



BANK OF FINLAND

Monthly Bulletin

The growing role of small and medium-sized industrial firms

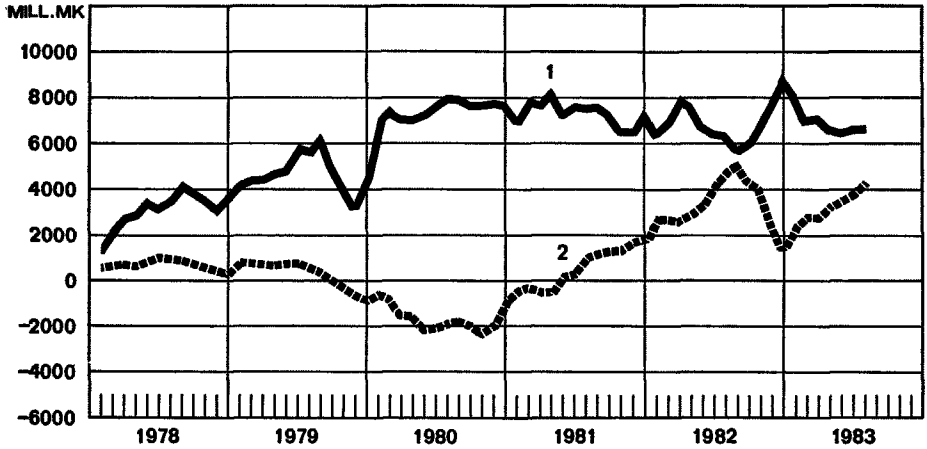
Housing conditions in Finland in 1950—1980 in the light of population and housing censuses

**Finland's balance of payments
January—June 1983**

Labour disputes in 1982

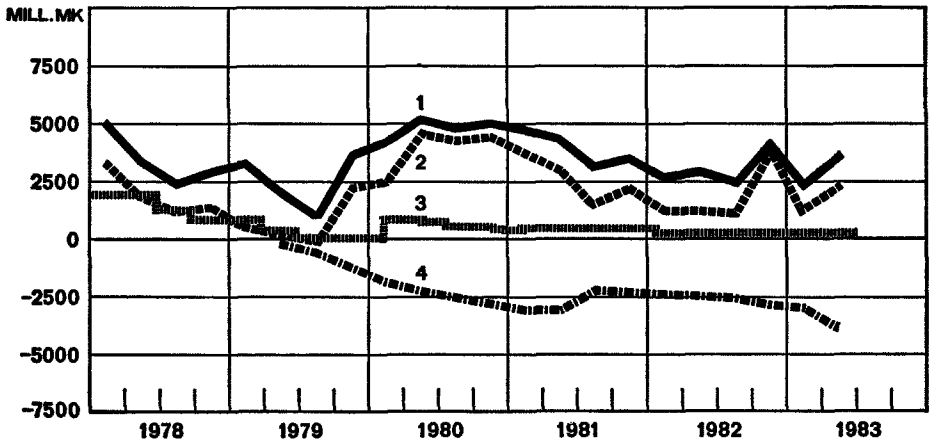
New appointment at the Bank of Finland

BANK OF FINLAND'S CONVERTIBLE AND TIED FOREIGN EXCHANGE RESERVES, 1978 - 83



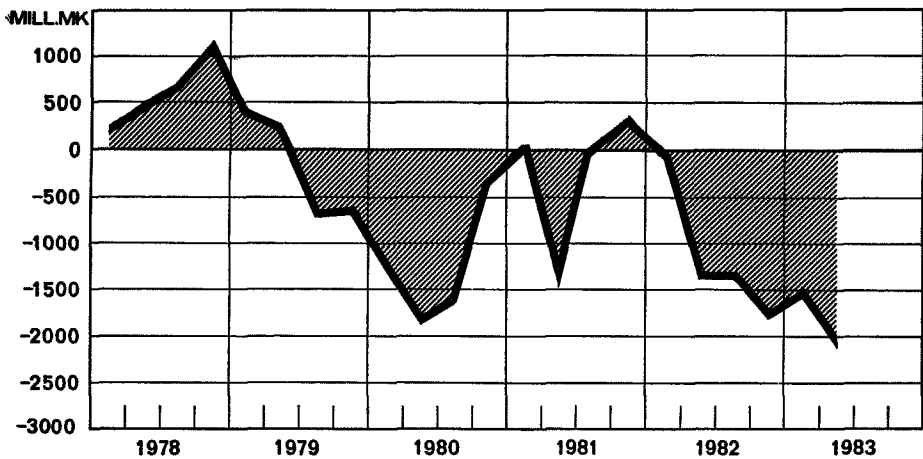
- 1. Gold and convertible currencies
- 2. Tied currencies

COMMERCIAL BANKS' CENTRAL BANK POSITION, 1978 - 83



- 1. Total central bank debt
 - 2. Actual central bank debt
 - 3. The quotas
 - 4. Cash reserve deposits
- Quarterly average of daily amounts (1, 2 and 4)

BALANCE OF PAYMENTS CURRENT ACCOUNT SURPLUS/DEFICIT, 1978 - 83



Seasonally adjusted quarterly figures

THE GROWING ROLE OF SMALL AND MEDIUM-SIZED INDUSTRIAL FIRMS

by Olavi Änkö, Industrial Counsellor
Ministry of Trade and Industry

In recent years, the importance of small and medium-sized industrial firms has been enhanced in Finland, as in many other countries. This has been due to a number of factors, such as the need to strengthen the base of entrepreneurial activity, efforts to increase the structural flexibility and adaptability of industry, the weakening of employment prospects in several large-scale production sectors, and the growing need and opportunities for industrializing smaller communities on regional policy grounds.

The long decline in the total number of industrial firms was reversed in the late 1970s. The upturn in the number of very small businesses employing between one and four persons, numerically a large category, started to grow at the end of the decade, while the number of other small businesses employing less than 100 persons had started to increase earlier. The number of medium-sized firms, employing between 100 and 499 people, grew in the course of the decade, although their development was uneven. The registration of new enterprises has declined slightly during the past few years, whereas liquidations have increased. Thus, when the industrial statistics for this period become available they are likely to indicate a cyclical deceleration of the increase in the number of enterprises. Nevertheless, the number of businesses is expected to go on growing in the years to come. An annual increase of two per cent has been set as a target.

Behind the growth in the net amount of enterprises has been an extensive and continuous renewal of the stock of businesses. This has also been a major factor explaining the flexi-

bility of small and medium-sized firms. New enterprises, as well as old, are quick to exploit new market opportunities as they emerge. On the other hand, business failures have tended to be more frequent during the initial years of activity, suggesting that, when establishing a firm, businessmen have not had sufficient business management skills at their disposal or an adequate knowledge of operating requirements. Hence, an even more important way of influencing the development of the country's entrepreneurial base than fostering the establishment of new businesses is to improve the operating conditions of existing firms.

A sectoral analysis of industrial enterprises provides a good picture of the changes which have occurred in the size distribution of firms. During the last decade, the number of small and medium-sized firms grew by 45 per cent in the wooden furniture industry, by 42 per cent in the plastics products and metal products industries, and by 41 per cent in the transport equipment and related products industry. Similarly, in printing, publishing and allied industries and in the machinery and electro-technical products sectors the number of small and medium-sized firms has increased by one-quarter. By contrast, the number of businesses in this category has fallen by 28 per cent in the food, beverages and tobacco industries and by 13 per cent in the textile, clothing and footwear industries. The number of very small sawmills and firms manufacturing building materials has also declined by one-quarter, even though the number of larger operating units in these industries has grown.

In Finland the contribution of small and medium-sized firms to industrial output, in

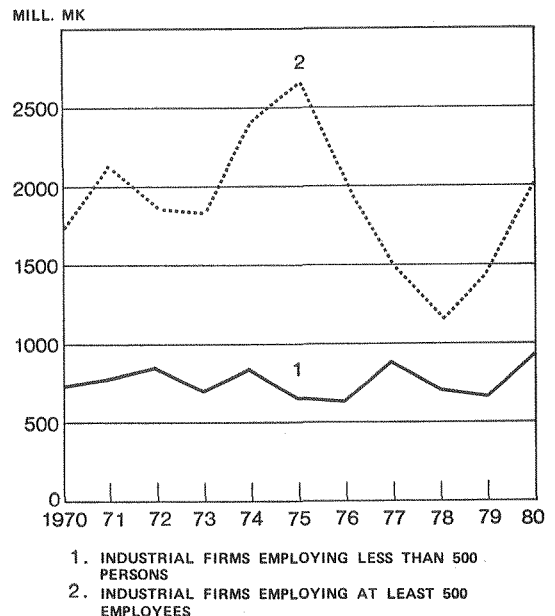
terms of value added, is notably smaller than in many other western industrialized countries. In 1980, small and medium-sized firms together accounted for 37 per cent of total value added, of which small industrial firms accounted for 17 percentage points. Of particular importance for the economy as a whole has been the fact that the output of small firms has been largely free of cyclical fluctuations. The output of small businesses has grown at a steady pace even during recessions, whereas the output of large firms has been subject to heavy cyclical variations.

The special features of small and medium-sized firms are also reflected in their employment effects. Small businesses increased their work force at a fairly constant pace throughout the 1970s, whereas the labour requirements of large firms and of a substantial proportion of medium-sized firms tended to fluctuate to a considerable extent in line with changes in cyclical conditions. Thus, small and medium-sized firms, and small firms in particular, have played an increasingly important role in recent years in helping to alleviate unemployment problems.

Moreover, the share of the total manufacturing labour force accounted for by these firms is larger than their contribution to output, 41 per cent in 1980. This indicates that small and medium-sized firms are more labour-intensive than the average.

An increasing number of small and medium-sized firms operate in sectors which are not typically home-market oriented. A study on the internationalization of small and medium-sized firms reveals that 87 per cent of the total of 1 410 industrial export companies in 1976 were small and medium-sized firms. Nevertheless, large enterprises are still responsible for the major part of exports. In 1980, small and medium-sized firms accounted for 21 per cent of the total value of manufacturing exports. Thus, the contribution of small and medium-sized firms to total exports is still smaller than their contribution to output. On the other hand, the value of exports of small

CHART 1. INDUSTRIAL INVESTMENT IN 1970—1980 AT 1970 PRICES, BY SIZE OF FIRM



businesses has risen appreciably faster in recent years than that of large enterprises, so that the difference is declining; in 1975—1980 the nominal value of exports of small firms almost quadrupled and that of medium-sized firms approximately trebled, while that of large firms increased by only about 2.5 times. Exports of small and medium-sized firms have grown fastest in the furniture, metal, and textile, clothing and footwear industries.

An examination of developments in industrial investment by size of enterprise probably demonstrates most clearly how small and medium-sized firms tend to even out cyclical variations. The volume of investment of small and medium-sized firms remained fairly stable throughout the last decade, although the level of real investment of small businesses rose slightly during the latter half of the decade. By contrast, the energy crisis and its disruptive consequences for the economy were reflected very sharply in the investment of large enterprises. Hence, the growth in the share of the investment of small and medium-sized firms in

(continued on page 38)

| | 1982 | | 1983 | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Aug. 31 | Dec. 31 | Aug. 8 | Aug. 15 | Aug. 23 | Aug. 31 |
| Assets | | | | | | |
| Gold and foreign exchange receivables | 11 127 | 10 552 | 11 274 | 10 898 | 10 446 | 9 962 |
| Gold | 1 382 | 1 382 | 1 383 | 1 383 | 1 383 | 1 383 |
| Special drawing rights | 569 | 609 | 528 | 529 | 527 | 528 |
| IMF reserve tranche | 397 | 453 | 465 | 466 | 463 | 465 |
| Foreign bonds | 851 | 765 | 221 | 217 | 214 | 232 |
| Convertible currencies | 2 691 | 5 813 | 4 157 | 3 844 | 3 854 | 4 130 |
| Tied currencies | 5 237 | 1 530 | 4 520 | 4 459 | 4 005 | 3 224 |
| Other foreign receivables | 1 615 | 3 963 | 4 024 | 4 014 | 3 991 | 4 007 |
| Mark subscription to Finland's IMF quota | 1 615 | 1 843 | 1 854 | 1 854 | 1 854 | 1 854 |
| Term receivables | — | 2 120 | 2 170 | 2 160 | 2 137 | 2 153 |
| Receivables from financial institutions | 3 060 | 5 409 | 6 594 | 7 958 | 7 077 | 5 940 |
| Banks' cheque accounts | 435 | 169 | 397 | 466 | 424 | 297 |
| Call money market advances | 929 | 3 126 | 3 755 | 5 093 | 4 234 | 3 227 |
| Till-money credits | 830 | 889 | 1 032 | 986 | 981 | 956 |
| Bonds | 839 | 1 179 | 1 358 | 1 357 | 1 389 | 1 410 |
| Other financial institution receivables | 27 | 46 | 52 | 56 | 49 | 50 |
| Receivables from the public sector | 985 | 1 040 | 1 674 | 1 691 | 1 693 | 1 697 |
| Government promissory notes | — | — | 440 | 440 | 440 | 440 |
| Bonds | 443 | 435 | 568 | 584 | 583 | 583 |
| Total coinage | 541 | 559 | 661 | 664 | 667 | 671 |
| Other public sector receivables | 1 | 46 | 5 | 3 | 3 | 3 |
| Receivables from corporations | 4 813 | 4 990 | 4 876 | 4 872 | 4 886 | 4 881 |
| Financing of exports | 1 675 | 1 788 | 1 637 | 1 633 | 1 648 | 1 647 |
| Financing of domestic deliveries | 2 442 | 2 514 | 2 675 | 2 675 | 2 672 | 2 667 |
| Bonds | 169 | 163 | 138 | 137 | 137 | 137 |
| Other corporate receivables | 527 | 525 | 426 | 427 | 429 | 430 |
| Other assets | 97 | 99 | 102 | 101 | 102 | 102 |
| Total | 21 697 | 26 053 | 28 544 | 29 534 | 28 195 | 26 589 |
| Liabilities | | | | | | |
| Foreign exchange liabilities | 64 | 22 | 87 | 78 | 76 | 71 |
| Convertible accounts | 34 | 17 | 44 | 44 | 41 | 40 |
| Tied accounts | 30 | 5 | 43 | 34 | 35 | 31 |
| Other foreign liabilities | 3 170 | 5 410 | 4 718 | 4 729 | 4 684 | 4 729 |
| IMF mark accounts | 1 726 | 1 927 | 1 854 | 1 854 | 1 854 | 1 854 |
| Allocations of special drawing rights | 726 | 833 | 856 | 858 | 854 | 856 |
| Term liabilities | 718 | 2 650 | 2 008 | 2 017 | 1 976 | 2 019 |
| Notes and coins in circulation | 5 557 | 6 062 | 6 240 | 6 267 | 6 091 | 6 085 |
| Notes | 5 086 | 5 572 | 5 713 | 5 739 | 5 564 | 5 559 |
| Coins | 471 | 490 | 527 | 528 | 527 | 526 |
| Deposit certificates in circulation | 1 600 | 1 700 | 1 800 | 2 800 | 2 800 | 800 |
| Claims of financial institutions | 4 278 | 4 791 | 7 043 | 7 035 | 5 964 | 6 186 |
| Banks' cheque accounts | 0 | 6 | 7 | 0 | 0 | 0 |
| Call money market deposits | 1 260 | 1 470 | 1 967 | 2 025 | 1 028 | 1 205 |
| Cash reserve deposits | 2 783 | 3 132 | 4 948 | 4 894 | 4 894 | 4 948 |
| Capital import deposits | 216 | 177 | 60 | 60 | 28 | 28 |
| Other financial institution claims | 19 | 6 | 61 | 56 | 14 | 5 |
| Claims of the public sector | 147 | 50 | 1 | 0 | 0 | 1 |
| Cheque accounts | 0 | 1 | 1 | 0 | 0 | 1 |
| Counter-cyclical reserves | 64 | — | — | — | — | — |
| Capital import deposits | 83 | 49 | — | — | — | — |
| Other public sector claims | 0 | 0 | 0 | 0 | 0 | 0 |
| Claims of corporations | 1 679 | 1 687 | 1 903 | 1 882 | 1 875 | 1 950 |
| Deposits for investment and ship purchase | 1 485 | 1 416 | 1 427 | 1 407 | 1 403 | 1 448 |
| Capital import deposits | 183 | 265 | 469 | 469 | 466 | 496 |
| Other corporate claims | 11 | 6 | 7 | 6 | 6 | 6 |
| Other liabilities | 17 | 23 | 23 | 17 | 18 | 18 |
| Equalization accounts | 884 | 1 609 | 2 064 | 2 051 | 2 002 | 2 049 |
| Capital accounts | 4 301 | 4 699 | 4 665 | 4 675 | 4 685 | 4 700 |
| Primary capital | 3 000 | 3 000 | 3 000 | 3 000 | 3 000 | 3 000 |
| Reserve fund | 1 032 | 1 032 | 1 365 | 1 365 | 1 365 | 1 365 |
| Undisposed profits | — | — | — | — | — | — |
| Net earnings | 269 | 667 | 300 | 310 | 320 | 335 |
| Total | 21 697 | 26 053 | 28 544 | 29 534 | 28 195 | 26 589 |

