾ 1 000 m ³						Quarter
							Total			Dwelling houses			
	1947	1948	1949	1950	1951	1952	1950	1951	1952	1950	1951	1952	
Jan.-March	54	74	100	103	125	194	607	735	1 368	337	457	804	Jan.-March
April-June	112	160	192	240	201	213	590	938	1 058	306	607	486	April-June
July-Sept.	152	164	219	237	274	225	561	720	1 384	399	398	755	July-Sept.
Oct.-Dec.	103	129	133	182	205		1 213	1 617		784	955		Oct.-Dec.
Total	421	527	644	762	805		2 971	4 010		1 826	2 417		Total
Jan.-Sept.	318	398	511	580	600	632	1 758	2 393	3 810	1 042	1 462	2 045	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 from data covering fully ¾ of all house building in the centres of population.

84. — 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				
	Total	Finnish	Total	with Cargo	Total	Finnish	Total	with Cargo	Imports	Exports	
1949	5 595	2 460	3 979	2 487	5 585	2 468	3 980	3 328	3 223	4 705	1949
1950	7 118	2 845	4 876	2 948	7 088	2 823	4 833	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	7 526	1951
1951											1951
Jan.-Sept.	6 810	2 243	4 301	2 561	6 702	2 257	4 194	3 635	3 844	5 405	Jan.-Sept.
1952											1952
April	415	199	370	312	401	192	367	234	463	261	April
May	734	276	549	417	725	296	528	377	603	456	May
June	998	348	618	415	923	329	574	439	526	531	June
July	1 223	394	783	493	1 236	407	765	635	507	728	July
August	1 163	373	698	411	1 177	360	732	619	420	754	August
September	1 040	318	587	296	1 036	315	597	512	415	739	September
Jan.-Sept.	6 586	2 433	4 585	3 174	6 524	2 411	4 568	3 478	4 217	4 299	Jan.-Sept.

Figures supplied by the Statistical Office of the Shipping Board.

* Preliminary figures subject to minor alterations.

85. — STATE RAILWAYS.

Month	Weight of goods transported 1 000 tons			Axle-kilometres of goods trucks Mill. km			Revenue (less Re-imbursements) Mill. mk			Regular Expenditure Mill. mk			Month
	1950	1951	1952	1950	1951	1952	1950	1951	1952	1950	1951	1952	
January	1 087	1 394	1 622	67	75	87	929	1 202	2 178	946	1 189	1 667	January
February	1 137	1 285	1 483	71	74	79	927	1 438	2 016	1 156	1 597	1 982	February
March	1 326	1 316	1 473	82	77	80	1 101	1 672	2 082	1 113	1 592	1 957	March
April	1 230	1 435	1 385	71	78	75	1 060	1 693	2 101	1 084	1 579	1 940	April
May	1 148	1 703	1 565	57	81	75	910	1 771	2 058	1 138	1 818	2 193	May
June	1 444	1 752	1 421	71	85	72	1 188	1 880	2 046	1 157	1 778	2 045	June
July	1 520	1 853	1 419	81	87	74	1 292	2 042	2 180	1 140	1 660	1 990	July
August	1 561	1 889	1 246	83	90	69	1 321	1 971	2 034	1 325	1 624	1 869	August
September	1 303	1 700		76	87		1 061	1 734		1 349	1 794		September
October	1 221	1 880		72	91		1 051	1 822		1 327	1 782		October
November	1 433	1 733		78	87		1 146	1 708		1 400	1 851		November
December	1 378	1 497		72	78		1 214	2 303		2 573	2 241		December
Total	15 788	19 437		881	990		13 200	21 236		15 708	20 505		Total
Jan.-Aug.	10 453	12 627	11 614	583	647	611	8 728	13 669	16 695	9 059	12 837	15 643	Jan.-Aug.

According to Monthly Statistics of the Finnish State Railways.

86. — WHOLESALE PRICE INDEX. 1935 = 100.

Month	Index for Goods in Finnish Wholesale trade										Articles of Import (c. i. f.)		Articles of Export (f. o. b.)		Month		
	Total index		Finnish Goods						Imported Goods								
			Total		Products of agriculture		Products of forestry									Products of industry	
1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952		
Jan.	1 439		1 485		1 498		2 151		1 256		1 342		1 557		1 690	Jan.	
Feb.	1 596	1 913	1 632	2 037	1 561	1 787	2 237	3 638	1 451	1 576	1 520	1 649	1 628	1 889	2 239	3 318	Feb.
March	1 637	1 849	1 678	1 956	1 610	1 782	2 320	3 275	1 483	1 568	1 551	1 619	1 684	1 886	2 317	3 257	March
April	1 693	1 849	1 742	1 960	1 593	1 797	2 543	3 275	1 520	1 568	1 588	1 613	1 748	1 860	2 511	3 138	April
May	1 737	1 817	1 765	1 916	1 559	1 751	2 587	3 149	1 553	1 552	1 678	1 606	1 896	1 873	2 665	2 717	May
June	1 775	1 808	1 806	1 909	1 557	1 768	2 710	3 105	1 580	1 551	1 709	1 592	1 937	1 865	2 781	2 546	June
July	1 820	1 799	1 874	1 906	1 572	1 773	3 004	3 105	1 590	1 545	1 703	1 570	1 946	1 819	2 841	2 108	July
Aug.	1 850	1 744	1 927	1 825	1 632	1 770	3 167	2 750	1 603	1 530	1 685	1 571	1 972	1 783	3 115	1 988	Aug.
Sept.	1 917	1 740	2 028	1 821	1 691	1 754	3 512	2 750	1 634	1 529	1 681	1 568	1 984	1 759	3 311	1 972	Sept.
Oct.	1 915	1 734	2 026	1 816	1 607	1 724	3 605	2 749	1 627	1 530	1 679	1 559	1 989	1 741	3 306	1 947	Oct.
Nov.	1 907	1 739	2 021	1 831	1 574	1 700	3 719	2 852	1 590	1 528	1 663	1 544	1 944		3 469		Nov.
Dec.	1 936		2 071		1 730		3 945		1 547		1 649		1 913		3 468		Dec.
Whole year	1 928		2 058		1 721		3 888		1 548		1 650		1 901		3 440		Whole year

Calculated by the Central Statistical Office. For details concerning the calculation of the index see article in this Bulletin No. 4, 1949.

87. — COST OF LIVING INDEX.