BANK OF FINLAND

Mill. mk

| End of year or month | Foreign sector | | | | | | Public sector | | | | Deposit certificates in circulation |
|----------------------|--------------------------------|---------------|-----------------------------|------------------------------------|----------------------|------------------------|-------------------------|-------------|-------------|-----------------------|-------------------------------------|
| | Gold SDRs, IMF reserve tranche | Foreign bonds | Convertible currencies, net | Total convertible reserves (1+2+3) | Tied currencies, net | Other receivables, net | Net receivables (4+5+6) | Receivables | Liabilities | Net liabilities (8-9) | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 1979 | 1 728 | 1 749 | 2 964 | 6 441 | -678 | -764 | 4 999 | 884 | 387 | -497 | 1 700 |
| 1980 | 1 850 | 2 125 | 3 823 | 7 798 | -757 | -890 | 6 151 | 1 225 | 591 | -634 | 1 900 |
| 1981 | 2 408 | 1 405 | 3 645 | 7 458 | 1 909 | -991 | 8 376 | 1 236 | 578 | -658 | 1 600 |
| 1982 | 2 444 | 765 | 5 796 | 9 005 | 1 525 | -1 447 | 9 083 | 1 040 | 50 | -990 | 1 700 |
| 1982 | | | | | | | | | | | |
| July | 2 286 | 899 | 3 280 | 6 465 | 4 909 | -1 583 | 9 791 | 987 | 163 | -824 | 2 000 |
| Aug. | 2 348 | 851 | 2 657 | 5 856 | 5 207 | -1 555 | 9 508 | 985 | 147 | -838 | 1 600 |
| Sept. | 2 348 | 857 | 2 920 | 6 125 | 4 306 | -2 537 | 7 894 | 973 | 107 | -866 | 2 000 |
| Oct. | 2 348 | 709 | 4 042 | 7 099 | 4 128 | -4 427 | 6 800 | 986 | 112 | -874 | 2 000 |
| Nov. | 2 310 | 752 | 4 946 | 8 008 | 2 697 | -3 295 | 7 410 | 978 | 50 | -928 | 2 800 |
| Dec. | 2 444 | 765 | 5 796 | 9 005 | 1 525 | -1 447 | 9 083 | 1 040 | 50 | -990 | 1 700 |
| 1983 | | | | | | | | | | | |
| Jan. | 2 450 | 523 | 5 142 | 8 115 | 2 488 | 121 | 10 724 | 1 113 | 0 | -1 113 | 1 580 |
| Feb. | 2 405 | 600 | 4 109 | 7 114 | 2 922 | 180 | 10 216 | 1 209 | 0 | -1 209 | 1 650 |
| March | 2 408 | 278 | 4 560 | 7 246 | 2 919 | -664 | 9 501 | 1 555 | 1 | -1 554 | 1 800 |
| April | 2 407 | 232 | 4 068 | 6 707 | 3 380 | -654 | 9 433 | 1 477 | 1 | -1 476 | 1 650 |
| May | 2 368 | 379 | 3 842 | 6 589 | 3 575 | -618 | 9 546 | 1 401 | 1 | -1 400 | 950 |
| June | 2 362 | 181 | 4 166 | 6 709 | 3 927 | -636 | 10 000 | 1 663 | 1 | -1 662 | 750 |
| July | 2 368 | 214 | 4 206 | 6 788 | 4 330 | -668 | 10 450 | 1 662 | 1 | -1 661 | 1 400 |
| Aug. | 2 376 | 232 | 4 090 | 6 698 | 3 193 | -722 | 9 169 | 1 697 | 1 | -1 696 | 800 |

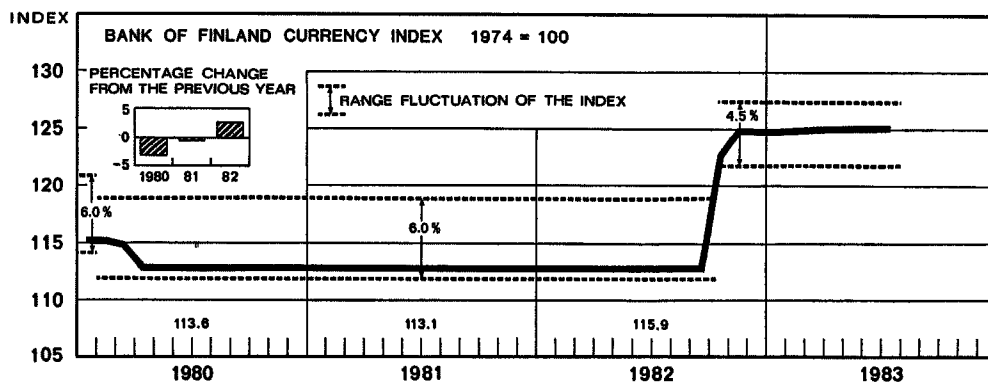
FOREIGN EXCHANGE POSITION

Mill. mk

| | Net holdings, Dec. 31, 1982 | | | Net holdings July 29, 1983 | | | Change | |
|------------------------|-----------------------------|----------------|----------------|----------------------------|----------------|----------------|-------------|---------------|
| | Bank of Finland | Other | Total | Bank of Finland | Other | Total | July | Jan.-July |
| Gold | 1 382 | — | 1 382 | 1 383 | — | 1 383 | — | +1 |
| Special drawing rights | 609 | — | 609 | 524 | — | 524 | +3 | -85 |
| IMF reserve tranche | 453 | — | 453 | 461 | — | 461 | +3 | +8 |
| Foreign bonds | 764 | — | 764 | 215 | — | 215 | +34 | -549 |
| Convertible currencies | 5 796 | -11 049 | -5 253 | 4 206 | -11 886 | -7 680 | -468 | -2 427 |
| Total | 9 004 | -11 049 | -2 045 | 6 789 | -11 886 | -5 097 | -428 | -3 052 |
| Tied currencies | 1 526 | -215 | 1 311 | 4 329 | -201 | 4 128 | +422 | +2 817 |
| Grand total | | 10 530 | -11 264 | -734 | 11 118 | -12 087 | -969 | -6 |

| End of year or month | Domestic financial sector | | | | | | Corporate sector | | | | Notes and coins in circulation |
|----------------------|---------------------------------|---------------------------------|--|---------------------------------------|-----------------------|------------------------|-------------------------------|-------------------------------------|-----------------|-----------------------|--------------------------------|
| | Till-money credits ¹ | Cheque account receivables, net | Demand for call money by deposit banks | Supply of call money by deposit banks | Cash reserve deposits | Other liabilities, net | Net receivables (1+2+3-4-5-6) | Permanent special financing schemes | Liabilities net | Net receivables (8-9) | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 1979 | — | 229 | 3 870 | 1 131 | 1 764 | -291 | 1 495 | 2 182 | 65 | 2 117 | 4 376 |
| 1980 | 643 | 480 | 3 674 | 290 | 3 317 | -421 | 1 611 | 3 063 | 642 | 2 421 | 4 954 |
| 1981 | 768 | 495 | 1 796 | 1 080 | 2 492 | -406 | -107 | 3 865 | 749 | 3 116 | 5 595 |
| 1982 | 889 | 163 | 3 126 | 1 470 | 3 132 | -1 042 | 618 | 4 302 | 999 | 3 303 | 6 062 |
| 1982 | | | | | | | | | | | |
| July | 743 | 290 | 1 223 | 1 042 | 2 777 | -724 | -839 | 4 084 | 1 136 | 2 948 | 5 706 |
| Aug. | 830 | 435 | 929 | 1 260 | 2 783 | -631 | -1 218 | 4 117 | 983 | 3 134 | 5 557 |
| Sept. | 833 | 351 | 2 409 | 290 | 3 095 | -704 | 912 | 4 156 | 982 | 3 174 | 5 616 |
| Oct. | 739 | 328 | 3 867 | 39 | 3 105 | -791 | 2 581 | 4 415 | 977 | 3 438 | 5 670 |
| Nov. | 857 | 311 | 3 902 | — | 3 128 | -833 | 2 775 | 4 404 | 973 | 3 431 | 5 663 |
| Dec. | 889 | 163 | 3 126 | 1 470 | 3 132 | -1 042 | 618 | 4 302 | 999 | 3 303 | 6 062 |
| 1983 | | | | | | | | | | | |
| Jan. | 899 | 347 | 708 | 1 308 | 3 254 | -1 176 | -1 432 | 4 331 | 994 | 3 337 | 5 711 |
| Feb. | 913 | 198 | 1 151 | 1 140 | 3 294 | -1 193 | -979 | 4 360 | 871 | 3 489 | 5 803 |
| March | 802 | 262 | 2 106 | 710 | 3 727 | -1 233 | -34 | 4 418 | 1 135 | 3 283 | 5 966 |
| April | 801 | 355 | 2 510 | 740 | 4 128 | -1 221 | 19 | 4 474 | 1 108 | 3 366 | 5 984 |
| May | 953 | 356 | 2 919 | 1 071 | 4 772 | -1 068 | -547 | 4 452 | 1 086 | 3 366 | 6 042 |
| June | 998 | 451 | 2 853 | 1 432 | 4 889 | -1 153 | -866 | 4 374 | 1 249 | 3 125 | 6 353 |
| July | 879 | 317 | 2 984 | 1 383 | 4 948 | -1 282 | -869 | 4 369 | 1 337 | 3 032 | 6 301 |
| Aug. | 956 | 297 | 3 227 | 1 205 | 4 948 | -1 427 | -246 | 4 314 | 1 383 | 2 931 | 6 085 |

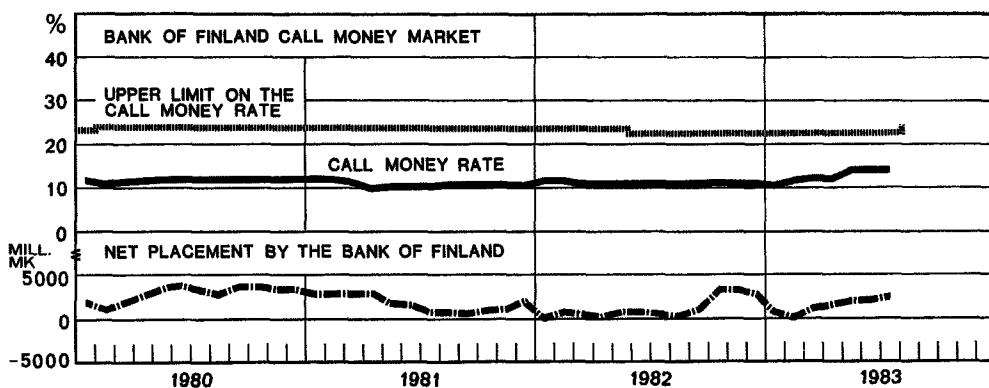
¹ Previously included in Other liabilities, net (column 6).



MONETARY POLICY INDICATORS

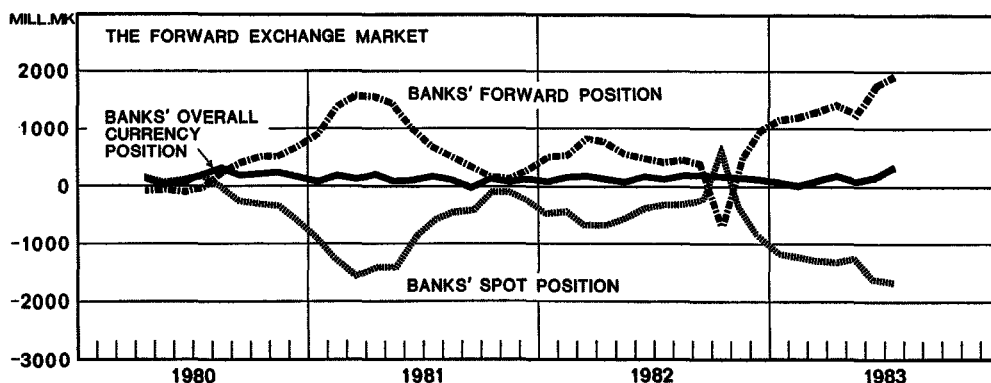
| Average for period | Total central bank debt of the commercial banks, mill. mk | Actual central bank debt of the commercial banks, mill. mk | Credit quotas of the commercial banks at the Bank of Finland, mill. mk | Cash reserve deposits of the deposit banks mill. mk | Cash reserve deposits of the commercial banks mill. mk | Bank of Finland placements in the call money market, mill. mk | Base rate % | Call money interest rate % | Average cost of total central bank debt % | Average lending rate of the commercial banks ¹ % |
|--------------------|---|--|--|---|--|---|-------------|----------------------------|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1979 | 2 629 | 820 | 475 | 447 | 389 | 321 | 7.46 | 9.74 | 8.99 | 8.03 |
| 1980 | 4 963 | 4 097 | 783 | 2 542 | 2 220 | 3 313 | 9.20 | 12.38 | 12.37 | 9.77 |
| 1981 | 4 087 | 2 754 | 595 | 2 795 | 2 442 | 2 161 | 9.25 | 11.48 | 11.61 | 9.84 |
| 1982 | 3 166 | 1 985 | 417 | 2 777 | 2 426 | 1 571 | 8.81 | 11.64 | 11.99 | 9.33 |
| 1982 | | | | | | | | | | |
| July | 2 686 | 1 213 | 400 | 2 731 | 2 386 | 814 | 8.50 | 11.50 | 11.09 | 9.04 |
| Aug. | 2 312 | 1 010 | 400 | 2 771 | 2 418 | 611 | 8.50 | 11.50 | 10.63 | 8.99 |
| Sept. | 2 703 | 1 597 | 400 | 2 794 | 2 439 | 1 198 | 8.50 | 11.45 | 11.25 | 8.97 |
| Oct. | 4 412 | 4 148 | 400 | 3 091 | 2 699 | 3 750 | 8.50 | 11.70 | 13.08 | 8.97 |
| Nov. | 4 247 | 4 088 | 400 | 3 100 | 2 714 | 3 690 | 8.50 | 11.50 | 13.24 | 8.95 |
| Dec. | 4 242 | 3 765 | 400 | 3 119 | 2 723 | 3 367 | 8.50 | 11.50 | 13.30 | 8.95 |
| 1983 | | | | | | | | | | |
| Jan. | 2 963 | 1 410 | 400 | 3 135 | 2 751 | 1 011 | 8.50 | 11.00 | 12.10 | 8.99 |
| Feb. | 1 853 | 870 | 400 | 3 240 | 2 853 | 475 | 8.50 | 12.00 | 11.73 | 8.97 |
| March | 2 718 | 1 807 | 400 | 3 308 | 2 888 | 1 408 | 8.50 | 13.00 | 13.62 | 8.95 |
| April | 3 256 | 2 065 | 400 | 3 753 | 3 279 | 1 666 | 8.50 | 13.00 | 13.71 | 8.97 |
| May | 4 000 | 2 668 | 400 | 4 149 | 3 643 | 2 271 | 8.50 | 15.00 | 14.55 | 9.00 |
| June | 3 858 | 2 708 | 400 | 4 770 | 4 169 | 2 308 | 8.50 | 15.00 | 14.33 | 9.07 |
| July | 4 438 | 3 024 | 400 | 4 889 | 4 277 | 2 627 | 9.50 | 15.00 | 14.68 | 10.09 |
| Aug. | 4 571 | 2 939 | 400 | 4 920 | 4 299 | 2 541 | 9.50 | 15.00 | 14.69 | .. |

¹ End of period.



FORWARD EXCHANGE MARKETS IN FINLAND

| Period | Banks' Forward Positions in mill. mk with | | | | | | Banks' Forward Selling Rates for USD | | |
|-------------|---|-------------|---------|---------------|-----------------|---------|--|----------|----------|
| | Domestic Firms | | | Foreign Banks | Bank of Finland | Overall | Deviation from spot rate, per cent per annum | | |
| | Assets | Liabilities | Net | Net | Net | Net | 1 month | 3 months | 6 months |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1981 | 5 183.0 | 1 619.8 | 3 563.2 | -581.0 | -2 346.3 | 583.5 | -4.4 | -4.1 | -3.6 |
| 1982 | 11 128.0 | 2 116.7 | 9 011.4 | -865.1 | -6 827.2 | 1 104.0 | 3.9 | 3.8 | 3.4 |
| 1982 | | | | | | | | | |
| Feb. | 5 054.0 | 1 666.4 | 3 387.6 | -660.0 | -2 081.1 | 666.8 | -2.6 | -2.3 | -2.4 |
| March | 5 596.8 | 1 693.5 | 3 903.3 | -522.1 | -2 262.1 | 1 292.4 | -1.3 | -1.5 | -1.7 |
| April | 5 936.4 | 1 596.8 | 4 339.6 | -671.8 | -2 879.4 | 666.5 | -1.9 | -1.9 | -2.0 |
| May | 6 035.1 | 1 950.0 | 4 085.1 | -486.4 | -2 953.6 | 559.9 | -1.3 | -1.1 | -1.1 |
| June | 5 942.0 | 1 703.4 | 4 238.6 | -704.5 | -2 797.7 | 637.3 | -1.7 | -1.7 | -1.6 |
| July | 5 781.5 | 1 653.2 | 4 128.3 | -871.0 | -3 004.6 | 322.1 | -0.6 | -0.9 | -1.3 |
| Aug. | 7 045.1 | 1 679.3 | 5 365.8 | -854.4 | -4 114.5 | 309.8 | 2.4 | 1.8 | 1.0 |
| Sept. | 6 618.6 | 2 282.4 | 4 336.1 | -711.3 | -3 947.8 | -306.9 | 2.6 | 2.6 | 2.3 |
| Oct. | 6 898.2 | 2 557.1 | 4 341.1 | -805.2 | -3 937.2 | -395.9 | 4.0 | 4.1 | 4.0 |
| Nov. | 8 921.5 | 2 199.9 | 6 721.6 | -692.8 | -5 027.6 | 917.4 | 4.7 | 4.6 | 4.5 |
| Dec. | 11 128.0 | 2 116.7 | 9 011.4 | -865.1 | -6 827.2 | 1 104.0 | 3.9 | 3.8 | 3.4 |
| 1983 | | | | | | | | | |
| Jan. | 11 271.6 | 2 189.0 | 9 082.6 | -753.6 | -6 643.2 | 1 515.5 | 3.8 | 3.9 | 3.7 |
| Feb. | 10 436.2 | 2 144.9 | 8 291.4 | -960.0 | -6 006.7 | 1 199.1 | 3.7 | 3.8 | 3.4 |
| March | 10 551.4 | 2 048.9 | 8 502.5 | -721.5 | -5 915.7 | 1 761.6 | 5.4 | 5.4 | 5.0 |
| April | 10 059.3 | 1 961.8 | 8 097.5 | -735.3 | -5 591.5 | 1 568.0 | 4.3 | 4.4 | 4.3 |
| May | 9 941.4 | 1 932.5 | 8 008.9 | -735.1 | -5 378.1 | 1 755.0 | 4.9 | 4.8 | 4.7 |
| June | 9 464.3 | 1 749.7 | 7 714.6 | -1 118.2 | -4 590.2 | 1 745.1 | 4.3 | 4.1 | 3.5 |
| July | 9 145.0 | 1 747.4 | 7 397.6 | 1 235.5 | -3 938.6 | 1 813.9 | 3.7 | 3.6 | 2.9 |



FOREIGN EXCHANGE RATES

Average selling rates for foreign exchange, mk

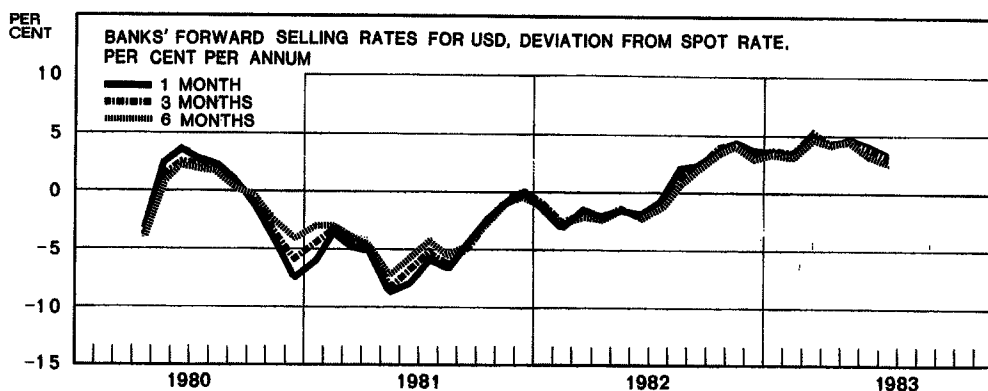
| Period | New York 1 US \$ USD | Montreal 1 C \$ CAD | London 1 £ GBP | Dublin 1 Ir£ IEP | Stockholm 100 Skr SEK | Oslo 100 Nkr NOK | Copenhagen 100 Dkr DKK | Frankfurt 100 DM DEM | Amsterdam 100 Hfl NLG | Brussels 100 FB BEC BEL | |
|--------|----------------------------|---------------------------|----------------------|------------------------|-----------------------------|------------------------|------------------------------|----------------------------|-----------------------------|-------------------------------|--------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 1978 | 4.117 | 3.617 | 7.917 | | 91.43 | 78.93 | 75.06 | 205.53 | 190.77 | 13.152 | 12.959 |
| 1979 | 3.896 | 3.330 | 8.275 | | 91.12 | 77.22 | 74.38 | 212.75 | 194.43 | 13.338 | 12.979 |
| 1980 | 3.730 | 3.194 | 8.691 | 7.689 | 88.43 | 75.81 | 66.53 | 205.58 | 188.02 | 12.818 | 12.635 |
| 1981 | 4.315 | 3.602 | 8.731 | 6.976 | 85.74 | 75.54 | 60.96 | 191.31 | 173.43 | 11.688 | 11.095 |
| 1982 | 4.820 | 3.913 | 8.423 | 6.854 | 77.03 | 74.84 | 57.93 | 198.76 | 180.66 | 10.584 | 9.859 |

1982

| | | | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|
| June | 4.678 | 3.681 | 8.237 | 6.669 | 77.88 | 75.76 | 56.23 | 193.17 | 174.76 | 10.164 | 9.271 |
| July | 4.735 | 3.729 | 8.224 | 6.624 | 77.56 | 74.65 | 55.57 | 192.36 | 174.14 | 10.086 | 9.376 |
| Aug. | 4.757 | 3.824 | 8.225 | 6.618 | 77.60 | 71.36 | 55.20 | 192.25 | 174.70 | 10.050 | 9.507 |
| Sept. | 4.806 | 3.897 | 8.247 | 6.595 | 77.34 | 69.80 | 54.73 | 192.36 | 175.57 | 9.993 | 9.602 |
| Oct. | 5.358 | 4.362 | 9.104 | 7.223 | 75.18 | 74.80 | 60.21 | 212.11 | 194.50 | 10.952 | 10.472 |
| Nov. | 5.534 | 4.519 | 9.045 | 7.371 | 73.82 | 76.51 | 61.85 | 216.80 | 198.78 | 11.168 | 10.823 |
| Dec. | 5.353 | 4.331 | 8.673 | 7.390 | 72.92 | 76.25 | 62.86 | 221.55 | 200.75 | 11.297 | 10.980 |

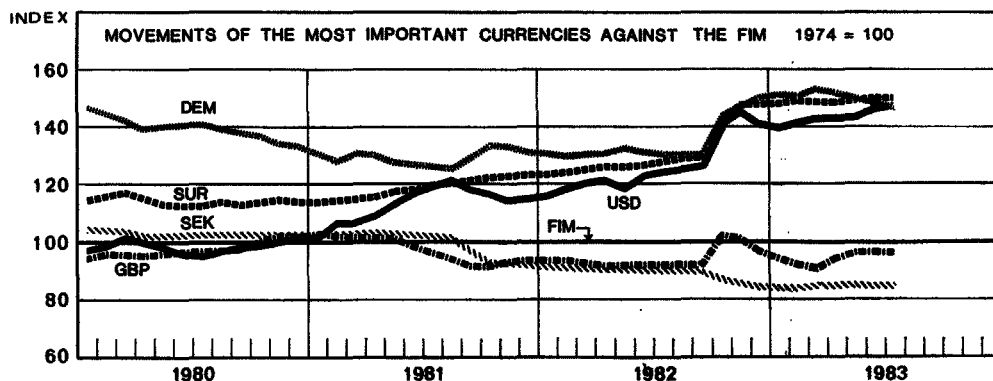
1983

| | | | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|
| Jan. | 5.317 | 4.332 | 8.397 | 7.417 | 72.78 | 75.57 | 63.27 | 222.95 | 202.42 | 11.370 | 10.869 |
| Feb. | 5.389 | 4.395 | 8.270 | 7.391 | 72.62 | 75.88 | 62.91 | 222.26 | 201.55 | 11.314 | 10.898 |
| March | 5.429 | 4.433 | 8.112 | 7.362 | 72.75 | 75.80 | 63.08 | 225.76 | 202.86 | 11.475 | 10.886 |
| April | 5.436 | 4.417 | 8.389 | 7.061 | 72.74 | 76.28 | 62.87 | 223.29 | 198.24 | 11.212 | 11.103 |
| May | 5.445 | 4.433 | 8.579 | 6.985 | 72.74 | 76.65 | 61.92 | 220.91 | 196.45 | 11.070 | 11.041 |
| June | 5.546 | 4.503 | 8.608 | 6.878 | 72.72 | 76.46 | 60.84 | 217.76 | 194.30 | 10.902 | 10.866 |
| July | 5.592 | 4.544 | 8.558 | 6.840 | 72.80 | 76.47 | 60.25 | 216.44 | 193.48 | 10.816 | 10.762 |
| Aug. | 5.714 | 4.637 | 8.590 | 6.753 | 72.82 | 76.70 | 59.45 | 213.97 | 191.29 | 10.678 | 10.631 |



Average selling rates for foreign exchange, mk

| Zurich 100 Sfr CHF | Paris 100 FF FRF | Rome 100 Lit ITL | Vienna 100 ÖS ATS | Lisbon 100 Esc PTE | Reykjavik 100 Ikr ISK | Madrid 100 Ptas ESP | Tokyo 100 Y JPY | Moscow 1 Cl Rbl SUR | I special drawing right SDR | Currency index 1974 = 100 |
|--------------------------|------------------------|------------------------|-------------------------|--------------------------|-----------------------------|---------------------------|-----------------------|---------------------------|--------------------------------------|---------------------------------|
| 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 231.83 | 91.77 | 0.489 | 28.45 | 9.55 | 1.57 | 5.42 | 1.983 | 6.037 | 5.136 33 | 117.2 |
| 234.36 | 91.88 | 0.473 | 29.19 | 8.13 | 1.14 | 5.84 | 1.797 | 5.941 | 5.016 78 | 117.3 |
| 222.87 | 88.65 | 0.440 | 28.90 | 7.60 | 0.81 | 5.25 | 1.662 | 5.741 | 4.842 55 | 113.6 |
| 220.34 | 79.92 | 0.385 | 27.17 | 7.17 | 60.35 | 4.72 | 1.967 | 5.986 | 5.071 40 | 113.1 |
| 237.79 | 73.65 | 0.358 | 28.31 | 6.13 | 40.79 | 4.41 | 1.943 | 6.624 | 5.305 63 | 115.9 |
| 225.93 | 71.66 | 0.347 | 27.44 | 6.07 | 42.20 | 4.31 | 1.870 | 6.397 | 5.147 87 | 113.1 |
| 226.29 | 69.30 | 0.344 | 27.36 | 5.66 | 40.60 | 4.26 | 1.862 | 6.458 | 5.159 48 | 113.1 |
| 226.15 | 68.97 | 0.344 | 27.38 | 5.59 | 36.89 | 4.26 | 1.844 | 6.498 | 5.160 27 | 113.1 |
| 225.33 | 68.26 | 0.343 | 27.40 | 5.53 | 33.51 | 4.27 | 1.834 | 6.522 | 5.179 44 | 113.1 |
| 247.28 | 75.17 | 0.374 | 30.21 | 6.02 | 35.48 | 4.67 | 1.983 | 7.219 | 5.724 37 | 122.8 |
| 252.26 | 76.87 | 0.378 | 30.92 | 6.07 | 34.70 | 4.67 | 2.096 | 7.434 | 5.896 66 | 125.1 |
| 261.40 | 78.33 | 0.385 | 31.52 | 5.90 | 32.80 | 4.27 | 2.217 | 7.446 | 5.847 79 | 125.0 |
| 270.53 | 78.77 | 0.389 | 31.79 | 5.79 | 29.19 | 4.21 | 2.289 | 7.450 | 5.897 67 | 125.0 |
| 267.72 | 78.50 | 0.387 | 31.66 | 5.90 | 28.34 | 4.17 | 2.287 | 7.506 | 5.865 42 | 125.1 |
| 263.75 | 77.75 | 0.383 | 32.13 | 5.82 | 26.65 | 4.09 | 2.287 | 7.498 | 5.884 14 | 125.2 |
| 264.97 | 74.60 | 0.376 | 31.78 | 5.59 | 25.76 | 4.02 | 2.294 | 7.489 | 5.876 33 | 125.2 |
| 264.63 | 73.58 | 0.373 | 31.41 | 5.56 | 24.71 | 3.97 | 2.321 | 7.496 | 5.885 11 | 125.2 |
| 262.74 | 72.53 | 0.368 | 30.93 | 5.29 | 20.55 | 3.89 | 2.313 | 7.529 | 5.915 46 | 125.2 |
| 264.53 | 72.13 | 0.367 | 30.80 | 4.76 | 20.49 | 3.80 | 2.331 | 7.550 | 5.933 72 | 125.3 |
| 264.52 | 71.24 | 0.361 | 30.47 | 4.69 | 20.67 | 3.79 | 2.342 | 7.559 | 5.990 19 | 125.2 |



DEPOSITS BY THE PUBLIC

Mill. mk

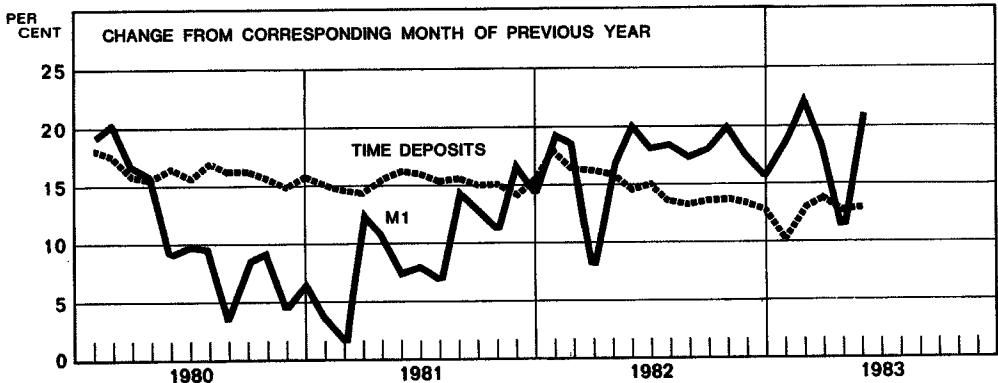
| End of year and month | Demand deposits | | | | Time deposits | | | | | Total (4+9) |
|-----------------------|------------------|------------------------------|--------------|-------------------|------------------|---------------|--------------|--------------|-------------------|-------------|
| | Commercial banks | Savings banks & Co-op. banks | Posti-pankki | All deposit banks | Commercial banks | Savings banks | Co-op. banks | Posti-pankki | All deposit banks | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1979 | 4 697 | 2 255 | 2 714 | 9 666 | 19 794 | 17 177 | 13 348 | 5 599 | 55 918 | 65 584 |
| 1980 | 5 459 | 2 285 | 2 531 | 10 275 | 22 591 | 20 009 | 15 950 | 6 355 | 64 905 | 75 180 |
| 1981 | 5 791 | 2 879 | 2 952 | 11 622 | 26 094 | 22 937 | 18 598 | 7 448 | 75 077 | 86 699 |
| 1982* | 7 155 | 3 874 | 3 049 | 14 078 | 29 260 | 25 833 | 21 040 | 8 665 | 84 798 | 98 876 |

1982*

| | | | | | | | | | | |
|-------|-------|-------|-------|--------|--------|--------|--------|-------|--------|--------|
| April | 5 098 | 2 768 | 4 023 | 11 889 | 27 175 | 23 891 | 19 511 | 7 678 | 78 255 | 90 144 |
| May | 5 528 | 2 933 | 3 593 | 12 054 | 27 129 | 24 095 | 19 700 | 7 961 | 78 885 | 90 939 |
| June | 5 992 | 3 208 | 3 786 | 12 986 | 27 406 | 24 403 | 19 858 | 8 057 | 79 724 | 92 710 |
| July | 5 573 | 3 252 | 3 668 | 12 493 | 27 395 | 24 709 | 20 058 | 8 096 | 80 258 | 92 751 |
| Aug. | 5 999 | 3 460 | 3 682 | 13 141 | 27 329 | 24 895 | 20 213 | 8 324 | 80 761 | 93 902 |
| Sept. | 6 439 | 3 525 | 3 480 | 13 444 | 27 382 | 24 950 | 20 270 | 8 280 | 80 882 | 94 326 |
| Oct. | 6 093 | 3 654 | 3 807 | 13 554 | 27 894 | 25 102 | 20 437 | 8 304 | 81 737 | 95 291 |
| Nov. | 6 742 | 3 599 | 3 325 | 13 666 | 27 782 | 25 111 | 20 417 | 8 390 | 81 700 | 95 366 |
| Dec. | 7 155 | 3 874 | 3 049 | 14 078 | 29 260 | 25 833 | 21 040 | 8 665 | 84 798 | 98 876 |