Month	August 1938— July 1939 = 100			1935 = 100												Month	
	Total index			Total index			Foodstuffs		Rent		Fuel and light		Clothing		Taxes		
	1950	1951	1952	1950	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951		1952
Jan.	826			899			1 252		293		1 716		1 384		2 466		Jan.
Feb.	833	1 027	1 109	907	1 119	1 208	1 269	1 370	323	417	1 955	2 807	1 565	1 570	2 317	2 487	Feb.
March	839	1 031	1 103	914	1 124	1 202	1 271	1 362	323	417	2 075	2 744	1 598	1 565	2 317	2 487	March
April	850	1 037	1 101	926	1 130	1 199	1 271	1 364	323	417	2 105	2 745	1 623	1 537	2 317	2 487	April
May	856	1 047	1 096	932	1 141	1 194	1 272	1 374	323	417	2 175	2 731	1 664	1 476	2 317	2 487	May
June	871	1 054	1 099	949	1 148	1 197	1 270	1 382	323	417	2 242	2 720	1 680	1 463	2 317	2 487	June
July	936	1 062	1 097	1 020	1 157	1 195	1 272	1 378	351	417	2 252	2 695	1 684	1 465	2 317	2 487	July
Aug.	934	1 067	1 098	1 017	1 162	1 196	1 277	1 380	351	417	2 287	2 681	1 692	1 462	2 317	2 487	Aug.
Sept.	926	1 084	1 099	1 009	1 181	1 197	1 287	1 383	351	417	2 477	2 677	1 740	1 466	2 317	2 487	Sept.
Oct.	939	1 102	1 099	1 023	1 201	1 197	1 285	1 385	400	417	2 773	2 671	1 737	1 456	2 317	2 487	Oct.
Nov.	962	1 074	1 116	1 048	1 170	1 216	1 284	1 395	417	478	2 796	2 675	1 687	1 455	2 130	2 574	Nov.
Dec.	986	1 077		1 074	1 173		1 329		417		2 807		1 587		2 130		Dec.
Whole year	998	1 071		1 087	1 166		1 320		417		2 801		1 569		2 130		Whole year

Calculated by the Research Office of the Ministry for Social Affairs according to monthly reports from 83 different centres.

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			Index of Overhead Costs			Total index		Index of the Contractor ¹⁾		
	1949	1950	1951	1949	1950	1951	1949	1950	1951	1951	1952	1951	1952	
Jan.	..	..	..	..	..	..	..	..	..	87	103	87	104	Jan.
Feb.	..	..	..	..	..	..	..	..	..	90	102	90	103	Feb.
March	1 208	1 229	1 864	1 196	1 223	1 837	1 365	1 296	2 212	98	102	98	103	March
April	..	..	..	..	..	..	..	..	..	98	103	98	104	April
May	..	..	..	..	..	..	..	..	..	99	104	99	105	May
June	1 199	1 363	1 936	1 188	1 357	1 908	1 346	1 438	2 298	100	103	100	104	June
July	..	..	..	..	..	..	..	..	..	102	105	102	106	July
Aug.	..	..	..	..	..	..	..	..	..	103	104	103	105	Aug.
Sept.	1 166	1 441	1 983	1 160	1 434	1 955	1 230	1 519	2 353	106	104	106	105	Sept.
Oct.	..	..	..	..	..	..	..	..	..	105	103	105	104	Oct.
Nov.	..	..	..	..	..	..	..	..	..	105	..	105	..	Nov.
Dec.	1 170	1 593	1 990	1 164	1 570	1 962	1 234	1 891	2 362	105	..	105	..	Dec.

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. 3—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	
1950 July-Sept.	106.3	105.2	108.9	103.6	99.7	114.3	110.4	106.7	106.2	110.4	107.7	1950 July-Sept.
1951 Jan.-March	104.3	101.8	110.4	103.7	101.8	98.6	104.1	101.8	97.9	103.8	116.4	1951 Jan.-March
April-June	105.5	104.1	108.9	107.2	98.6	96.6	98.7	107.8	102.3	104.0	113.1	April-June
July-Sept.	105.1	104.6	106.2	110.2	95.7	101.8	93.1	102.4	104.3	106.0	106.4	July-Sept.
Oct.-Dec.	102.0	102.1	101.8	105.3	100.9	103.2	97.4	94.9	100.7	108.4	97.0	Oct.-Dec.
1952 Jan.-March	99.6	101.8	94.7	100.1	101.9	100.9	100.9	93.4	108.3	99.0	91.1	1952 Jan.-March
April-June	94.6	96.8	89.4	98.5	97.3	84.6	101.4	85.5	96.8	98.0	82.8	April-June
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.

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		
	1950	1951	1952	1950	1951	1952
January	52 873	14 797	7 763	41 747	10 221	5 703
February	54 858	17 118	10 368	46 381	13 413	8 600
March	55 776	16 534	12 224	43 313	14 302	10 752
April	33 288	10 454	8 273	30 596	9 267	7 765
May	9 434	3 373	2 514	9 158	3 298	2 444
June	—	—	151	—	—	148
July	—	—	53	—	—	55
August	—	—	37	—	—	37
September	546	45	1 063	162	34	627
October	4 506	174	4 139	1 939	47	2 960
November	7 965	1 392	—	4 605	745	—
December	11 086	3 580	—	6 648	2 180	—

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

41. — CESSATION OF WORK.

1951		1952		Month
Employers affected	Work-people affected	Employers affected	Work-people affected	
15	1 048	1	39	January
102	5 931	9	726	February
93	3 181	10	1 067	March
378	5 452	22	727	April
371	3 089	10	1 735	May
98	1 867	6	995	June
98	2 070	3	2 910	July
102	2 291	1	133	August
99	2 239	1	177	September
98	1 747	1	151	October
2	34	—	—	November
1	228	—	—	December

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

CERTAIN PARTICULARS ABOUT FINLAND.

1. FORM OF GOVERNMENT.

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

The Diet, composed of 200 members, is elected by universal suffrage. The proportions of the different parties in the Diet elected in 1951 are at present as follows: Social Democrats 53, Agrarians 51, People's Democrats 43, Conservatives 28, Swedish Party 15, Liberal Party 10.

2. LAND.

THE AREA is 337,009 square kilometres (Great Britain's area is 245,000 sq. km. and Italy's area 301,000 sq. km.). Of the total area 9.4 % are inland waters. On an average 13.5 % of the land in the South of Finland is cultivated, 1.6 % in the North, 7.5 % of the whole land. Of the land area 21.7 mill. ha (53.5 mill. acres) or 70.9 % are covered by forests.

3. POPULATION.

NUMBER OF INHABITANTS (1951): 4.1 millions. Sweden (1950) 7.0, Switzerland (1950) 4.7, Denmark (1950) 4.3 and Norway (1950) 3.3 millions.

DENSITY OF POPULATION (1951): In South Finland 22.9, in North Finland 3.5 and in the whole country an average of 13.2 inhabitants to the square kilometre.

DISTRIBUTION (1951): 67.5 % of the population inhabit the country, 32.5 % the towns and urban districts. The largest towns are (1951): Helsinki (Helsingfors), the capital, 376,000 inhabitants, Turku (Åbo) 108,900, Tampere (Tammerfors) 102,900.

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

LANGUAGE (1950): Finnish speaking 91.2 %, Swedish speaking 8.6 %, others 0.2 %.

RELIGION (1949): Lutheran 95.4 %, Greek-Orthodox 1.7 %, others 2.9 %.

EDUCATION (1952): Practically all persons over 15 years of age are literate. There are three universities (the oldest founded in 1640) and 11 colleges of university standard.

INCREASE OF POPULATION (1950): Births 24.4 ‰, deaths 10.1 ‰, increase 10.5 ‰. Deaths in France (1950) 12.6 ‰ and in Great Britain (1950) 11.7 ‰.