1983*

| | | | | | | | | | | |
|-------|-------|-------|-------|--------|--------|--------|--------|-------|--------|---------|
| Jan. | 7 118 | 3 749 | 3 919 | 14 786 | 29 243 | 26 185 | 21 402 | 8 707 | 85 537 | 100 323 |
| Feb. | 6 394 | 3 700 | 3 914 | 14 008 | 29 953 | 26 624 | 21 920 | 8 781 | 87 278 | 101 286 |
| March | 6 333 | 3 696 | 3 384 | 13 413 | 30 144 | 26 684 | 22 029 | 8 865 | 87 722 | 101 135 |
| April | 5 918 | 3 788 | 3 917 | 13 623 | 30 469 | 26 945 | 22 163 | 8 840 | 88 417 | 102 040 |
| May | 7 315 | 4 088 | 4 037 | 15 440 | 30 895 | 27 180 | 22 264 | 8 985 | 89 324 | 104 764 |



ADVANCES TO THE PUBLIC—MONEY SUPPLY

Mill. mk

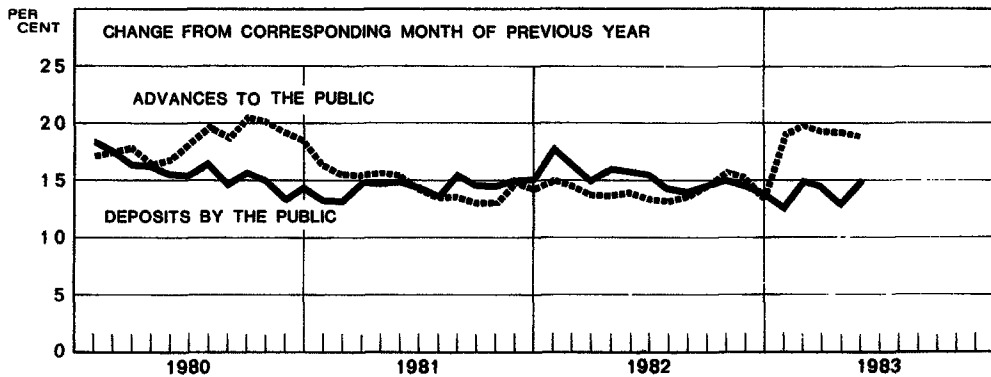
| End of year and month | Advances granted by | | | | Types of advances | | | Total (1 to 4) (5 to 7) | Money Supply | |
|-----------------------|---------------------|---------------|--------------|--------------|------------------------------------|----------------|--------------------------------------|-------------------------|----------------|-----------------------------|
| | Commercial banks | Savings banks | Co-op. banks | Posti-pankki | Loans & bills in domestic currency | Cheque credits | Domestic credits in foreign currency | | M ₁ | M ₁ +Quasi-Money |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | | 8 | 9 |
| 1979 | 29 844 | 16 535 | 14 258 | 8 299 | 60 971 | 1 955 | 6 010 | 68 936 | 14 087 | 71 157 |
| 1980 | 35 994 | 19 097 | 16 760 | 9 973 | 70 466 | 2 347 | 9 011 | 81 824 | 14 979 | 81 601 |
| 1981 | 40 462 | 22 009 | 20 059 | 11 135 | 80 817 | 2 877 | 9 971 | 93 665 | 17 186 | 94 577 |
| 1982* | 48 282 | 25 682 | 23 601 | 12 683 | 93 011 | 3 467 | 13 770 | 110 248 | 19 917 | 107 549 |

1982*

| | | | | | | | | | | |
|-------|--------|--------|--------|--------|--------|-------|--------|---------|--------|---------|
| April | 41 818 | 22 974 | 20 916 | 10 835 | 83 816 | 3 821 | 8 906 | 96 543 | 17 340 | 98 004 |
| May | 42 625 | 23 297 | 21 293 | 10 905 | 85 079 | 3 851 | 9 190 | 98 120 | 17 615 | 98 886 |
| June | 42 925 | 23 586 | 21 628 | 11 125 | 86 150 | 3 548 | 9 566 | 99 264 | 18 664 | 100 998 |
| July | 43 078 | 23 861 | 21 935 | 11 290 | 86 835 | 3 763 | 9 566 | 100 164 | 18 339 | 101 351 |
| Aug. | 43 314 | 24 250 | 22 260 | 11 514 | 88 026 | 3 682 | 9 630 | 101 338 | 18 652 | 102 090 |
| Sept. | 44 472 | 24 674 | 22 611 | 11 887 | 89 645 | 3 881 | 10 118 | 103 644 | 18 958 | 102 482 |
| Oct. | 46 174 | 25 069 | 22 964 | 12 295 | 91 156 | 3 813 | 11 533 | 106 502 | 19 091 | 103 523 |
| Nov. | 47 033 | 25 408 | 23 252 | 12 485 | 92 269 | 3 927 | 11 982 | 108 178 | 18 982 | 103 579 |
| Dec. | 48 282 | 25 682 | 23 601 | 12 683 | 93 011 | 3 467 | 13 770 | 110 248 | 19 917 | 107 549 |

1983*

| | | | | | | | | | | |
|-------|--------|--------|--------|--------|--------|-------|--------|---------|--------|---------|
| Jan. | 49 470 | 25 964 | 23 797 | 13 038 | 93 890 | 4 250 | 14 129 | 112 269 | 20 333 | 108 488 |
| Feb. | 50 391 | 26 216 | 23 998 | 13 093 | 94 894 | 4 495 | 14 309 | 113 698 | 19 861 | 109 709 |
| March | 50 364 | 26 474 | 24 262 | 12 766 | 95 658 | 4 569 | 13 639 | 113 866 | 19 401 | 110 101 |
| April | 51 368 | 26 685 | 24 415 | 12 842 | 96 653 | 4 744 | 13 913 | 115 310 | 19 374 | 110 890 |
| May | 52 093 | 27 075 | 24 733 | 12 959 | 97 976 | 4 451 | 14 433 | 116 860 | 21 325 | 113 729 |



STATE FINANCES

Mill. mk

| Revenue | Jan.-April | | Expenditure | Jan.-April | |
|--|---------------|---------------|---|---------------|---------------|
| | 1982 | 1983 | | 1982 | 1983 |
| Income and wealth tax (net) | 4 461 | 5 233 | Wages, salaries, pensions etc. | 3 206 | 3 635 |
| Gross receipts | 14 064 | 15 461 | Repair and maintenance | 342 | 379 |
| Refunds & local authorities | -9 603 | -10 228 | Other consumption expenditure | 2 240 | 2 573 |
| Other taxes on income and wealth | 140 | 175 | Total consumption expenditure | 5 788 | 6 587 |
| Employers' child allowance payments | 1 | 1 | State aid to local authorities | 4 093 | 4 853 |
| Sales tax | 4 530 | 5 184 | State aid to industries | 3 274 | 2 936 |
| of which: agric. price subsidies | | | of which: agric. price subsidies | 1 675 | 1 543 |
| Customs duties and import charges and levies | 572 | 480 | Child allowances | 440 | 500 |
| Excise duties | 3 297 | 2 712 | Share in national pensions and sickness insurance schemes | 259 | 831 |
| Excise duty on alcoholic bevs. | 964 | 1 016 | Deficit of State enterprises | 414 | 493 |
| Excise duty on tobacco | 417 | 374 | Other transfer expenditure | 2 801 | 3 291 |
| Excise duty on liquid fuel | 971 | 820 | Total transfer expenditure | 11 281 | 12 904 |
| Other excise duties | 945 | 502 | Machinery and equipment | 528 | 570 |
| Tax on autom. and motor-cycles | 611 | 869 | Construction of buildings | 236 | 281 |
| Stamp duties | 431 | 520 | Land and waterway construction | 646 | 659 |
| Special diesel etc. vehicles tax | 77 | 87 | Total real investment | 1 410 | 1 510 |
| Other taxes and similar revenue | 367 | 452 | Interest on State debt | 801 | 1 303 |
| Total taxes | 14 487 | 15 713 | Other expenditure | 3 | 2 |
| Miscellaneous revenue | 1 418 | 1 606 | Total other expenditure | 804 | 1 305 |
| Interest, dividends etc. | 347 | 342 | Increase in inventories | -210 | 78 |
| Surplus of state enterprises | 538 | 712 | Lending | 1 093 | 1 172 |
| Redemptions of loans granted | 157 | 154 | Other financial investment | 128 | 199 |
| Total revenue | 16 947 | 18 527 | Total expenditure | 20 294 | 23 755 |
| Foreign borrowing | 2 155 | 1 629 | Redemption of foreign loans | 322 | 267 |
| Domestic borrowing | 1 212 | 2 186 | Redemption of domestic loans | 1 002 | 733 |
| Total borrowing | 3 367 | 3 815 | Total redemptions | 1 324 | 1 000 |
| Deficit (+) or surplus (-) | 1 304 | 2 413 | | | |
| Total | 21 618 | 24 755 | Total | 21 618 | 24 755 |

¹ Incl. deficit of state enterprises.

| State debt | 1981 | 1982 | 1983 | | | |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Dec. | Dec. | Feb. | March | April | May |
| Foreign debt | 13 331 | 18 807 | 19 747 | 20 100 | 20 392 | 20 145 |
| Long-term debt | 8 762 | 11 378 | 12 006 | 12 501 | 12 726 | 13 336 |
| Short-term credit | 9 | 63 | 98 | 107 | 75 | 77 |
| Domestic debt | 8 771 | 11 441 | 12 104 | 12 608 | 12 801 | 13 413 |
| Total State debt | 22 102 | 30 248 | 31 851 | 32 708 | 33 193 | 33 558 |
| Total debt mill. \$ | 5 052 | 5 651 | 5 910 | 6 025 | 6 106 | 6 163 |

FOREIGN TRADE

Mill. mk

Value, mill. mk

| Period | Value, mill. mk | | |
|--------|---------------------|---------------------|--|
| | Exports f. o. b. | Imports c. i. f. | Surplus of exports (+) or imports (-) |
| 1978 | 35 206 | 32 338 | +2 868 |
| 1979 | 43 430 | 44 222 | -792 |
| 1980 | 52 795 | 58 250 | -5 455 |
| 1981 | 60 308 | 61 269 | -961 |
| 1982 | 63 026 | 64 751 | -1 725 |

1982

| | | | |
|-------|-------|-------|--------|
| June | 5 416 | 4 985 | +431 |
| July | 4 284 | 4 849 | -565 |
| Aug. | 4 260 | 5 461 | -1 201 |
| Sept. | 4 785 | 5 004 | -219 |
| Oct. | 5 625 | 5 858 | -233 |
| Nov. | 6 338 | 6 174 | +164 |
| Dec. | 6 025 | 7 351 | -1 326 |

1983*

| | | | |
|-------|-------|-------|------|
| Jan. | 5 025 | 5 555 | -530 |
| Feb. | 5 610 | 5 071 | +539 |
| March | 6 268 | 5 728 | +540 |
| April | 5 738 | 5 704 | +34 |
| May | 6 166 | 6 224 | -58 |
| June | 5 296 | 5 473 | -177 |

Jan.-June

| | | | |
|-------|--------|--------|--------|
| 1982 | 31 708 | 30 054 | +1 654 |
| 1983* | 34 103 | 33 755 | +348 |

Indices of exports and imports
1980 = 100

| Period | Volume | | Unit value | | Terms of trade |
|--------|---------|---------|------------|---------|-------------------|
| | Exports | Imports | Exports | Imports | |
| 1978 | 84 | 75 | 80 | 74 | 108 |
| 1979 | 92 | 89 | 90 | 86 | 105 |
| 1980 | 100 | 100 | 100 | 100 | 100 |
| 1981 | 103 | 94 | 111 | 112 | 99 |
| 1982 | 101 | 95 | 118 | 117 | 101 |

1981

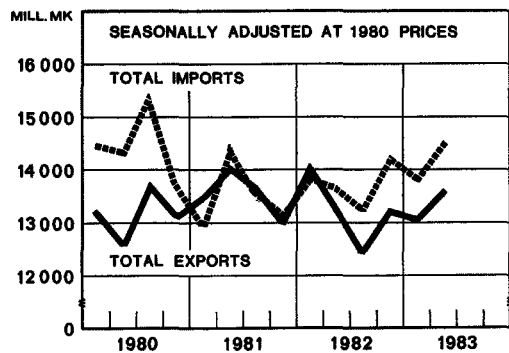
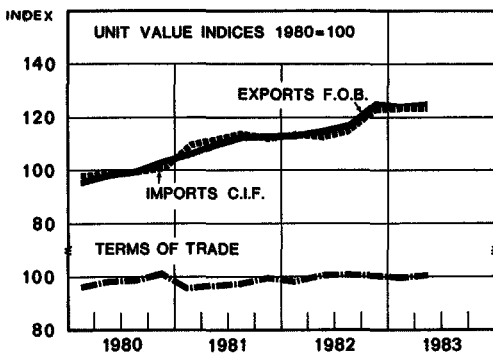
| | | | | | |
|------------|-----|-----|-----|-----|-----|
| Apr.-June | 106 | 95 | 110 | 113 | 98 |
| July-Sept. | 95 | 94 | 113 | 115 | 99 |
| Oct.-Dec. | 108 | 100 | 114 | 113 | 100 |

1982

| | | | | | |
|------------|-----|-----|-----|-----|-----|
| Jan.-March | 107 | 88 | 114 | 115 | 99 |
| Apr.-June | 102 | 92 | 116 | 114 | 101 |
| July-Sept. | 86 | 90 | 118 | 116 | 101 |
| Oct.-Dec. | 108 | 107 | 126 | 125 | 101 |

1983*

| | | | | | |
|------------|-----|----|-----|-----|-----|
| Jan.-March | 102 | 90 | 125 | 125 | 100 |
| Apr.-June | 104 | 96 | 126 | 124 | 101 |



FOREIGN TRADE BY MAIN GROUPS

Mill. mk

| Period | Exports, f.o.b. | | | | | Imports, c.i.f. | | | | |
|--------|---|------------------------|-------------------------|--------------------------------------|-------------|----------------------------------|----------------------|------------------|----------------|-------------|
| | Agricultural and other primary products | Wood industry products | Paper industry products | Metal, engineering industry products | Other goods | Raw materials and producer goods | Fuels and lubricants | Finished goods | | Other goods |
| | | | | | | | | Investment goods | Consumer goods | |
| 1978 | 966 | 4 641 | 10 402 | 9 593 | 9 604 | 20 431 | 2 224 | 4 801 | 4 830 | 52 |
| 1979 | 1 366 | 6 073 | 12 992 | 10 342 | 12 657 | 28 878 | 3 401 | 5 719 | 6 133 | 91 |
| 1980 | 1 403 | 7 742 | 15 751 | 11 546 | 16 353 | 38 622 | 4 088 | 7 989 | 7 440 | 111 |
| 1981 | 2 036 | 6 852 | 17 127 | 14 858 | 19 435 | 39 156 | 5 115 | 8 877 | 8 015 | 106 |
| 1982 | 1 676 | 6 278 | 17 502 | 18 908 | 18 662 | 41 144 | 4 869 | 9 195 | 9 130 | 413 |

1982

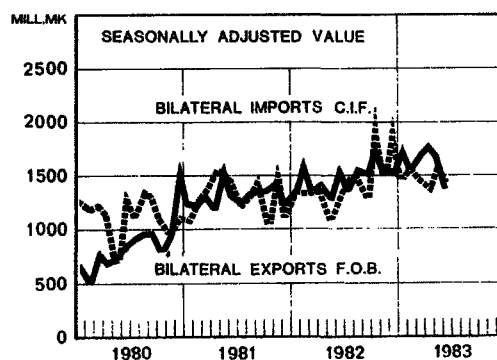
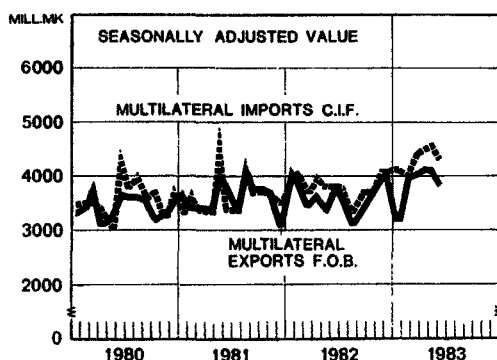
| | | | | | | | | | | |
|-------|-----|-----|-------|-------|-------|-------|-----|-----|-----|-----|
| June | 80 | 583 | 1 445 | 1 789 | 1 519 | 3 231 | 470 | 639 | 639 | 6 |
| July | 45 | 421 | 1 293 | 1 570 | 955 | 3 047 | 449 | 713 | 613 | 27 |
| Aug | 58 | 481 | 1 398 | 1 029 | 1 294 | 3 583 | 499 | 626 | 728 | 25 |
| Sept. | 64 | 517 | 1 375 | 1 346 | 1 483 | 3 158 | 391 | 640 | 771 | 44 |
| Oct. | 62 | 566 | 1 586 | 1 724 | 1 687 | 3 607 | 559 | 764 | 845 | 83 |
| Nov. | 56 | 596 | 1 355 | 2 674 | 1 657 | 3 602 | 657 | 975 | 895 | 45 |
| Dec. | 266 | 631 | 1 522 | 2 165 | 1 441 | 4 744 | 590 | 984 | 882 | 151 |