4. TRADE AND COMMUNICATIONS.

NATIONAL INCOME (1951, in thousand million marks): Gross national income at market price 773. Net national product at factor cost, by origin: agriculture 73 (12 %), forestry and fishing 98 (15 %), manufacturing 202 (33%), construction 51 (8 %), transport and communications 40 (7 %), commerce, banking and insurance 73 (12 %), public activities 51 (8 %), other services 28 (5 %), total 611. Volume index 121 (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 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. (1,448 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 41.3 %, 10—50 ha 53.0 %, 50—100 ha 3.6 %, over 100 ha 1.6 %. Cultivated land (1950) is divided between the different kinds of crops as follows: 40.6 % hay, 9.7 % temporary grassland for grazing, 18.8 % oats, 7.6 % wheat, 5.9 % rye, 4.8 % barley, 3.4 % potatoes, 9.2 % other. Dairy units in operation in 1951 amount to 488.

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

INDUSTRY (1950): Number of industrial concerns 5,880, workpeople 259,813, gross value of products of industry 325,714 million marks.

LENGTH OF RAILWAYS (1952): 4,987 km., of which 4,800 km. State railways and 187 km. private. The gauge is in general 1,524 m.

MERCHANT FLEET (1.4.1952): Steamers 369 (471,358 gross reg. tons), motor vessels 127 (124,205 gross reg. tons), sailing vessels with auxiliary engines 133 (12,455 gross reg. tons), other sailing vessels 5 (3,310 gross reg. tons). Total 634 (611,328 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 1951 the State revenue was 204,633 million marks, of which 182,448 million marks were current revenue, and State expenditure 206,987 million marks, of which 143,924 million marks were current expenditure. See tables 21—23 in this issue.

MUNICIPAL FINANCES. According to the finance accounts for 1950 expenditure amounted to 57,893 million marks. Total revenue was 57,971 million marks, of which income from taxation was 29,170 million marks. The municipal income tax (non-progressive) averaged 10.0 % of the rate-payers' 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 (1952): Number 6, possess 437 offices, where all kinds of banking business is transacted. There is one banking establishment for 8,419 inhabitants.

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

OTHER BANKS (1952): Mortgage Banks 5, Savings banks 439, Co-operative Credit Societies 658 and a Central Bank for the latter.

THE FOREIGN EXCHANGE SITUATION AND PROSPECTS.

BY

KLAUS WARIS.

MEMBER OF THE BOARD OF MANAGEMENT OF THE BANK OF FINLAND.

There has been, no doubt, a distinct contraction this year in the Finnish economy. The ultimate cause of this is, as indicated in previous issues of this Bulletin, the deterioration of the export market which has so far principally affected the output of and investment in the woodworking industry. Its effects will probably soon become visible, too, in other spheres.

During the first months of the year exports still continued at a high level on the basis of last year's contracts. Gradually, however, the index of export prices (1950 = 100), which still stood at 237 in January, fell and the level in September was 150. The reduction in the volume of exports was relatively greater and quicker, the index having dropped from its peak of 156 in February to 98 in September. Owing to the high prices during the first quarter of the year, the value of exports in January—August corresponds approximately to last year's figure, but towards the end of the year the difference is growing rapidly and receipts from exports for the whole year are computed to be 30,000—35,000 million marks or about 20 per cent less than last year.

This decrease appears to be fairly moderate in figures, but a single figure does not illustrate the trend. In the first place, the drop from the peak level of last autumn is roughly 30 per cent, and in the second, the position in regard to earnings from exports in different currencies is very different. The receipts in sterling are likely to be only one-

half of last year's amount. In the case of the United Kingdom and some other countries in the sterling area this is due, in addition to the fall in the price of cellulose, paper and timber, to the severe restriction of imports introduced at the beginning of the year. The fall in prices has also heavily reduced the value of exports — mainly of cellulose and newsprint — to dollar countries, besides which buyers have been extremely restrained. Likewise the receipts from exports to Denmark and the Benelux countries have materially decreased. On the other hand, the prices of pulpwood and pit-props, which were generally agreed upon a year ago, have been at a high level and large quantities have been exported. In the case of some countries, e. g., Western Germany, France and Switzerland, this has so far made up for the decrease in other exports, seeing that these commodities represent a large proportion of their total imports from Finland.

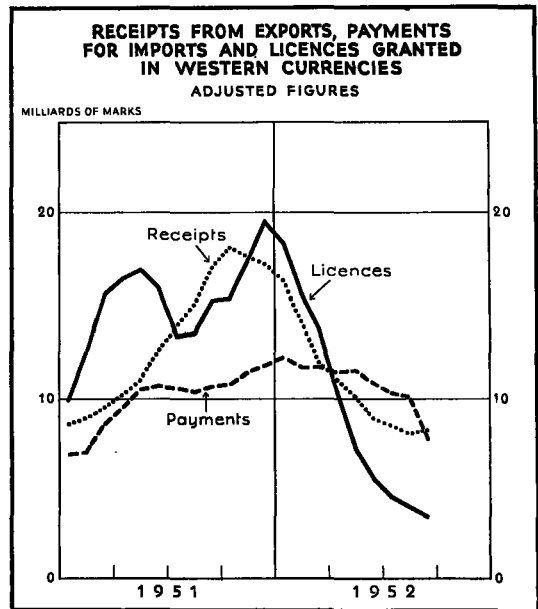
Trade with the Soviet Union has grown very appreciably. The trade agreement concluded in 1950 and the prices fixed last year have tended to promote this growth. Further, the supplementary agreement concluded last September enabled, i. a., such products of the woodworking industry to be disposed of to the Soviet Union as could not be sold elsewhere. Grain, sugar, steel, oils, etc. are obtained in exchange. As trade relations have also been established with China, the share of eastern trade in our

total foreign trade, which only amounted to about 14 per cent in 1951, will rise this year with some per cent.

The adjustment of imports to the reduced earnings from exports has proceeded more slowly than expected, though the Finnish imports are entirely subject to licences. During 1951, however, a considerable part of the licences granted remained unused, importers being fairly certain that, if necessary, they would obtain fresh licences. The steep rise in Finnish claims in foreign currency during the latter months of the year also caused the countries concerned to exert increasing pressure on the Finnish licensing authorities. When the measures adopted by some countries to restrict imports, from Finland among others, became known, the granting of licences in the respective currencies began to be limited, though not with sufficient rapidity and severity. At the beginning of March import licences, mostly valid for six months or up to the term of the trade agreement, were still in force to as large an amount as about 100,000 million marks. As importers were reluctant to allow their licences to lapse, imports continued on a record scale up to July, in spite of the restrictions in granting fresh licences.

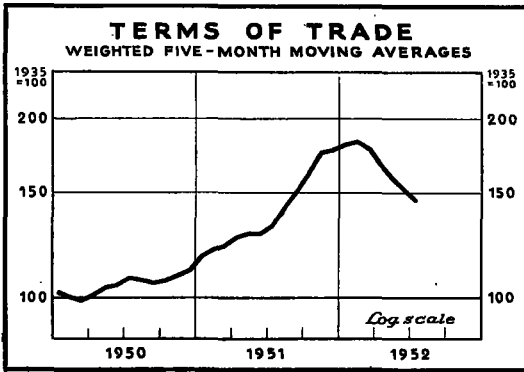
Since August the monthly figures for imports have recorded a decline and foreign trade has yielded a surplus. By the end of July, however, the trade deficit had already risen to nearly 29,000 million marks, and it is improbable that by the end of the year it will be reduced even to 20,000 million. The greater part of the foreign currency accumulated by the surplus of exports in 1951, which amounted to 31,400 million marks, will thus be consumed in financing this year's surplus of imports. The reduced solvency of the country is also illustrated by the fact that the reserve of foreign currency of the central bank, which represented a value of more than 24,000 million marks at the beginning of the year, fell to below 10,000 million by September, at which level it has remained since then.