1983*

| | | | | | | | | | | |
|-------|-----|-----|-------|-------|-------|-------|-----|-------|-------|----|
| Jan. | 59 | 466 | 1 313 | 1 719 | 1 468 | 3 415 | 348 | 825 | 921 | 46 |
| Feb. | 337 | 563 | 1 421 | 1 541 | 1 748 | 3 214 | 248 | 665 | 901 | 43 |
| March | 317 | 579 | 1 668 | 1 938 | 1 766 | 3 525 | 226 | 1 016 | 947 | 14 |
| April | 78 | 595 | 1 547 | 1 548 | 1 970 | 3 369 | 270 | 1 009 | 1 046 | 10 |
| May | 258 | 654 | 1 473 | 1 953 | 1 828 | 3 956 | 325 | 973 | 959 | 11 |
| June | 67 | 575 | 1 494 | 1 605 | 1 555 | 3 271 | 440 | 981 | 728 | 53 |

Jan.-June

| | | | | | | | | | | |
|-------|-------|-------|-------|--------|--------|--------|-------|-------|-------|-----|
| 1982 | 1 125 | 3 066 | 8 973 | 8 400 | 10 144 | 19 403 | 1 724 | 4 493 | 4 396 | 38 |
| 1983* | 1 116 | 3 432 | 8 916 | 10 304 | 10 335 | 20 750 | 1 857 | 5 469 | 5 502 | 177 |



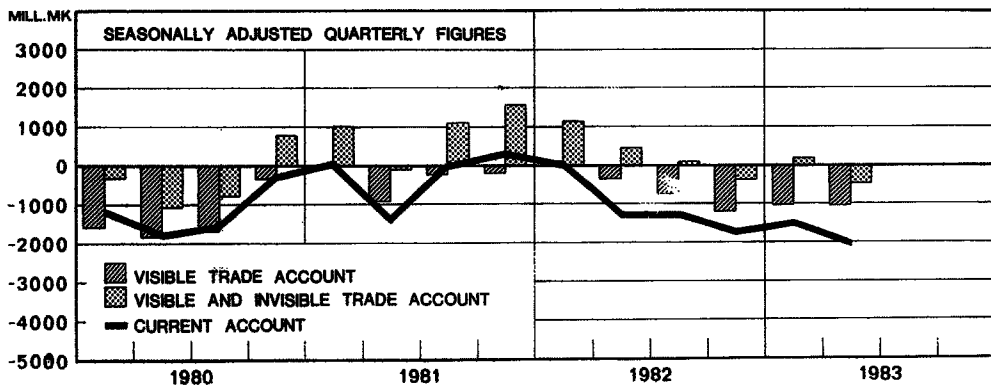
FOREIGN TRADE BY COUNTRIES

Mill. mk

| Area and country | Exports, f.o.b. | | | | Imports, c.i.f. | | | |
|--------------------------------------|-----------------|----------|-------|----------|-----------------|----------|-------|----------|
| | January—June | | | | January—June | | | |
| | 1982* | | 1983* | | 1982* | | 1983* | |
| | % | Mill. mk | % | Mill. mk | % | Mill. mk | % | Mill. mk |
| OECD countries in Europe | 56.6 | 17 947 | 54.2 | 18 483 | 55.0 | 16 528 | 54.9 | 18 530 |
| Austria | 0.7 | 207 | 0.7 | 227 | 1.3 | 406 | 1.3 | 433 |
| Belgium and Luxembourg | 1.4 | 440 | 1.7 | 589 | 1.8 | 543 | 2.0 | 662 |
| Denmark | 4.1 | 1 309 | 3.4 | 1 144 | 2.3 | 702 | 2.7 | 900 |
| France | 4.5 | 1 434 | 4.5 | 1 545 | 3.4 | 1 026 | 3.6 | 1 200 |
| Federal Republic of Germany | 9.8 | 3 100 | 10.1 | 3 442 | 13.7 | 4 126 | 14.3 | 4 831 |
| Italy | 2.1 | 672 | 2.0 | 678 | 2.7 | 796 | 3.2 | 1 096 |
| Netherlands | 3.2 | 1 001 | 3.8 | 1 300 | 2.7 | 807 | 2.8 | 930 |
| Norway | 4.2 | 1 313 | 3.3 | 1 135 | 2.2 | 667 | 3.1 | 1 039 |
| Portugal | 0.2 | 68 | 0.2 | 82 | 0.6 | 176 | 0.7 | 223 |
| Spain | 0.8 | 265 | 0.7 | 246 | 0.7 | 202 | 0.8 | 255 |
| Sweden | 12.2 | 3 876 | 11.4 | 3 880 | 13.8 | 4 145 | 11.5 | 3 898 |
| Switzerland | 1.4 | 454 | 1.4 | 465 | 1.8 | 527 | 1.8 | 594 |
| United Kingdom | 10.2 | 3 244 | 9.7 | 3 324 | 7.4 | 2 220 | 6.8 | 2 286 |
| Other | 1.8 | 564 | 1.3 | 426 | 0.6 | 185 | 0.3 | 183 |
| OECD countries outside Europe | 5.7 | 1 816 | 6.3 | 2 136 | 11.9 | 3 570 | 12.8 | 4 310 |
| Canada | 0.9 | 288 | 0.7 | 227 | 0.9 | 281 | 0.6 | 215 |
| Japan | 1.2 | 387 | 1.2 | 425 | 4.3 | 1 297 | 5.4 | 1 829 |
| United States | 2.7 | 840 | 3.6 | 1 212 | 6.5 | 1 936 | 6.3 | 2 127 |
| Other | 0.9 | 301 | 0.8 | 272 | 0.2 | 56 | 0.5 | 139 |
| CMEA countries | 28.1 | 8 893 | 29.7 | 10 140 | 24.3 | 7 298 | 24.6 | 8 310 |
| Czechoslovakia | 0.3 | 88 | 0.4 | 135 | 0.6 | 181 | 0.5 | 154 |
| German Democratic Republic | 0.5 | 147 | 0.5 | 159 | 0.6 | 194 | 0.6 | 207 |
| Poland | 0.1 | 34 | 0.1 | 51 | 1.5 | 449 | 1.2 | 395 |
| Soviet Union | 26.3 | 8 323 | 28.2 | 9 632 | 20.6 | 6 174 | 21.9 | 7 377 |
| Other | 0.9 | 301 | 0.5 | 163 | 1.0 | 300 | 0.4 | 177 |
| Latin America | 1.0 | 312 | 1.7 | 596 | 2.6 | 794 | 2.5 | 854 |
| Argentina | 0.1 | 48 | 0.1 | 42 | 0.2 | 61 | 0.1 | 47 |
| Brazil | 0.3 | 81 | 0.3 | 106 | 0.9 | 271 | 0.8 | 270 |
| Colombia | 0.1 | 29 | 0.1 | 50 | 0.5 | 138 | 0.5 | 170 |
| Other | 0.5 | 154 | 1.2 | 398 | 1.0 | 324 | 1.1 | 367 |
| Other | 8.6 | 2 740 | 8.1 | 2 748 | 6.2 | 1 864 | 5.2 | 1 751 |
| GRAND TOTAL | 100.0 | 31 708 | 100.0 | 34 103 | 100.0 | 30 054 | 100.0 | 33 755 |
| of which | | | | | | | | |
| EFTA countries | 18.8 | 5 966 | 17.1 | 5 828 | 19.9 | 5 975 | 18.4 | 6 216 |
| EEC countries | 36.7 | 11 651 | 36.2 | 12 359 | 34.4 | 10 338 | 35.7 | 12 055 |
| OECD countries | 62.3 | 19 763 | 60.5 | 20 619 | 66.9 | 20 098 | 67.7 | 22 840 |

BALANCE OF PAYMENTS

| Period | Visible exports f.o.b. | Visible imports c.i.f. | Visible trade account | Transport, net | Travel, net | Other services, net | Visible and invisible trade account | Invest- ment income net | Un- requited transfers net | Other, net | Current account |
|--------------|---------------------------|---------------------------|-----------------------------|-------------------|----------------|---------------------------|--|----------------------------------|-------------------------------------|---------------|--------------------|
| 1979 | 43 302 | 44 430 | -1 128 | +3 010 | +157 | +359 | +2 398 | -2 840 | -430 | +111 | -761 |
| 1980 | 52 860 | 58 315 | -5 455 | +3 064 | +320 | +587 | -1 484 | -3 308 | -454 | +91 | -5 155 |
| 1981 | 60 260 | 61 697 | -1 437 | +3 261 | +405 | +1 286 | +3 515 | -4 359 | -499 | +132 | -1 211 |
| 1982* | 62 943 | 65 168 | -2 225 | +2 934 | -286 | +811 | +1 234 | -5 446 | -626 | +140 | -4 698 |
| 1980 | | | | | | | | | | | |
| Apr.-June | 12 470 | 14 029 | -1 559 | +567 | +80 | +83 | -829 | -723 | -100 | +55 | -1 597 |
| July-Sept. | 12 864 | 15 643 | -2 779 | +855 | +298 | +100 | -1 526 | -765 | -102 | +34 | -2 359 |
| Oct.-Dec. | 14 738 | 15 035 | -297 | +764 | +45 | +66 | +578 | -1 033 | -83 | +7 | -531 |
| 1981* | | | | | | | | | | | |
| Jan.-March | 14 469 | 13 623 | +846 | +857 | -87 | +150 | +1 766 | -984 | -130 | +9 | +661 |
| Apr.-June | 15 489 | 15 810 | -321 | +801 | +78 | -100 | +458 | -1 252 | -127 | +48 | -873 |
| July-Sept. | 14 100 | 15 737 | -1 637 | +856 | +443 | +466 | +128 | -1 023 | -109 | +53 | -951 |
| Oct.-Dec. | 16 202 | 16 527 | -325 | +747 | -29 | +770 | +1 163 | -1 100 | -133 | +22 | -48 |
| 1982* | | | | | | | | | | | |
| Jan.-March | 16 082 | 14 858 | +1 224 | +703 | -156 | +350 | +2 121 | -1 083 | -182 | -11 | +845 |
| Apr.-June | 15 587 | 15 390 | +197 | +719 | -85 | +181 | +1 012 | -1 688 | -163 | +44 | -795 |
| July-Sept. | 13 311 | 15 420 | -2 109 | +773 | +149 | +327 | -860 | -1 357 | -135 | +61 | -2 291 |
| Oct.-Dec. | 17 963 | 19 500 | -1 537 | +739 | -194 | -47 | -1 039 | -1 318 | -146 | +46 | -2 457 |
| 1983* | | | | | | | | | | | |
| Jan.-March | 16 877 | 16 461 | +416 | +706 | -289 | +639 | +1 472 | -1 510 | -218 | -25 | -281 |
| Apr.-June | 17 164 | 17 508 | -344 | +718 | -243 | +125 | +256 | -1 507 | -133 | +21 | -1 363 |



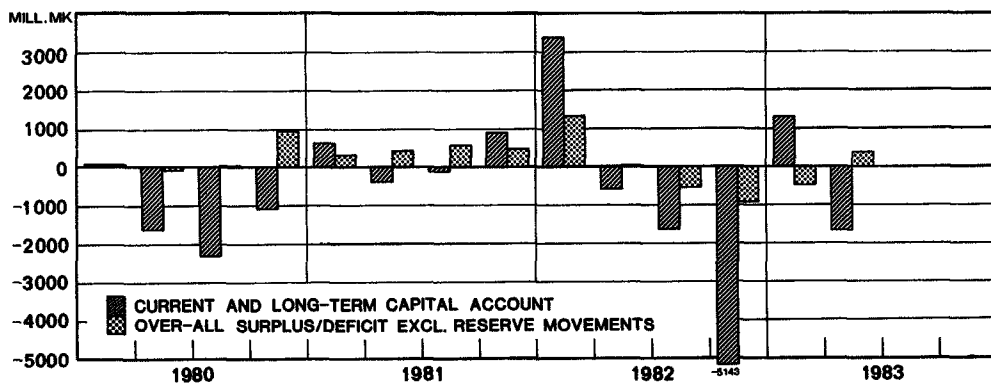
| Drawings of long-term loans | Amortizations of long-term loans | Long-term export credits, net | Miscellaneous long-term capital items, net ¹ | Long-term capital account | Current and long-term capital account | Short-term import credits and prepayments, net | Short-term export credits and prepayments, net | Short-term capital of authorized banks, net ² | Miscellaneous, short-term capital terms, incl. errors and omissions ² | Over-all surplus deficit excl. reserve movements ² | Bank of Finland foreign exchange reserves |
|-----------------------------|----------------------------------|-------------------------------|---|---------------------------|---------------------------------------|--|--|--|--|---|---|
| +6 230 | -4 843 | -541 | -337 | +509 | -252 | +831 | -834 | +1 211 | -834 ³ | +122 | -122 |
| +5 183 | -4 140 | -433 | -428 | +182 | -4 973 | +3 255 | -967 | +3 930 | -250 ³ | +995 | -995 |
| +8 312 | -4 643 | -518 | -826 | +2 325 | +1 114 | -1 067 | +437 | -406 | +1 725 ³ | +1 803 | -1 803 |
| +10 213 | -4 721 | -1 239 | -3 634 | +619 | -4 079 | -2 003 | +1 235 | +1 798 | +2 923 | -126 | +126 |
| +1 076 | -997 | -39 | -86 | -46 | -1 643 | +1 498 | -32 | +1 666 | -1 584 | -95 | +95 |
| +1 126 | -913 | -36 | -146 | +31 | -2 328 | +711 | -452 | +1 189 | +934 | +54 | -54 |
| +873 | -1 117 | -187 | -131 | -562 | -1 093 | +744 | -452 | +557 | +1 197 | +953 | -953 |
| +1 404 | -955 | -227 | -235 | -13 | +648 | -473 | +789 | -163 | -492 ³ | +309 | -309 |
| +1 948 | -1 213 | +11 | -233 | +513 | -360 | +867 | +790 | -21 | -846 | +430 | -430 |
| +1 932 | -797 | -91 | -200 | +844 | -107 | +95 | -571 | -822 | +1 993 | +588 | -588 |
| +3 028 | -1 678 | -211 | -158 | +981 | +933 | -1 556 | -571 | +600 | +1 070 | +476 | -476 |
| +3 637 | -806 | -114 | -165 | +2 552 | +3 397 | -898 | +569 | -1 509 | -247 | +1 312 | -1 312 |
| +2 332 | -1 555 | -328 | -298 | +151 | -644 | +134 | +571 | +108 | -124 | +45 | -45 |
| +1 859 | -883 | -127 | -247 | +602 | -1 689 | -586 | +48 | -516 | +2 199 | -544 | +544 |
| +2 385 | -1 477 | -670 | -2 924 | -2 686 | -5 143 | -653 | +47 | +3 715 | +1 095 | -939 | +939 |
| +2 985 | -1 271 | +100 | -144 | +1 670 | +1 389 | -741 | +374 | -1 423 | -81 | -482 | +482 |
| +2 435 | -2 895 | +360 | -190 | -290 | -1 653 | +1 653 | +370 | +1 054 | -1 027 | +397 | -397 |

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

¹ Including direct investment, net.

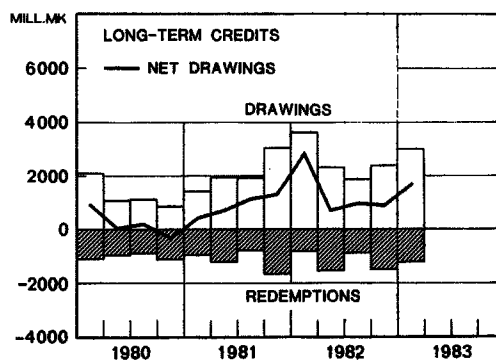
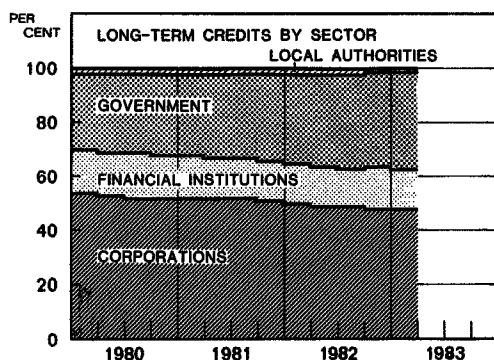
² Reserve movements of other foreign exchange holders have been transferred to the short-term capital account. The short-term capital of the authorized banks is shown separately.

³ Including allocations of special drawing rights: 139 million in 1979, 133 million in 1980 and 131 million in 1981.