At the same time, however, the liabilities implied by the import licences have also decreased. By the end of September the total value of the outstanding licences had fallen to about 54,000 million marks. It can



already be said that the drain on the reserve of foreign currency has been considerably relieved and an equilibrium between current receipts and expenditure should be achieved not later than the turn of the year. An all-over equilibrium does not mean — seeing that the payment agreements between Finland and other countries are mostly bilateral — that difficulties may not arise in some foreign currencies. The gold reserve and freely convertible currencies are, indeed, still at a post-war maximum, but they are by no means sufficient for continued arbitration of exchange and the future income in these currencies cannot be estimated at a high figure. The maintenance of an equilibrium in foreign currency is therefore mainly dependent on keeping imports strictly in a correct proportion to exports. Fortunately, it need no longer be feared that exports will further decline from their present level, apart from seasonal fluctuations. Some export prices have even stiffened and the demand has increased. It should also be remembered that the productive capacity that supplied war indemnity goods up to September is now engaged in producing commercial exports or goods for the home market.

In addition to the reduction of receipts from exports, the terms of trade have deteriorated by about 30 per cent since the end of last year. What effect will the



consequent decrease in imports have on the state of Finland's supplies? The imports of so-called indispensable commodities need not be restricted at all. Finland cannot, of course, act unilaterally in these matters, but a bilateral decline in trade naturally refers chiefly to less important consumer goods and capital goods. Among other things, imports of motor vehicles cannot be allowed as extensively as last year and this year. The stock of motor vehicles has, however, been renewed to such an extent that this does not form a serious drawback. In regard to machinery, too, the position is better in general than one or two years ago. Stocks of many consumer goods are still larger than usual. Unfortunately, this year's harvest is poor, owing to the unusually prolonged and early rainfall, which may to some extent increase the necessity to import grain, for instance. There is, however, no cause to fear any crisis on this account.

In any case, the supply of goods in the country is falling off. How will this affect prices? Is the decline in wholesale prices by about 10 per cent from their peak in November 1951 due only to „excessive” imports, a reduction of which would cause prices to rise again? The trend of the wholesale price index is influenced essentially by the prices of exports and imports. In so far as the

tendency of prices depends upon the relation between supply and demand in the home country, the deterioration in the position so far is not necessarily threatening, for demand is also decreasing. The money supply has already been declining for several months. The fall in the supply of foreign currency has brought money into the central bank. The liquid funds of exporting companies have fallen off rapidly. Next year the woodworking industry will partly consume the large stocks of raw materials accumulated this year, so that for this reason and because of the lower level of production, lumbering will be considerably reduced next winter. The income of the rural population from their forests will decrease not only on account of this, but also because the level of prices has fallen. The influence of this will probably be felt in many spheres in the form of reduced demand.

This reduction of demand will evidently be partly neutralized by budgetary policy. The Government is prepared to organize public works for those who may be unemployed, for in Finland there is no unemployment insurance. The Government will also, perhaps, have to compensate losses on the bad harvest etc. The budget estimates for next year have, however, been drawn up in such a way as to avoid incurring new loans on a larger scale than the redemption of existing loans. But during 1951 and well into this year the Government was able to reduce its debt to a considerable extent. Compared to this, even a balanced budget means a change, and the equilibrium cannot be considered to be maintained in any circumstances. Measures have therefore been adopted, for the purpose, if necessary, of effectively curbing the expansion of credit which still continued at the beginning of this year. In this respect some results have already been achieved and there is fair hope of reasonable success next year, too.

PUBLIC FINANCES IN 1951.

BY

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GENERAL REVIEW FOR 1951.

The year 1951 began under bad auspices, for the inflation that had once more gained in speed in the previous year still continued and recorded many rises in wages and prices in the opening months. In the spring, however, the position underwent a complete change. At the end of April an economic truce was achieved, during which a new long-term stabilization scheme was to be drawn up. This calmed the labour market for the summer, and in the autumn, when the scheme was ready and began to be put into operation, no action for higher wages occurred. At the same time there was a change in the export market that was very favourable to Finland. Prices for Finnish articles of export rose steeply, and as the demand for them grew simultaneously, an exceptionally powerful boom developed in the export industry which spread to other spheres of production. Thanks to the truce and the exceptional conditions for exports, the results of production last year proved extremely good, which is indicated by the fact that the real national income rose about 9 per cent above the previous year.

In drawing up the budget for 1951 it was estimated that Government expenditure would amount to 129,900 million marks, but owing to repeated demands for higher wages the first supplementary budget had to be introduced already in April 1951, 5,900 million marks being granted for increasing salaries and pensions. When the truce just referred to was subsequently concluded, the Govern-

ment undertook to pay a number of subsidies with a view to lowering the prices of farm produce and requisites, the expenditure on which up to the end of the year was estimated at 11,000 million marks. This expenditure was included in a second supplementary budget in June which also provided for the increases in former appropriations necessitated mainly by the rise in prices and wages and some new amounts on such a scale that its total reached 23,800 million marks. In December a third supplementary budget, amounting to 17,100 million marks, was introduced. Half of it, however, represented nominal expenditure, for it included Finland's subscription to the International Monetary Fund, 8,740 million marks, of which in reality 8,475 million marks were converted into promissory notes. Thus, with the increases, the grand total of expenditure in the budget for 1951 amounted to 176,700 million marks.

However, the Government expenditure last year amounted to considerably more than had been estimated, for according to the Government finance accounts, the total expenditure represented 207,000 million marks. The figures in the finance accounts, however, include numerous large nominal items and on the other hand they do not refer to extra-budgetary payments. In order to arrive at the actual Government expenditure, as also the revenue, it is therefore necessary to adjust the figures in the finance accounts. A summary of the adjusted revenue and expenditure is given below.

GOVERNMENT REVENUE AND EXPENDITURE.