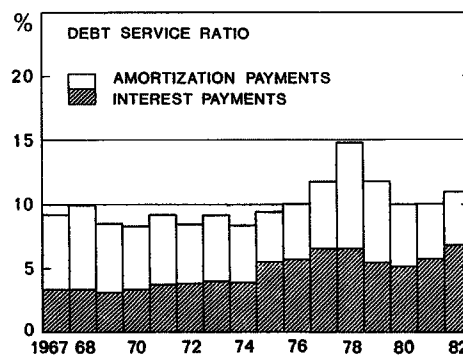
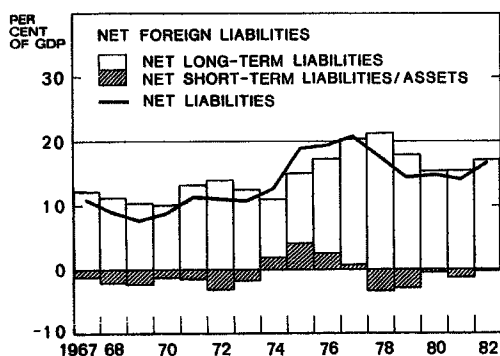


FINLAND'S FOREIGN ASSETS AND LIABILITIES

| End of year and month | Long-term assets | | | | Long-term liabilities | | | | Total (5 to 8) | Net long-term liabilities (9-4) |
|-----------------------|------------------|-------------------|-------|----------------|-----------------------|----------------|-------------------|-------|----------------|---------------------------------|
| | Export credits | Direct investment | Other | Total (1 to 3) | Financial loans | Import credits | Direct investment | Other | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1979 | 3 389 | 2 324 | 983 | 6 696 | 28 194 | 4 898 | 1 979 | 300 | 35 371 | 28 675 |
| 1980 | 3 872 | 2 806 | 1 051 | 7 729 | 29 730 | 4 377 | 2 075 | 340 | 36 522 | 28 793 |
| 1981 | 4 673 | 3 426 | 1 317 | 9 416 | 35 536 | 4 444 | 2 183 | 391 | 42 554 | 33 138 |
| 1982* | 6 628 | 4 626 | 3 796 | 15 050 | 47 547 | 4 608 | 2 223 | 752 | 55 130 | 40 080 |
| 1980 | | | | | | | | | | |
| Dec. | 3 872 | 2 806 | 1 051 | 7 729 | 29 730 | 4 377 | 2 075 | 340 | 36 522 | 28 793 |
| 1981 | | | | | | | | | | |
| March | 4 254 | 2 945 | 1 229 | 8 428 | 30 523 | 4 455 | 2 138 | 442 | 37 558 | 29 130 |
| June | 4 473 | 3 161 | 1 278 | 8 912 | 32 814 | 4 467 | 2 180 | 406 | 39 867 | 30 955 |
| Sept. | 4 559 | 3 329 | 1 282 | 9 170 | 34 414 | 4 377 | 2 168 | 392 | 41 351 | 32 181 |
| Dec. | 4 673 | 3 426 | 1 317 | 9 416 | 35 536 | 4 444 | 2 183 | 391 | 42 554 | 33 138 |
| 1982* | | | | | | | | | | |
| March | 4 960 | 3 616 | 1 415 | 9 991 | 38 669 | 4 623 | 2 263 | 709 | 46 264 | 36 273 |
| June | 5 361 | 3 741 | 1 471 | 10 573 | 39 847 | 4 456 | 2 313 | 696 | 47 312 | 36 739 |
| Sept. | 5 556 | 4 084 | 1 466 | 11 106 | 41 198 | 4 515 | 2 345 | 687 | 48 745 | 37 639 |
| Dec. | 6 628 | 4 626 | 3 796 | 15 050 | 47 547 | 4 608 | 2 223 | 752 | 55 130 | 40 080 |
| 1983* | | | | | | | | | | |
| March | 6 672 | 5 003 | 3 892 | 15 567 | 49 897 | 4 759 | 2 288 | 846 | 57 790 | 42 223 |
| June | 6 400 | 5 020 | 3 949 | 15 369 | 49 921 | 4 462 | 2 306 | 812 | 57 501 | 42 132 |



| Short-term assets | | | | Short-term liabilities | | | | Net short-term liabilities (18-14) | Net liabilities (10+19) | Debt service, flow | Of which amortization payments, flow |
|-------------------|---|------------------|------------------|------------------------|---|------------------|------------------|------------------------------------|-------------------------|--------------------|--------------------------------------|
| Bank of Finland | Authorized banks and other foreign exchange holders | Corporate sector | Total (11 to 13) | Bank of Finland | Authorized banks and other foreign exchange holders | Corporate sector | Total (15 to 17) | | | | |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 7 918 | 6 579 | 9 970 | 24 467 | 2 340 | 9 333 | 7 816 | 19 489 | -4 978 | 23 697 | 6 457 | 3 472 |
| 9 895 | 9 560 | 12 532 | 31 987 | 3 089 | 16 240 | 11 849 | 31 178 | -809 | 27 984 | 6 716 | 3 274 |
| 11 362 | 13 749 | 14 176 | 39 287 | 2 427 | 20 218 | 13 538 | 36 183 | -3 104 | 30 034 | 7 930 | 3 494 |
| 12 737 | 22 562 | 13 498 | 48 797 | 5 348 | 31 331 | 11 593 | 48 272 | -525 | 39 555 | 9 068 | 3 464 |
| 9 895 | 9 560 | 12 532 | 31 987 | 3 089 | 16 240 | 11 849 | 31 178 | -809 | 27 984 | 1 888 | 846 |
| 9 701 | 10 149 | 12 357 | 32 207 | 2 680 | 16 543 | 12 409 | 31 632 | -575 | 28 555 | 1 735 | 732 |
| 10 125 | 11 464 | 12 299 | 33 888 | 2 437 | 18 080 | 14 102 | 34 619 | 731 | 31 686 | 2 170 | 897 |
| 10 817 | 12 627 | 13 152 | 36 596 | 2 403 | 18 487 | 14 690 | 35 580 | -1 016 | 31 165 | 1 638 | 595 |
| 11 362 | 13 749 | 14 176 | 39 287 | 2 427 | 20 218 | 13 538 | 36 183 | -3 104 | 30 034 | 2 387 | 1 270 |
| 12 795 | 13 614 | 13 581 | 39 990 | 3 074 | 18 592 | 12 390 | 34 056 | -5 934 | 30 339 | 1 761 | 600 |
| 12 846 | 14 322 | 13 118 | 40 286 | 3 077 | 19 349 | 12 767 | 35 193 | -5 093 | 31 646 | 2 736 | 1 017 |
| 12 456 | 17 151 | 13 142 | 42 749 | 4 097 | 21 737 | 12 490 | 38 324 | -4 425 | 33 214 | 2 038 | 662 |
| 12 737 | 22 562 | 13 498 | 48 797 | 5 348 | 31 331 | 11 593 | 48 272 | -525 | 39 555 | 2 533 | 1 185 |
| 12 365 | 22 032 | 13 470 | 47 867 | 4 637 | 29 530 | 11 050 | 45 217 | -2 650 | 39 573 | 2 491 | 942 |
| 12 905 | 22 462 | 12 909 | 48 276 | 4 705 | 31 010 | 12 703 | 48 418 | 142 | 42 274 | .. | .. |



PRICE INDICES

| Period | Wholesale price index 1949 = 100 | Basic price index for domestic supply 1980 = 100 ¹ | | | | | | Building costs 1980 = 100 | | |
|--------|----------------------------------|---|----------------|----------------|---------------|----------------|------------------|---------------------------|-------------------------|--------------------|
| | | Total | Origin | | Purpose | | | Total | Wages in building trade | Building materials |
| | | | Domestic goods | Imported goods | Raw materials | Consumer goods | Investment goods | | | |
| 1981 | 1 044 | 112.8 | 112.9 | 112.5 | 114.0 | 112.0 | 110.6 | 110.1 | 109.6 | 110.0 |
| 1982 | 1 122 | 120.9 | 122.1 | 116.7 | 120.8 | 122.4 | 119.0 | 117.7 | 116.8 | 117.8 |
| 1982 | | | | | | | | | | |
| Nov. | 1 157 | 124.5 | 123.8 | 126.2 | 124.6 | 125.1 | 123.0 | 121.2 | 120.4 | 121.6 |
| Dec. | 1 163 | 125.1 | 125.1 | 124.9 | 125.5 | 125.3 | 123.5 | 121.5 | 120.4 | 122.0 |
| 1983 | | | | | | | | | | |
| Jan. | 1 169 | 125.8 | 126.1 | 124.3 | 125.3 | 128.1 | 124.0 | 123.3 | 118.9 | 123.9 |
| Feb. | 1 170 | 125.5 | 126.5 | 122.2 | 124.4 | 128.8 | 124.3 | 123.8 | 118.9 | 124.6 |
| March | 1 166 | 125.4 | 126.8 | 121.2 | 123.7 | 129.3 | 125.4 | 124.5 | 118.9 | 125.6 |
| April | 1 169 | 126.1 | 127.6 | 121.2 | 124.0 | 130.4 | 126.1 | 125.9 | 122.0 | 126.5 |
| May | 1 172 | 126.7 | 128.2 | 122.2 | 125.0 | 130.4 | 127.1 | 127.1 | 125.1 | 127.0 |
| June | 1 185 | 126.9 | 128.3 | 122.7 | 125.1 | 130.0 | 128.2 | 129.7 | 125.8 | 130.4 |
| July | 1 193 | 127.7 | 128.8 | 124.1 | 125.6 | 130.7 | 129.7 | 130.1 | 125.8 | 130.7 |

¹ New series calculated by the Central Statistical Office.

| Period | Consumer prices 1977 = 100 | | | | | | | | | | |
|--------|----------------------------|-------|-----------------------|-----------------------|-------|----------------------|------------------------------|-----------------------------|-----------------------------|--------------------------|--------------------------|
| | Total | Food | Beverages and tobacco | Clothing and footwear | Rent | Heating and lighting | Household goods and services | Health and medical services | Transport and communication | Education and recreation | Other goods and services |
| 1980 | 129.3 | 122.8 | 140.9 | 131.9 | 122.4 | 141.1 | 127.4 | 137.6 | 136.4 | 123.4 | 132.6 |
| 1981 | 144.8 | 138.9 | 157.4 | 146.6 | 140.4 | 168.1 | 138.0 | 150.1 | 148.9 | 136.3 | 150.8 |
| 1982 | 158.3 | 155.7 | 177.7 | 156.0 | 155.1 | 181.0 | 146.7 | 164.7 | 158.8 | 146.2 | 165.3 |
| 1982 | | | | | | | | | | | |
| Dec. | 163.4 | 157.7 | 190.2 | 161.4 | 158.4 | 188.9 | 149.7 | 166.4 | 166.5 | 150.6 | 171.6 |
| 1983 | | | | | | | | | | | |
| Jan. | 164.8 | 158.7 | 190.3 | 157.6 | 158.4 | 190.1 | 152.4 | 176.5 | 170.4 | 152.6 | 174.1 |
| Feb. | 165.7 | 160.3 | 190.3 | 160.9 | 158.4 | 190.3 | 153.2 | 176.6 | 171.1 | 152.8 | 175.2 |
| March | 166.6 | 163.2 | 191.2 | 163.4 | 159.7 | 187.8 | 154.0 | 176.6 | 169.5 | 153.0 | 176.1 |
| April | 168.7 | 166.7 | 191.3 | 166.9 | 159.7 | 186.4 | 156.6 | 176.6 | 171.5 | 158.3 | 177.2 |
| May | 170.9 | 167.4 | 191.4 | 167.4 | 168.3 | 186.4 | 157.4 | 181.5 | 172.6 | 159.9 | 178.6 |
| June | 172.9 | 169.7 | 198.3 | 168.4 | 168.3 | 187.1 | 159.1 | 184.8 | 175.0 | 161.7 | 181.0 |
| July | 173.7 | 169.7 | 198.3 | 166.2 | 168.3 | 187.2 | 161.1 | 199.3 | 176.0 | 163.9 | 182.4 |

WAGES

Index of wage and salary earnings 1975 = 100

| Period | By industries | | | | By institutional sectors | | | All salary earners | All wage earners | All employees |
|------------|-----------------|----------|--------------|-----------------------|--------------------------|---------------------|-----------------------------|--------------------|------------------|---------------|
| | Wage earners in | | | Employees in services | State employees | Municipal employees | Employees in private sector | | | |
| | Agriculture | Industry | Construction | | | | | | | |
| 1980 | 179.3 | 170.4 | 146.3 | 166.0 | 161.9 | 156.8 | 169.8 | 166.3 | 167.5 | 166.8 |
| 1981 | 201.3 | 192.5 | 165.6 | 186.1 | 182.2 | 174.8 | 191.9 | 187.4 | 188.8 | 188.1 |
| 1982* | 219.8 | 213.5 | 181.8 | 206.9 | 201.5 | 194.9 | 212.0 | 207.4 | 208.8 | 208.1 |
| 1982* | | | | | | | | | | |
| Jan.-March | 215.1 | 206.6 | 176.7 | 197.3 | 192.5 | 185.0 | 204.1 | 198.6 | 200.9 | 199.7 |
| Apr.-June | 223.1 | 214.1 | 179.0 | 206.9 | 200.7 | 195.0 | 211.8 | 206.9 | 208.8 | 207.8 |
| July-Sept. | 226.3 | 211.6 | 181.4 | 207.0 | 201.0 | 194.8 | 211.8 | 207.6 | 208.1 | 207.8 |
| Oct.-Dec. | 234.9 | 221.7 | 189.9 | 216.3 | 211.7 | 204.9 | 220.5 | 216.6 | 217.4 | 217.0 |
| 1983* | | | | | | | | | | |
| Jan.-March | 235.7 | 223.1 | 190.7 | 217.2 | 215.2 | 205.5 | 222.1 | 218.7 | 218.7 | 218.7 |

PRODUCTION

Volume indices of production 1975 = 100

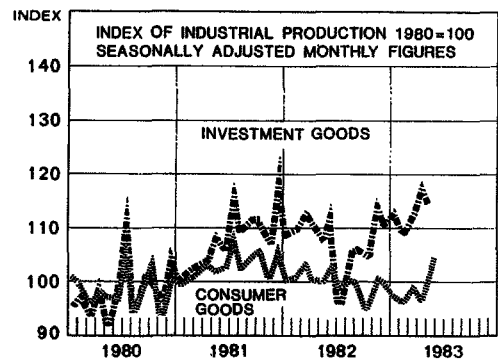
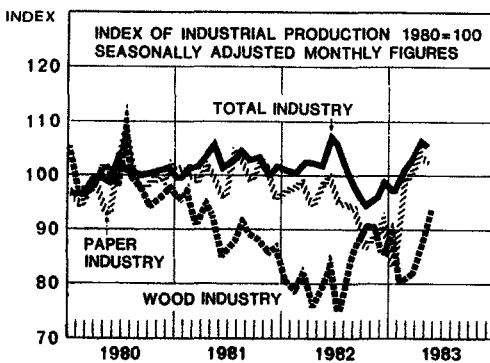
| Period | Gross domestic product | Industrial production | Agriculture | Forestry | Construction of buildings | Land and waterway construction | Transport and communication | Commerce | Public sector services | Others |
|------------|------------------------|-----------------------|-------------|----------|---------------------------|--------------------------------|-----------------------------|----------|------------------------|--------|
| 1981 | | | | | | | | | | |
| Jan.-March | 114 | 129 | 73 | 143 | 79 | 89 | 111 | 95 | 129 | 116 |
| Apr.-June | 118 | 131 | 90 | 155 | 76 | 94 | 119 | 107 | 129 | 121 |
| July-Sept. | 116 | 119 | 160 | 80 | 100 | 92 | 125 | 108 | 130 | 117 |
| Oct.-Dec. | 129 | 143 | 80 | 149 | 121 | 97 | 135 | 116 | 132 | 124 |
| 1982 | | | | | | | | | | |
| Jan.-March | 115 | 133 | 70 | 134 | 72 | 89 | 113 | 96 | 133 | 120 |
| Apr.-June | 121 | 136 | 82 | 135 | 80 | 94 | 122 | 109 | 133 | 125 |
| July-Sept. | 120 | 121 | 197 | 64 | 106 | 95 | 123 | 111 | 135 | 121 |
| Oct.-Dec. | 133 | 144 | 91 | 154 | 135 | 100 | 136 | 127 | 137 | 129 |
| 1983* | | | | | | | | | | |
| Jan.-March | 118 | 131 | 83 | 141 | 79 | 86 | 115 | 100 | 138 | 123 |