(Adjusted figures)

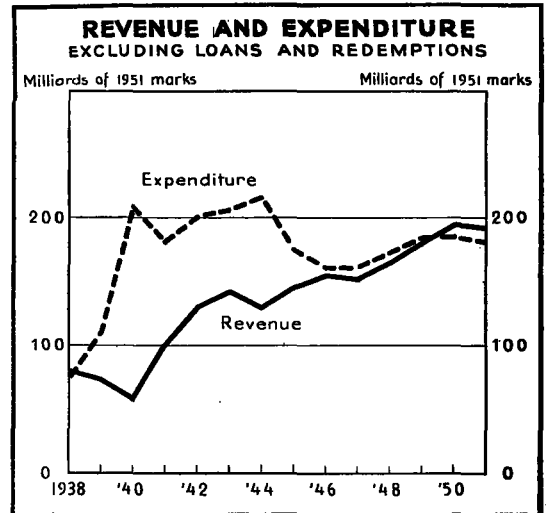
	1950 Mill. mk	1951 Mill. mk
Revenue (excl. loans)	135,381	192,296
Current revenue	131,363	190,507
Capital revenue	4,018	1,789
Loans	4,486	8,883
Foreign loans	1,351	5,014
Domestic loans	3,135	3,869
Increase in private funds	115	505
Total	139,982	201,684
Expenditure (excl. redemptions)	129,141	181,214
Current expenditure	99,869	138,744
Capital expenditure	29,272	42,470
Redemption of loans	5,611	7,628
Redemption of foreign loans	1,073	5,180
Redemption of domestic loans	4,538	2,448
Surplus	5,230	12,842
Total	139,982	201,684

According to this table, the actual expenditure last year (omitting redemption) amounted to 181,214 million marks and the revenue (omitting loans) to 192,296 million. The surplus of revenue was therefore 11,082 million marks. As new loans were obtained to the extent of 1,255 million marks in excess of the redemption of former loans and the private funds held by the Government increased, besides, by 505 million marks, the Government had a cash balance of fully 12,842 million marks.

In comparison with 1950 the expenditure for last year (omitting redemption) was 40.3 per cent and the revenue (omitting loans) 42.0 per cent larger. The growth of Government economy indicated by these figures is, however, only apparent, for the rise in prices during the corresponding period was fully equivalent, prices, measured by the wholesale price index, having been on an average 43.0 per cent higher last year than in 1950.

To enable a comparison to be made, too, with Government revenue and expenditure in earlier years, the revenue (omitting loans) and expenditure (omitting redemption) since 1938 are shown in the accompanying diagram, converted to the 1951 level on the basis of the wholesale price index. From this it is evident that the level of revenue and expenditure, thus measured, has been fully twice as high in the last few years as in 1938, the last year of peace. On the other hand, it will be found that the level of ex-

penditure has, nevertheless, constantly remained below the peak level of the war years. A trend in the same direction is noticeable, if the Government expenditure is compared with the national income. In 1951 the expenditure represented 23.5 per cent of the gross national income (at market prices), whereas the corresponding figure was 24.9 per cent for 1950 and 13.0 per cent for 1938.



As the surplus of Government revenue (excluding transactions in loans) amounted to 11,802 million marks last year and as the bulk of the revenue represented revenue from taxation, it would seem to indicate that the budgetary policy of the Government was highly contractive in its effect. It should be borne in mind, however, that this surplus did not arise until the last quarter of the year. This will be seen in the following table in which the surplus of revenue (+) or of expenditure (—) is shown for each quarter of 1951.

	Mill. mk
I	+ 287
II	— 1,627
III	— 6,589
IV	+ 19,011
Whole year	+ 11,082

The large surplus of expenditure during the third quarter was entirely due to the redemption of Indemnity Bonds, while the record surplus of revenue in the fourth quarter was caused for the greater part by

some exceptional items of revenue. When receipts from exports began to grow rapidly in the summer, the Government imposed export fees to be paid by the exporting organizations and its share of these during the last quarter of the year amounted to 7,000 million marks. At the end of the year that part of the income and property tax for 1950 that had not been withheld currently was also collected. As the income tax on companies had been raised in the interim, this levy in November—December produced fully 9,045 million marks. The large surplus for last year thus exerted a tightening influence on the money market only at the end of the year and its contractive effect on incomes referred mainly to business enterprises and especially to exporting concerns.

The Government revenue and expenditure are examined in greater detail below. The figures are not in accordance with the Government finance accounts, but are, as before, adjusted figures obtained by consolidating the income and expenditure of Government departments, funds and other entities on a payment basis.

EXPENDITURE IN 1951.

The current Government expenditure is illustrated in the following table, divided into main groups.

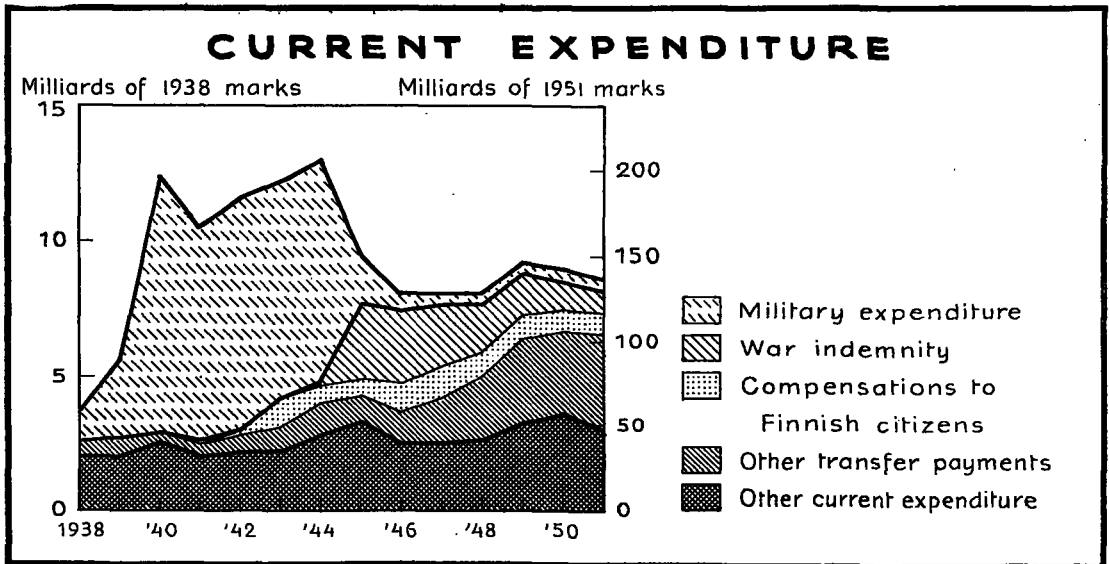
CURRENT EXPENDITURE.

(Adjusted figures)

	1950 Mill. mk	1951 Mill. mk
Interest on public debt	3,543	4,054
Net losses of State business undertakings	856	—
Child allowances	10,157	16,017
Transfer of national pensions premiums to National Pensions Fund	1,795	2,965
Compensation to disabled persons	5,364	5,947
War indemnities to the Soviet Union	10,839	12,569
Expenditure in indemnity bonds ..	8,364	12,016
Subsidies	3,687	12,875
Net payments on price equalization by extra-budgetary funds	—	3,454
Government aid to agriculture ..	6,801	5,967
Government aid to communal and private schools	7,138	10,821
Military expenditure	5,383	7,471
Maintenance of roads	2,807	4,033
Pensions	2,458	3,399
Other current expenditure	30,677	37,156
Total	99,869	138,744

The largest individual item of expenditure in 1951 consisted of child allowances which amounted to 16,017 million marks or 11.5 per cent of the total current expenditure. Last year the expenditure due to these allowances was half as large again as in 1950 owing to repeated increases in them. Expenditure on the war indemnity, which formerly represented the largest item of expenditure, increased from 1950 by only one-fifth — if the inflationary rise in prices is taken into account, the real expenditure this involved was actually reduced. The war indemnity in the table includes the current war indemnity with the costs of administration and advances, 12,276 million marks in 1951 (9,996 million in 1950; the figures for 1950 are given in brackets below). It also includes sundry costs under the peace treaty, 8 (143) million marks, and the expenditure due to transfers of German assets, 285 (700) million marks. The last item referred in 1951 mainly to expenditure in building the Legation of the Soviet Union in Helsinki.