PRODUCTION

Index of industrial production 1980 = 100¹

| Period | Total | Investment goods | Consumer goods | Other producer goods | Special indices of manufacturing | | | | | | Total adjusted for seasonal variations |
|--------|-------|------------------|----------------|----------------------|----------------------------------|---------------|----------------|---------------------|-------------------------------|----------------|--|
| | | | | | Food industry | Wood industry | Paper industry | Chemical industries | Non-metallic mineral industry | Metal industry | |
| 1981 | 102.7 | 109.5 | 103.9 | 101.0 | 105.2 | 90.7 | 101.3 | 104.1 | 100.1 | 106.9 | 103.0 |
| 1982* | 101.2 | 109.3 | 100.8 | 99.9 | 103.8 | 83.8 | 95.5 | 97.6 | 97.8 | 107.6 | 101.3 |
| 1982* | | | | | | | | | | | |
| April | 100.0 | 111.5 | 101.9 | 97.0 | 96.4 | 86.0 | 84.6 | 106.0 | 93.3 | 110.6 | 102.9 |
| May | 105.4 | 118.8 | 104.5 | 103.4 | 102.2 | 96.3 | 97.9 | 108.3 | 99.9 | 118.3 | 102.2 |
| June | 105.5 | 125.0 | 100.0 | 104.6 | 104.5 | 91.6 | 87.6 | 93.6 | 101.1 | 118.1 | 108.1 |
| July | 69.2 | 45.5 | 64.1 | 75.9 | 92.9 | 33.1 | 96.2 | 62.6 | 61.5 | 46.9 | 106.4 |
| Aug. | 103.0 | 100.8 | 101.1 | 104.3 | 103.6 | 81.2 | 103.4 | 101.7 | 106.7 | 101.1 | 101.3 |
| Sept. | 106.3 | 116.3 | 106.4 | 104.4 | 109.3 | 101.5 | 96.5 | 101.2 | 122.1 | 115.3 | 97.7 |
| Oct. | 104.2 | 113.0 | 105.7 | 101.8 | 120.6 | 98.1 | 94.0 | 99.1 | 113.2 | 111.0 | 95.2 |
| Nov. | 108.6 | 126.0 | 110.2 | 104.7 | 124.7 | 97.7 | 94.8 | 100.8 | 106.8 | 120.9 | 96.3 |
| Dec. | 101.6 | 113.3 | 102.6 | 99.0 | 107.9 | 75.9 | 89.0 | 95.2 | 102.8 | 112.2 | 99.7 |
| 1983* | | | | | | | | | | | |
| Jan. | 99.7 | 110.7 | 98.2 | 98.4 | 91.0 | 82.6 | 87.3 | 90.5 | 102.6 | 110.2 | 98.4 |
| Feb. | 96.8 | 111.1 | 92.8 | 96.0 | 83.2 | 76.9 | 96.0 | 88.1 | 87.6 | 108.4 | 101.4 |
| March | 110.8 | 124.2 | 109.0 | 109.1 | 109.0 | 96.5 | 106.4 | 115.0 | 103.2 | 120.1 | 103.0 |
| April | 102.7 | 119.8 | 98.5 | 101.6 | 96.9 | 96.4 | 93.3 | 106.5 | 93.6 | 115.9 | 107.0 |
| May | 111.4 | 125.7 | 108.4 | 110.1 | 105.9 | 115.5 | 102.6 | 101.8 | 106.4 | 123.3 | 105.7 |

¹ New series calculated by the Central Statistical Office



LABOUR¹—TIMBER FELLINGS—INTERNAL TRADE

| Period | Population of working age, 1 000 persons | Total labour force, 1 000 persons | Employed, 1 000 persons | Un-employed, 1 000 persons | Unemployment, % of total labour force | Commercial timber fellings, 1 000 solid cu. m | Retail sales volume index 1972 = 100 | Wholesale volume index 1972 = 100 |
|--------|--|-----------------------------------|-------------------------|----------------------------|---------------------------------------|---|--------------------------------------|-----------------------------------|
| 1982* | 3 658 | 2 530 | 2 380 | 150 | 5.9 | 41 435 | 130 | 144 |
| 1982* | | | | | | | | |
| Feb. | 3 650 | 2 379 | 2 319 | 160 | 6.4 | 4 260 | 107 | 126 |
| March | 3 652 | 2 432 | 2 269 | 163 | 6.7 | 5 781 | 120 | 148 |
| April | 3 654 | 2 451 | 2 286 | 165 | 6.7 | 5 243 | 125 | 142 |
| May | 3 656 | 2 505 | 2 375 | 130 | 5.2 | 3 564 | 125 | 142 |
| June | 3 658 | 2 674 | 2 537 | 136 | 5.1 | 2 582 | 131 | 144 |
| July | 3 660 | 2 690 | 2 548 | 142 | 5.3 | 1 167 | 136 | 123 |
| Aug. | 3 662 | 2 619 | 2 475 | 143 | 5.5 | 1 383 | 130 | 145 |
| Sept. | 3 664 | 2 542 | 2 401 | 141 | 5.6 | 2 401 | 130 | 156 |
| Oct. | 3 663 | 2 517 | 2 365 | 152 | 6.0 | 3 164 | 140 | 160 |
| Nov. | 3 664 | 2 482 | 2 343 | 139 | 5.6 | 4 165 | 137 | 160 |
| Dec. | 3 663 | 2 492 | 2 345 | 147 | 5.9 | 4 793 | 173 | 171 |
| 1983* | | | | | | | | |
| Jan. | 3 670 | 2 469 | 2 289 | 180 | 7.3 | 3 728 | 113 | 118 |
| Feb. | 3 672 | 2 479 | 2 314 | 165 | 6.7 | 4 545 | 112 | 128 |
| March | 3 674 | 2 497 | 2 333 | 164 | 6.6 | 5 963 | 129 | 152 |
| April | 3 677 | 2 482 | 2 315 | 167 | 6.8 | 5 227 | 124 | 148 |
| May | 3 676 | 2 528 | 2 383 | 145 | 5.7 | 3 067 | .. | .. |

¹ Revised figures, see item in August number.

CONSTRUCTION OF BUILDINGS

| Period | Building permits granted | | | | | Buildings completed | | | | | Building-works under construction |
|----------------------|--------------------------|-----------------------|----------------|-----------------------------------|------------------|---------------------|-----------------------|----------------|-----------------------------------|------------------|-----------------------------------|
| | Total | Residential buildings | Farm buildings | Industrial and business buildings | Public buildings | Total | Residential buildings | Farm buildings | Industrial and business buildings | Public buildings | |
| Million cubic metres | | | | | | | | | | | |
| 1980 | 50.53 | 20.71 | 5.49 | 17.69 | 3.55 | 42.11 | 18.04 | 4.82 | 13.94 | 3.26 | 49.57 |
| 1981 | 44.92 | 18.76 | 5.78 | 14.65 | 2.75 | 41.08 | 17.20 | 4.39 | 14.35 | 3.01 | 47.14 |
| 1982* | 51.83 | 19.23 | 6.71 | 18.93 | 3.46 | 41.80 | 17.32 | 5.72 | 13.61 | 2.64 | 50.48 |
| 1982* | | | | | | | | | | | |
| Jan.-March | 9.10 | 3.36 | 1.29 | 3.31 | 0.71 | 7.21 | 3.30 | 0.61 | 2.58 | 0.31 | 45.91 |
| Apr.-June | 18.46 | 7.66 | 3.09 | 5.78 | 0.74 | 8.45 | 3.71 | 0.60 | 2.91 | 0.74 | 50.72 |
| July-Sept. | 12.35 | 4.41 | 1.35 | 4.53 | 1.03 | 8.33 | 3.41 | 1.44 | 2.11 | 0.84 | 56.60 |
| Oct.-Dec. | 10.63 | 3.29 | 0.88 | 4.75 | 0.93 | 15.37 | 5.83 | 2.62 | 5.33 | 0.69 | 50.48 |
| 1983* | | | | | | | | | | | |
| Jan.-March | 9.35 | 3.96 | 1.23 | 3.01 | 0.67 | 8.94 | 3.50 | 1.02 | 3.36 | 0.62 | 45.91 |

EXPLANATIONS RELATING TO THE STATISTICAL SECTION

BANK OF FINLAND

Page 4. *Public sector:* Receivables = Government promissory notes + Bonds + Total coinage + Other public sector receivables. Liabilities = Cheque accounts + Counter-cyclical reserves + Counter-cyclical deposits + Capital import deposits + Other public sector claims.

Deposit certificates are interest bearing, freely transferable, term liabilities of the Bank of Finland. Their maturities range from one week to one year.

Page 5. *Domestic financial sector:* Other liabilities, net = Capital import deposits + Other financial institution claims — Bonds — Other financial institution receivables.

Corporate sector: Permanent special financing schemes = Foreign bills + New export bills + Financing of suppliers credits. Liabilities, net = Deposits for investment and ship purchase + Counter-cyclical withholdings + Capital import deposits + Import levv deposits + Export deposits + Other corporate claims — Bonds — Other corporate receivables.

MONETARY POLICY INDICATORS

Page 6. All the figures except the Average lending rate of the commercial banks are mean values of daily figures for the month or year in question. The Average lending rate of the commercial banks is the mean value of end of the month lending rates weighted by credit outstanding. The annual figure of the Average lending rate is an unweighted average of the weighted average monthly rates.

Total central bank debt of the commercial banks = Discounted and rediscounted bills (until 30. 6. 1979, subsequently the banks have not been allowed to discount or rediscount bills) + net cheque account receivables from the commercial banks + call money debt + bond transactions with repurchase obligation — call money deposits by the commercial banks.

Actual central bank debt of the commercial banks = Total central bank debt — Postipankki's call money placements (or + Postipankki's call money overdrafts). Postipankki accounts for the bulk of the supply of call money from the deposit banks (supply of call money, see column 4 on page 5).

Credit quotas of the commercial banks at the Bank of Finland are the sum of individual quotas specifying the amount each bank eligible for central bank credit can borrow at the base rate. Before July 1979, a progressively rising interest rate was charged on credit in excess of the quota up to an absolute ceiling on quota-related debt. From July 1979, no bank may exceed its quota on average over the month. On any given day quota-related borrowing may not exceed 1.3 times the quota. The interest on this borrowing is the base rate.

Bank of Finland placements in the call money market = Demand for call money by the deposit banks — Supply of call money by the deposit banks. Average cost of the total central bank debt of the commercial banks: Net costs paid to the Bank of Finland by the commercial banks, as a percentage of their total central bank debt, per annum.

FORWARD EXCHANGE MARKETS IN FINLAND

Page 7. The figures for columns 1—6 are calculated by the Bank of Finland on the basis of monthly reports from the banks on their outstanding forward exchange positions at the end of each month. The figures for columns 7—9 are based on monthly averages of daily representative quotations, as reported by the banks to the Bank of Finland.

The banks' foreign currency positions shown in the chart at the bottom of page 7 are monthly averages of daily spot and forward positions vis-à-vis the Finnish mark as reported by the commercial banks to the Bank of Finland. The spot position includes all foreign currency-denominated assets and liabilities of the banks, excluding their outstanding forward contracts.

FOREIGN EXCHANGE RATES

Pages 8—9 *Exchange rates* are annual and monthly averages of the Bank of Finland's daily quotations. *Currency index* is annual and monthly average of daily index numbers. The chart at the bottom of page 8 shows the banks' forward selling rates for the US dollar as deviations from the spot rate.

DEPOSITS BY THE PUBLIC — ADVANCES TO THE PUBLIC — MONEY SUPPLY

Figures for deposits and advances are supplied by the Central Statistical Office.

Page 10. *Deposits by the public.* The central government and the financial institutions are mainly excluded from the public. From 1974 deposits include domestic deposits denominated in foreign currency.

Page 11. *Advances to the public* The central government and the financial institutions are not included in the public. Postipankki's advances do not include loans granted by the State Investment Fund (INRA). Domestic credits in foreign currency are mainly granted by the commercial banks and the rest by Postipankki.

Money Supply M₁ = Finnish notes and coins in circulation — Finnish notes and coins held by the banks + Demand deposits held by the public (incl. Demand deposits at the Bank of Finland). Quasi-Money = Time deposits held by the public (incl. Time deposits at the Bank of Finland). Note: Domestic deposits in foreign currency included in money supply since 1974. In the money supply the public includes non-monetary financial institutions.

STATE FINANCES

Page 12. Official figures computed by the Economics Department of the Ministry of Finance. Revenue and expenditure: Extra-budgetary funds and the aggregated net current deficit of State enterprises are included. Figures are reported on a cash payment basis. Debt: Foreign debt includes promissory notes given to international organizations.

FOREIGN TRADE

Pages 13—15. Figures supplied by the Board of Customs *Indices* (p. 13): The volume indices are calculated according to the Paasche formula and the unit value indices according to the Laspeyres formula. *Terms of trade*: the ratio of export indices to import indices. *Foreign trade by countries*. (p. 15): from January 1980 imports by countries of origin exports by countries of consignment.

BALANCE OF PAYMENTS

Pages 16—17. Figures are calculated by the Bank of Finland. In the current account, the figures for visible and invisible trade have been revised from 1970 so that they are in accordance with the revised System of National Accounts. In addition to the Board of Customs figures, exports include fuel for carriers but exclude stevedoring expenses and imports include seamen's duty-free imports, fuel for carriers and adjusted allowance for smuggling. On Jan. 1, 1980, foreign bonds were included in the convertible foreign exchange reserves of the Bank of Finland and not in the short-term capital account as earlier. The figures for other years have also been revised accordingly.

FOREIGN ASSETS AND LIABILITIES

Pages 18—19. Figures calculated by the Bank of Finland. Long-term assets: Other = financial loans development credits + Finland's subscriptions to international financial institutions. Long-term liabilities: Other = Leasing credits + subscriptions to international financial institutions paid in the form of bonds. Short-term assets: From 1978 the Bank of Finland's foreign bills are included in financing of exports and reclassified under the corporate sector. Column 21. Debt service = Net investment income of short-term and long-term assets and liabilities + net amortisation payment of long-term foreign assets and liabilities, excl. amortisation payments of the Bank of Finland's reserves and oil credits.

Columns 21 and 22 during the year and the quarter.

Chart Debt service ratio: Debt service as a per cent of current account earnings. 1978 and 1979 debt service does not include amortisation of the Bank of Finland's reserve and oil credits.

PRICE INDICES

Page 20. All indices calculated by the Central Statistical Office.

WAGES — PRODUCTION

Pages 21—22. Figures supplied by the Central Statistical Office. Page 22 *Index of industrial production* calculated by the Central Statistical Office. The grouping, by branches of industry is in accordance with the Standard Industrial Classification (SIC) which is a version of the 1968 edition of the ISIC. The SIC facilitates international comparisons between Finnish statistics and corresponding data from countries which use the ISIC. The seasonally adjusted series is calculated by the Bank of Finland on the basis of the index of industrial production per working day according to a method resembling the U.S. Bureau of Census Method II.

LABOUR — TIMBER FELLINGS — INTERNAL TRADE — CONSTRUCTION OF BUILDINGS

Page 23. *Labour* figures supplied by the Central Statistical Office. *Commercial timber fellings* compiled by the Forest Research Institute, *Retailers' and Wholesalers' volume indices* supplied by the Central Statistical Office. *Construction of buildings* figures calculated by the Central Statistical Office.

SYMBOLS USED: * Preliminary, r Revised, 0 Less than half the final digit shown, . Logically impossible, .. Not available, — Nil S affected by strike — Break in series.

SOME PARTICULARS ABOUT FINLAND

FORM OF GOVERNMENT

From 1 155 to 1 809 Finland formed a part of the kingdom of Sweden. Connected from 1 809 with Russia, Finland was an autonomous country with the Emperor as Grand Duke until December 6, 1917, the date of Finland's declaration of independence. The republican constitution was adopted in 1919. The legislative power of the country is vested in Parliament and the President. The highest executive power is held by the President, elected for a period of 6 years. The President for the current term, January 27, 1982, to March 1, 1988, is Mauno Koivisto.

Parliament, comprising 200 members is elected by universal suffrage for a period of 4 years. The number of seats of the different parties in Parliament elected in 1983 is as follows: Social Democratic Party of Finland 57, National Coalition Party 44, Centre Party 38, Democratic League of the People of Finland 27, Finnish Rural Party 17, Swedish People's Party 11, Christian League of Finland 3, The Greens 2 and Finnish People's Constitutional Party 1.

INTERNATIONAL ORGANIZATIONS

Finland became a member of BIS 1930, IMF 1948, IBRD 1948, GATT 1950, UN 1955, IFC 1956, IDA 1960, EFTA 1961, ADB 1966, OECD 1969, IDB 1977 and AfDB 1982.

LAND

THE AREA is 338 000 square kilometres (Great Britain's area is 244 000 sq. km and Italy's area 301 000 sq. km). Of the total, inland waters form 9.4%. Of the land area (1980) 2.5 mill. ha (8.2%) are cultivated and 19.7 mill. ha (64.5%) are covered by forests.

OWNERSHIP OF LAND (1979). The total land area was distributed among different classes of owners approximately as follows: private 58.7%, State 31.4%, joint stock companies etc. 7.4%, municipalities and parishes 2.5%.

POPULATION

NUMBER OF INHABITANTS (1980): 4.8 million. Sweden 8.3, Switzerland 6.4, Denmark 5.1, and Norway 4.1 million.