The cost of expenditure in Indemnity Bonds grew by almost one-half from 1950 owing to the rise in prices, for the redemption of bonds of the Second Indemnity Loan is dependent on the wholesale price index. While only 1,891 (1,986) million marks were expended on the nominal redemption, the expenditure due to the rise of the index amounted to 8,246 (5,134) million. The subsidies in the table form the group of expenditure that increased most. Their great increase is due — as mentioned in the introduction — to the Government, in negotiating the labour truce, having undertaken to pay very appreciable fresh subsidies in order to lower the prices of some agricultural produce. The greater part of the subsidies was employed directly in reducing the prices of dairy produce to consumers and in lowering the cost of its distribution, transport etc. A considerable sum, 2,146 (1,118) million marks, was also used for lowering the price of artificial fertilizers. The net expenditure of 3,454 million marks in the table, due to price adjustment by means of the extra-budgetary funds (principally the Price Equalization Fund), is also in the nature of a subsidy (in 1950 these trans-



actions resulted in a net revenue of 1,364 million marks). It refers, however, also to the price adjustment of liquid fuel and textiles imported from abroad in addition to home-grown and foreign grain and colonial products.

Government aid to agriculture, which also includes the direct costs of settlement work, called for smaller funds in 1951, even nominally, than in the previous year. This is due to the fact that the settling of the evacuees had already been completed for the greater part. Government aid to communal elementary and private secondary schools have constantly grown owing to the rise in teachers' salaries and the building of new elementary schools. Expenditure on defence and the other groups enumerated in the table rose approximately in accordance with the increase in wages and prices. The remaining group, „Other current expenditure”, which includes a number of grants and some sundry expenditure in addition to current costs of administration, was in reality slightly reduced, if the rise in prices and wages is taken into account.

In turning to the examination of the capital expenditure, which is analysed in the table below, the small extent of actual real investments (the first four groups) is worth noting. Last year such investments only

CAPITAL EXPENDITURE.

(Adjusted figures)

	1950 Mill. mk	1951 Mill. mk
Investments in State business undertakings, forests and landed property	5,929	6,222
Purchases of machinery and apparatus	888	1,170
House building	2,179	3,184
Roads, bridges and hydraulic undertakings	4,835	3,095
Lending	14,284	14,410
Subscriptions to IMF and IBRD	—	908
Purchases of shares	405	1,875
Capital bound in extra-budgetary funds	—	7,047
Increase in stocks of State business undertakings	287	4,429
Other capital expenditure	465	330
Total	29,272	42,470

amounted to 13,671 million marks in all, whereas in the previous year they totalled 13,831 million, so that, on the basis of the rise in prices, they would seem to have decreased very much in real terms. The explanation is that last year only 2,273 million marks were employed in building railways and roads to relieve unemployment, while in 1950, when there was very appreciable unemployment, fully 5,100 million marks were spent. The real level of normal investments thus remained, broadly speaking,

unchanged in actual fact. To supplement the particulars in the table it should be stated that the greater part, 4,399 (4,411) million marks, of Government investments in business undertakings consisted of the construction of railways, the renewal of rails and the supplementing of rolling stock.

Government lending last year remained at its former level, as expressed in marks, so that it, too, decreased in real terms. The decrease was chiefly due to the fact that only 5,226 (6,555) million marks were devoted to loans for settlement work through the Settlement Fund. On loans for housebuilding in towns and urban districts through ARAVA, too, no more than 4,771 (4,465) million marks were expended. Of the contributions paid to international financial institutions, altogether 908 million marks, 643 million represented the increase in Finland's original subscription to the International Bank for Reconstruction and Development, owing to the rise in rates of exchange, and 265 million Finland's subscription to the International Monetary Fund. Finland's total contribution to the latter was fixed at 8,740 million marks last year, but, as already mentioned, 8,475 million were converted into promissory notes. The Government purchases of shares mentioned later in the table refer to shares in such companies in which the Government holds a controlling interest. Among other purchases, 900 million marks were invested in shares in the recently established Government nitrogen factory.

As the table shows, the growth of capital expenditure since 1950 is due almost exclusively to expenditure outside the budget. Sums amounting to 7,047 million marks were tied up in extra-budgetary funds (in 1950 an amount of 2,414 million was released from them). Of these, the Trade and Industry Fund employed 4,757 million marks, principally for supplying liquid fuel and butter, and the State Granary 2,246 million for supplementing the stocks of grain. In addition, 4,429 (287) million marks were invested outside the budget in stocks for Government business undertakings and for Government departments, the greater part of this expenditure being due to supplementing the fuel stocks of the railways and to the rise in the price of fuel.

REVENUE IN 1951.

An analysis of the current Government revenue is made in the following table.

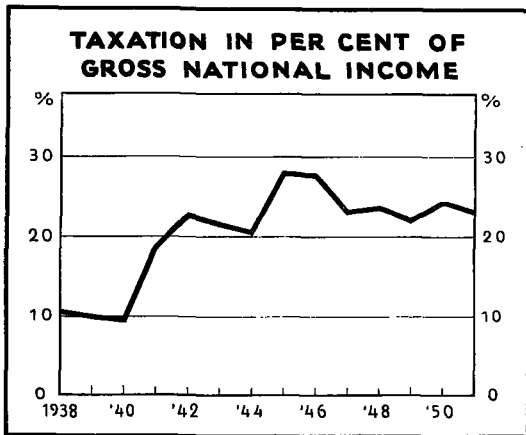
CURRENT REVENUE.

(Adjusted figures)

	1950 Mill. mk	1951 Mill. mk
Ordinary taxes	111,573	152,248
Direct taxes	35,500	40,986
Indirect taxes	72,386	106,173
Stamp duty	3,687	5,089
Employers' payments for child allowances and national pensions premiums	11,311	16,181
Net receipts from price equalization by extra-budgetary funds	1,364	—
Other revenue similar to taxes ..	1,917	10,431
Taxation revenue	126,165	178,860
Interest and dividends	1,392	2,194
Net profits of State business undertakings	—	4,335
Other current revenue	3,806	5,118
Total	131,363	190,507

The powerful increase in current revenue since 1950 is naturally due principally to the growth of the ordinary taxes which form the greater part of the revenue. But in 1951 some other revenue, which should actually, though not formally, be regarded as taxation, also increased considerably. Thus, employers' payments for child allowances and national pensions premiums, which actually are a payroll tax, brought in 43.1 per cent more last year than in 1950. As the proportion between these payments and the wages paid to employees is a fixed one — the payments are 5 per cent of the wages — this rise illustrates the nominal growth of wage-earnings fairly accurately. The group of „Other revenue similar to taxes" was exceptionally large last year. This is due to the Government's share of the export fees, referred to in the introduction, raised through the Price Equalization Fund and amounting to 8,136 million marks, being included in this group.

The total revenue from taxation, including all revenue of a nature similar to taxes (the first four main groups in the table), amounted to 178,860 (126,165) million marks. If the burden of taxation is measured by comparing these taxes with the gross national income (at market prices), the resultant pro-



portion is 23.2 (24.3) per cent. In spite of the very great nominal increase in the revenue from taxation, the relative burden of taxation thus appears to have decreased slightly last year, as the private incomes grew, owing to inflation and higher earnings, more than the taxes. The accompanying diagram illustrates the trend of the burden of taxation since 1938, calculated in this manner. This shows clearly that since 1947 the burden of taxation has, in broad lines, remained at the same level, which has been quite twice as high as in the pre-war period, but lower than in the peak period in 1945—1946.

Let us now examine the ordinary taxes in detail, the following being an analysis of the direct taxes.

DIRECT TAXES.
(Adjusted figures)

	1950		1951	
	Mill. mk	% of all taxes	Mill. mk	% of all taxes
Income and property tax	30,931	27.7	39,926	26.2
II Capital Levy ..	3,982	3.6	522	0.3
Other direct taxes	587	0.5	538	0.4
Total	35,500	31.8	40,986	26.9

As the collection of the Second Capital Levy has been completed (with the exception of some outstanding amounts), other direct taxes than the income and property tax are of minor importance in the Government economy. The income and property tax, the yield of which in the table does not include the tax payable by the Alcohol Monopoly,

produced one-third more last year than in 1950. In regard to personal income the scale of taxation was reduced, but in spite of this these taxes increased in amount. This phenomenon was due to the growth of incomes having exceeded the lowering of the scale of taxation — for the growth of earnings may be estimated in round figures at 45 per cent from 1950 to 1951. The growth of the corporation income and property tax, on the other hand, was due not only to the increase in business incomes, but also to the temporary raising of the income tax.

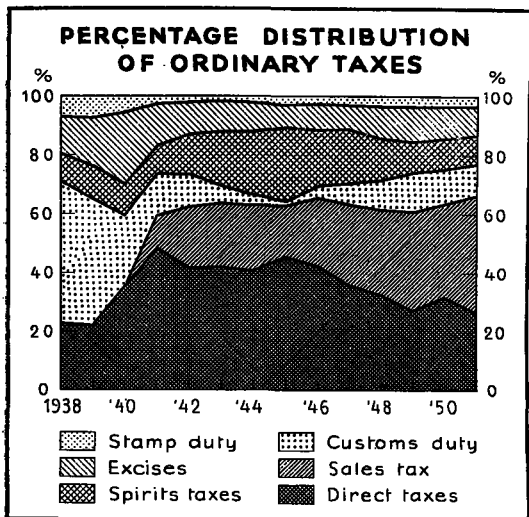
INDIRECT TAXES.

(Adjusted figures)

	1950		1951	
	Mill. mk	% of all taxes	Mill. mk	% of all taxes
Sales tax	35,117	31.5	60,099	39.5
Customs revenue ..	13,655	12.2	16,199	10.6
Coffee	1,993	1.8	2,339	1.6
Sweetstuffs	1,135	1.0	1,273	0.9
Import duties ..	13,654	12.2	16,198	10.6
Export duties ..	1	0.0	1	0.0
Spirits taxes	11,525	10.3	15,034	9.9
Excises	12,089	10.9	14,841	9.8
Tobacco	7,505	6.7	9,340	6.1
Coffee	1,993	1.8	2,339	1.6
Sweetstuffs	1,135	1.0	1,273	0.9
Beer	746	0.7	931	0.6
Other	710	0.7	958	0.6
Total	72,386	64.9	106,173	69.8

The most essential change in taxation revenue last year was the unusual increase in the sales tax. As the above table shows, this tax yielded 60,099 million marks last year or 71 per cent more than in 1950. Thus, the yield of the sales tax alone represented 39.5 per cent of the total yield of ordinary taxes. There were several reasons for this increase. The principal one was, of course, the rise in prices — according to the wholesale price index this amounted to 43 per cent. Another factor was the growth of imports, for, while the sales tax on imported goods yielded only 5,010 million marks in 1950, the corresponding yield last year amounted to 15,197 million marks or three times as much. The increase in the yield of the sales tax was also affected by the fact that from the beginning of last year the tax became payable on goods leaving the factory and monthly, whereas formerly it was levied in retail and wholesale trade and quarterly.

In regard to other indirect taxes it is worth mentioning that the tax on spirits, i. e., the profits of the Alcohol Monopoly and the income and property tax paid by it, increased chiefly owing to the price of alcoholic beverages having been raised at the beginning of last year. This increase amounted to 30 per cent. On the other hand, the quantity of alcoholic beverages sold remained almost unaltered. As regards the yield of import duties, their increase was a direct consequence of the growth of imports, both in volume and in value.



In examining the composition of the ordinary taxes it is noticeable that the importance of the direct taxes has again diminished. Their proportion to the total revenue from taxation was 26.9 (31.8) per cent, while the proportion of the indirect taxes was 69.8 (64.9) per cent. The accompanying diagram illustrates the trend of the structure of taxation since 1938 and shows that the proportion of the direct income and property tax has already sunk almost to the pre-war level. On the other hand, it is interesting to note that, while import duties yielded in round figures one-half of the taxation revenue before the war, the same proportion is now obtained from these duties and the sales tax combined. The importance of the other categories in the diagram is, in broad lines, the same at present as before the war.

CAPITAL REVENUE.

(Adjusted figures)

	1950 Mill. mk	1951 Mill. mk
Provision for depreciation by State business undertakings	313	427
Sales of State property	199	298
Repayments of loans	1,092	1,064
Capital released from extra-budgetary funds	2,414	—
Total	4,018	1,789

The most essential change in capital revenue specified above was due to the transactions of the extra-budgetary funds. Contrary to the release of funds from them to some extent in 1950, considerable sums had to be invested in them again last year, as stated above in dealing with the capital expenditure.

BORROWING AND CASH TRANSACTIONS IN 1951.

A summary of Government borrowing and redemption has already been given in the general review at the beginning of this article. Of the foreign loans, amounting to 5,014 million marks, 1,521 million consisted of so-called motor vehicle credits, 970 million of dollar credits from the Argentine and 683 million of railway rail credits from Belgium. The remaining 1,840 million marks were due to the dollar credit obtained earlier by the Bank of Finland from the Export-Import Bank being converted into a State liability. Of the redemption of foreign loans, amounting to 5,180 million marks, 3,927 million represented the redemption of a dollar credit from the Argentine, 673 million the redemption of so-called private dollar credits and 326 million the repayment of bills in Swedish crowns, to mention the most important items.

The internal borrowing of the Government was, practically speaking, entirely from the Post Office Savings Bank; the latter bought Government bonds to a total of 3,650 million marks. Among the redemption of earlier loans the largest item was the repayment of the first half of the 1944—1945 War Loan, totalling 1,700 million marks.

As new loans were obtained to the value of 1,255 million marks in excess of the redemption of earlier loans and the private

funds held by the Government grew at the same time by 505 million marks, the Government had a cash balance of 12,842 million marks in all. Of this, 11,809 million marks were employed in repaying the short-term debt to the Bank of Finland. As, on the other hand, the short-term debt to the Post Office Savings Bank grew simultaneously by 3,909 million marks, there remained 4,942 million marks as an increase in the cash balances of Government departments.

The Government borrowing can also be suitably illustrated by examining the Public Debt. In contrast to the official figures for the Public Debt, which are also published in Table 21 of this Bulletin, adjusted figures are given below.

PUBLIC DEBT.
(Adjusted figures)

	1950 Mill. mk	1951 Mill. mk
Ordinary loans	29,104	30,528
Cash debt (net)	19,704	6,862
Debt to the Bank of Finland	20,549	8,740
Short-term debt to the Post		
Office Savings Bank	15,050	18,959
less: Cash holdings	—15,895	—20,837
Domestic debt	48,808	37,390
Foreign debt.....	65,841	66,143
Total	114,649	103,533
Indemnity bonds and similar obligations (not included above):		
nominal value	16,634	14,937
redemption value	48,275	52,591

An attempt has been made to draw up the statement in such a way as to correspond as closely as possible to the figures quoted above concerning Government borrowing and redemption. The change in the foreign debt, however, differs from these mainly for the reason that, owing to the alterations in the rates of exchange, the capital amount of the debt increased last year by 470 million

marks. As regards the internal debt, this includes the short-term debt expressed as a net amount after deducting the cash balances of Government departments. Thus the decrease in the cash debt (net) in 1951 is exactly the same as the balance shown in the table at the beginning of this article.

The foreign debt, which does not include the liabilities to the International Monetary Fund, amounted, according to the table, to 66,143 million marks at the end of last year or almost the same as before. The internal debt, on the other hand, was reduced last year by almost one-quarter and amounted to 37,390 million marks at the end of the year. The reduction, it will be noted, was due exclusively to the large cash balance and owing to it the whole of the foreign debt, too, would seem to have decreased.

However, the Indemnity Bonds and other liabilities which the Government has passed over to the public without any counter-receipt are not included above in the internal debt. The outstanding amount of such liabilities was 14,937 million marks at the end of last year. The nominal value of the liabilities does not, however, give a correct idea of the actual amount of debt incurred by the Government by this means, as the redemption of bonds of the Second Indemnity Loan is dependent on the index, as already stated. If the nominal value of the outstanding bonds of the Second Indemnity Loan is increased in accordance with the rise of the wholesale price index, a total of 52,591 (48,275) million marks is arrived at as the redemption value of all the liabilities at the end of last year. The whole of the Public Debt, in its wider sense, i. e., including the redemption value of the liabilities, thus amounted to 156,124 (162,924) million marks at the end of 1951, so that, if calculated in this way, too, the debt was reduced.

ITEMS.

War indemnity. During the eighth and last indemnity year, officially ended on September 19, 1952, the war reparations imposed on Finland were paid in full. Some delays in deliveries had occurred, causing penalties of about 185,000 dollars. On the application of the Finnish Government the Government of the USSR consented to forego the penalties.

The next issue of this Bulletin will contain an article on the Finnish war indemnity.

*

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

India. On September 2, 1952, negotiations carried on in New Delhi resulted in a decision that the trade agreement of January 12, 1951, was to be in force up to the end of 1953.

Soviet Union—China. On September 21, a tripartite agreement between Finland and these two countries and minutes concerning exchange of goods in 1952 were signed. Finland will export to China commodities to the value of 34 million roubles, mainly cellulose, newsprint and cardboard, while her corresponding imports will be from the Soviet Union and comprise such commodities as wheat, naphtha, motor cars, and scrap iron.

Soviet Union. On September 23, 1952, a supplementary agreement was signed in Helsinki concerning trade during 1952—1955 in excess of the quantities provided for in the five-year agreement of June 13, 1950. (See Item in this Bulletin Nos. 7—8, 1950.) The agreement came into force immediately.

The supplementary exports in each direction will amount to about 85 million roubles this year and about 175 million roubles annually in 1953—1955. During the current year Finland's supplementary imports from the Soviet Union will comprise 50,000 tons

of wheat, 15,000 tons of rye, 20,000 tons of barley, 15,000 tons of sugar, 47,000 tons of motor petrol, 30,000 tons of fuel oil, 1,000 tons of cotton, 5,000 tons of millet, etc. In 1953—1955 they will include ship-building material, metals, chemicals, paints and dyes, motor cars, and industrial machinery. Finland will export vessels, machinery and apparatus, prefabricated houses, sawn timber, pulpwood, and paper and board.

Greece. On October 8, 1952, an agreement was signed in Helsinki covering trade during one year beginning October 1, 1952. Exports in each direction are estimated at 5½ million dollars. Greece will deliver tobacco, rice, about 2,000 tons of resin, dried fruit, raw cotton, etc. Finland will export sawn goods, spars, plywood, mechanical pulp, newsprint and other paper, cardboard, paper bags, chinaware, metal products, cheese, etc.

Italy. The trade agreement between Finland and Italy has, by exchange of notes, been extended by three months, or up to the end of 1952. By this and previous prolongations the original quotas have been increased by altogether three fourths.

Switzerland. On October 18, minutes were signed in Bern, fixing the exchange of goods during the year December 1, 1952, to November 30, 1953. The exports of each country are estimated at about 25 million Swiss francs. Switzerland will deliver machinery, means of transport, precision instruments, textiles, clocks and watches, and products of the chemical and pharmaceutical industries. Finland's exports will include mechanical pulp, sawn timber, cellulose, and various kinds of paper.

*

Tourist traffic. Altogether about 103,000 foreigners arrived in Finland during June—August, the corresponding number last year being about 42,000. Thus, the increase was

about 61,000 persons. In view of the fact that the increase in the last few years has been about 10—15 per cent, it seems evident that the major part of the past summer's increase was due to the XV Olympic Games. Although the number of visitors rose to record height, it proved, however, lower than expected. This was probably largely due to the uncertain world political situation and the currency restrictions in force in most countries.

*

The merchant fleet. By the end of last June orders for 28 new vessels had been placed abroad by Finnish shipping companies. The deliveries will take place in the next two years, and will comprise one passenger ship of about 3,000 net reg. tons, 22 cargo vessels totalling about 98,300 tons d.w., 4 tankers totalling about 60,300 tons d.w., and one tug. The passenger ship and one of the cargo vessels will be built in Sweden, one cargo ship in England, and the

rest in Holland. These vessels will considerably add to the total tonnage of the Finnish merchant fleet, which amounted to 614,900 gross reg. tons on November 1, 1952.

*

Crop prospects and weather conditions. Crop prospects, which until the middle of August were very good, have since then grown worse as already stated in the foregoing issue of this Bulletin. In September and October rain and frost still delayed growth and harvesting. Thus, by the middle of October great quantities of spring grain were still unharvested. The crop will fall short of expectations as regards both quality and quantity. According to the calculations made by the Board of Agriculture only 56 per cent of the spring wheat will be of first-rate quality. The corresponding figure for autumn wheat is 86, for rye 79, and for oats 62.

THE BANK OF FINLAND MONTHLY BULLETIN

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