DENSITY OF POPULATION (1980): In South Finland 46.8, in East and Central Finland 14.0, in North Finland 4.1 and in the whole country an average of 15.7 inhabitants to the square kilometre.

DISTRIBUTION BY AREA (1980): 40% of the population inhabit the rural areas, 60% towns and urban districts. The largest towns are: Helsinki (Helsingfors), the capital, 483 038 inhabitants, Tampere (Tammerfors) 166 228, Turku (Åbo) 163 680.

EMPLOYMENT (1981): Agriculture and forestry 11%, industry and construction 35%, commerce 14%, transport and communication 8%, financing, insurance, real estate and business services 6%, community and personal services 26%.

LANGUAGE (1980): Finnish speaking 93.5%, Swedish speaking 6.3%, others 0.2%.

EDUCATION (1981): Practically all persons over 15 years of age are literate. There are 6 universities (the oldest founded in 1 640) and 14 colleges of university standard.

CHANGE OF POPULATION (1980): births 13.2 ‰, deaths 9.3 ‰, change + 2.8 ‰, net immigration - 0.3 ‰. Deaths in France 10.1 ‰ and Great Britain 11.8 ‰.

TRADE AND TRANSPORT

NATIONAL INCOME (1982), in million marks: Gross domestic product at factor cost by industrial origin: agriculture 8 993 (4%) forestry and fishing 9 729 (5%), manufacturing 64 416 (31%), construction 15 271 (7%), trade, restaurants and hotels 24 017 (11%), transport and communication 17 052 (8%), banking and insurance 8 635 (4%), ownership of dwellings 15 009 (7%) other services 47 323 (23%), total 210 443. Index of real domestic product 124 (1975 = 100).

FOREST RESOURCES (1980). The growing stock comprised of 1 631 million m³ (solid volume with bark) of which 44% was pine and 38% spruce the remaining 18% being broad-leaved trees chiefly birch. Of the growing stock 690 million m³ was up to the standard required for logs, 56% of these being pine. The annual growth was 65 million m³ and the total drain calculated on the basis of roundwood consumption was 59 million m³.

AGRICULTURE (1981). Cultivated land 2.4 million hectares. Number of holdings 218 904 of which 151 956 are of more than 5 ha. Measure of self-sufficiency in bread cereals (1982) 56%.

INDUSTRY (1981). Gross value of industrial production 193 314 mill. marks. Number of workers 419 443, salaried employees 144 692, motive power 8.0 mill. kW. Index of industrial production 132 for 1981 (1975 = 100).

STATE RAILWAYS (Dec. 31, 1982): Length 6 071 km.

MERCHANT FLEET (June 30, 1983): Passenger vessels 155 (255 822 gross reg. tons), tankers 47 (1 324 563 gross reg. tons), dry cargo vessels 180 (835 057 gross reg. tons), other vessels 100 (13 951 gross reg. tons), total 482 (2 429 393 gross reg. tons).

MOTOR VEHICLES (Dec. 31, 1982): Passenger cars 1 352 055 lorries and vans 161 680, buses 9 066, others 9 896, total 1 532 697

FINNISH AIRLINES (May 1, 1983): Finnair has in use 1 DC-8, 8 DC-9-10, 6 DC-9-41, 12 DC-9-51, 3 DC-10-30, 3 DC-9 Super 82 and 2 Fokker F-27. Company has scheduled traffic outside of Finland to 38 airports and to 21 domestic airports.

FINANCE AND BANKING

CURRENCY. Since 1860, Finland has had its own monetary system. From 1877 until 1914 the country was on the gold standard, and returned to it in 1926. In 1931, the Central Bank's duty to redeem bank notes in gold was suspended and at the end of 1962 was entirely cancelled. The monetary unit is the mark (Finnish markka). The last par value of the mark was set on Oct. 12, 1967 and was 0.21159 grams of fine gold per mark (equivalent, at the time, to 4.20 marks per U.S. dollar). Since Nov. 1, 1977 the external value of the mark has been officially expressed in terms of a currency index. This index is trade-weighted and indicates the average change in the currencies which are important in Finnish foreign trade. The present currency weights are Rbl 24.6 Skr 15.9, £ 13.1, DM 13.3, \$ 8.8, other currencies 24.3. The permissible range of fluctuation is about 2.25 per cent of either side of the arithmetic mean. The fluctuation limits are 127.5 and 121.9.

THE CENTRAL BANK. The Bank of Finland (estab. 1811) functions under the guarantee and supervision of Parliament. Its Board of Management is appointed by the President of the Republic; the Bank Supervisors, nine in number, are elected by Parliament. The Bank has a head office in Helsinki and 12 branches in other towns.

OTHER CREDIT INSTITUTIONS (Dec. 31, 1982). There are two big and five small commercial banks with in all 900 offices, 272 savings banks, 371 co-operative banks, five mortgage banks, Postipankki and three development credit institutions. The co-operative stores accept deposits from their members. The Social Insurance Institution and fifty-four private insurance companies also grant credits.

RATES OF INTEREST (July 1, 1983). The base rate applied by the Bank of Finland on credit extended to the banks in the context of the quota facility is 9 ½%. The range of rates for other credits granted by the Bank of Finland is between 7% and 12%. Other credit institutions: time deposits 5 ½%; 6 month deposits 6 ½%; 12 month deposits 8%; 24 month deposits 9 ½% and sight deposits 2 ½%. The highest lending rate 14%.

HOUSING CONDITIONS IN FINLAND IN 1950—1980 IN THE LIGHT OF POPULATION AND HOUSING CENSUSES

by Mauri Levomäki, M.Sc.

Central Statistical Office of Finland

There has been a continual improvement in housing conditions in Finland over the past few decades. The dwelling stock has grown and been renewed, especially in urban settlements. Owing to urbanization, the number of dwellings in multi-dwelling houses (mainly apartment blocks), in particular, has increased. Even so, the majority of Finns still live in small dwelling houses, (detached, semidetached and terraced houses). The proportion of owner-occupied dwellings has remained at about 60 per cent, whereas the share of rented dwellings has diminished slightly. Today, Finns live more spaciouly than ever, since the average floor space and number of rooms per dwelling have increased. Moreover, the improvement in the standard of amenities in dwellings has reduced differences in housing conditions between rural and urban areas. Both central heating and electric heating have become common, and district heating has become increasingly important. In contrast, the use of wood for heating residential buildings has declined. However, Finland still lags behind the other Nordic countries in regard to living space and the standard of equipment in dwellings.

This is the picture of housing developments in Finland which is obtained from the statistics in the population and housing censuses. The census is carried out every ten years, most recently in the autumn of 1980. Apart from collecting data on the population structure, the census covers a wide range of topics relating to the building and dwelling stock and to housing conditions. The population and housing census is a general census encompassing the whole country and, in principle, all building units, including dwellings.¹ So as to achieve international comparability, the Finnish censuses apply the concepts and classifications recommended by the United Nations.

According to the 1980 population and housing census there were 1 838 000 dwellings in Finland, of which more than one-third had been completed since 1970. Owing to loss of dwellings, the net growth amounted to just over one-quarter, as against one-fifth during each of the previous two decades. This meant that the stock of dwellings almost doubled in thirty years, a period during which the population of Finland increased by less than one-fifth.

Finland has undergone a process of urbanization in the post-war period, with inhabitants migrating from northern and eastern parts of Finland to cities and other urban settlements in the industrialized south. This is also reflected in the regional distribution of dwellings.² As early as the 1950s, the number of dwellings

TABLE 1. NUMBER OF DWELLINGS IN 1950, 1960, 1970 AND 1980

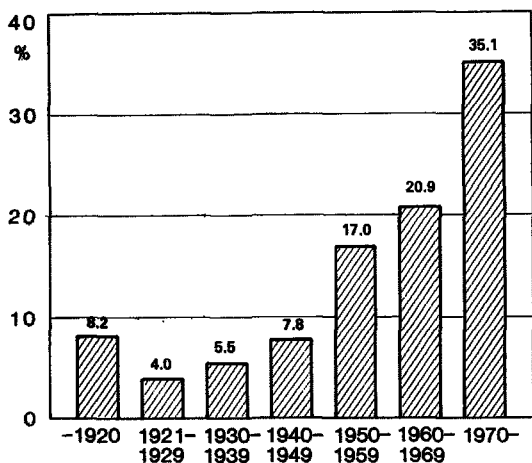
| | Whole country | Urban municipalities ¹ | Rural municipalities ¹ |
|-----------|---------------|-----------------------------------|-----------------------------------|
| 1950 | 998 800 | 373 400 | 625 500 |
| 1960 | 1 211 200 | 529 200 | 682 000 |
| 1970 | 1 463 200 | 806 900 | 656 300 |
| 1980 | 1 838 000 | 1 161 600 | 676 400 |
| Change, % | | | |
| 1950—1960 | +21.3 | +41.7 | +9.0 |
| 1960—1970 | +20.8 | +52.5 | —3.8 |
| 1970—1980 | +25.6 | +44.0 | +3.1 |

¹ Changes in the type of municipality and in administrative regional boundaries have not been taken into account.

¹ Questionnaires were still used in the 1980 census for collecting data on buildings and dwellings, since no other data were available. The census data were used to compile the Building and Dwelling Register of the Central Population Register.

² In comparing developments between urban and rural municipalities the effects of changes in the type of municipality and in administrative regional boundaries have not been taken into account.

CHART 1. DWELLINGS BY YEAR OF COMPLETION IN 1980



grew more rapidly in urban than in rural municipalities, and in the 1960s the stock of rural dwellings even declined a little. This trend continued in the 1970s, as can be seen in Table 1. Both in the 1960s and 1970s, the number of dwellings grew fastest in the province of Uusimaa, where the capital and its environs are located.

The loss of dwellings in the 1970s was greater in rural than in urban municipalities, since the proportion of housing units completed after 1970 was almost the same, approximately 35 per cent, in both categories. Part of the loss, of course, represents a change in the use of dwellings. In rural areas, former residential buildings are now used only for recreational purposes, while in the cities dwellings seem to have been converted into offices, although no actual data is available on this.

The dwelling stock in Finland is fairly new. The 1980 census showed that more than half of all housing units were in buildings erected since 1960 and more than one-third in buildings erected since 1970. Dwellings in urban municipalities were generally newer than those in rural municipalities. Over 60 per cent of the dwellings in urban settlements were built after 1960 as compared with less than 50 per cent in rural settlements. The share of dwellings less than 21 years old was about the same in 1970 and 1980.

FIFTY PER CENT OF ALL HOMES IN SMALL RESIDENTIAL BUILDINGS

According to the 1980 census, 45 per cent of housing units were in 1—2 dwelling houses and 7 per cent in terraced houses. Hence, only slightly more than half of all dwellings were in small dwelling houses, although this category accounted for over 90 per cent of all residential buildings in Finland. Housing units in multidwelling houses made up 44 per cent of the dwelling stock. As is shown in Table 2, between 1970 and 1980 there was a notably larger increase in dwellings of this type than in those in small dwelling houses. This was the result of urbanization, which continued into the 1970s, and of a housing policy favouring the building of apartment blocks in areas of new residential construction. This trend did not, perhaps, always comply with the wishes of the general public. Nevertheless, the share of small dwelling houses in housing production has grown steadily in recent years, with the number of terraced houses increasing by 2.5 times in the first half of the 1970s and twofold in the second half of the decade.

Despite the large proportion of apartment block dwellings and the considerable increase in their number, the majority of Finns, 59 per cent, still lived in small dwelling houses in 1980. Ten years earlier, this figure had been 63 per cent.

THE MAJORITY OF FINNS OWN THEIR OWN HOME

Finns typically live in owner-occupied dwellings, either a detached house, held in fee simple, or an apartment or a terraced house owned by virtue of a shareholding in a private housing company (condominium). In 1980, owner-occupied dwellings accounted for more than 60 per cent of the housing stock, a share which had remained virtually unchanged since 1960. However, a marked redistribution has occurred between the two ownership categories. As is shown in Table 3, the proportion of dwellings held in virtue of share owned has

TABLE 2. DWELLINGS BY TYPE OF RESIDENTIAL BUILDING IN 1970 AND 1980

| Type of municipality and residential building | Number of dwellings | | | |
|---|---------------------|----------|-----------|----------|
| | 1970 | Per cent | 1980 | Per cent |
| Whole country | | | | |
| All residential buildings | 1 463 200 | 100.0 | 1 838 000 | 100.0 |
| 1—2 dwelling houses | 791 000 | 54.1 | 825 500 | 44.9 |
| Terraced houses | 30 000 | 2.0 | 132 100 | 7.2 |
| Multi-dwelling houses and other residential buildings | 582 100 | 39.8 | 810 900 | 44.1 |
| Boarding houses | .. | .. | 9 300 | 0.5 |
| Other or unknown | 60 100 | 4.1 | 60 200 | 3.3 |
| Urban municipalities ¹ | | | | |
| All residential buildings | 806 900 | 100.0 | 1 161 600 | 100.0 |
| 1—2 dwelling houses | 248 800 | 30.8 | 329 700 | 28.4 |
| Terraced houses | 18 500 | 2.3 | 73 900 | 6.4 |
| Multi-dwelling houses and other residential buildings | 515 800 | 63.9 | 723 100 | 62.2 |
| Boarding houses | .. | .. | 5 700 | 0.5 |
| Other or unknown | 23 800 | 3.0 | 29 200 | 2.5 |
| Rural municipalities ¹ | | | | |
| All residential buildings | 656 300 | 100.0 | 676 400 | 100.0 |
| 1—2 dwelling houses | 542 200 | 82.6 | 495 800 | 73.3 |
| Terraced houses | 11 500 | 1.8 | 58 300 | 8.6 |
| Multi-dwelling houses and other residential buildings | 66 300 | 10.1 | 87 700 | 13.0 |
| Boarding houses | .. | .. | 3 600 | 0.5 |
| Other or unknown | 36 300 | 5.5 | 31 000 | 4.6 |

¹ Changes in the type of municipality and in administrative regional boundaries have not been taken into account.

TABLE 3. DWELLINGS BY TENURE STATUS IN 1960, 1970 AND 1980

| Tenure status | Number of dwellings | | | | | |
|--|---------------------|----------|-----------|----------|-----------|----------|
| | 1960 | Per cent | 1970 | Per cent | 1980 | Per cent |
| Total dwellings | 1 211 200 | 100.0 | 1 463 200 | 100.0 | 1 838 000 | 100.0 |
| Owner of house | 619 800 | 51.2 | 624 800 | 42.7 | 657 500 | 35.8 |
| Owner of flat | 112 500 | 9.3 | 231 800 | 15.8 | 463 100 | 25.2 |
| Official residence or employer-provided dwelling | 141 400 | 11.7 | 142 000 | 9.7 | 153 300 | 8.3 |
| Rented dwelling | 328 900 | 27.1 | 404 700 | 27.7 | 384 000 | 20.9 |
| Without permanent residents | 6 800 | 0.6 | 44 100 | 3.0 | 106 800 | 5.8 |
| Other or unknown | 1 800 | 0.1 | 15 800 | 1.1 | 73 300 | 4.0 |

grown steadily, whereas the share of houses held in fee simple has fallen. This trend primarily reflects the fact that, in the 1960s and 1970s, substantially more apartment block and terraced house dwellings were built than detached houses.

About one-fifth of all dwellings were rented in 1980, which was slightly less than in both 1970 and 1960. The number of rented dwellings also decreased in absolute terms, by about 5 per cent. Certainly part of this decline has

been due to a reduction, since the beginning of the 1970s, in the production of rental housing built with the aid of central government loans. Perhaps the sharpest decline, however, has occurred in the private rental sector, and this has become the subject of a heated debate during the last few years. It has been claimed that rental housing has become unprofitable as a consequence of changes made in the Rent Act in 1970 and the limitation of rent increases. Others, by contrast, contend that talk of poor returns on rented dwellings

has been exaggerated and that the demands for higher rents are unreasonable.

It is interesting to note the regional differences in the development of the rented housing stock. In southern Finland, the number of rental dwellings has fallen, whereas it has grown in the eastern and northern parts of the country. Moreover, the decline in the number of rental dwellings has been confined to detached houses. In apartment blocks and terraced houses, the number of rental dwellings increased by 38 000 between 1970 and 1980.

The above data on both owner-occupied and rental dwellings apply only to housing units which were permanently occupied. Dwellings without permanent occupants amounted to 107 000, of which 91 000 were vacant. The large stock of vacant dwellings, together with the increase in their number since 1970, is puzzling. One reason is, of course, that old dwellings in a bad state of disrepair have remained unoccupied after the last residents have moved out. Another contributory factor is the more accurate registration in the 1980 census than before of vacant dwellings. These explanations, however, tell only part of the story. Unfortunately, the census gives no indication as to what proportion of vacant dwellings had previously been owner-occupied and what proportion rented. More information on this aspect would help to explain why the number of rental dwellings has declined.

MORE SPACIOUS LIVING CONDITIONS

Living conditions continued to become more spacious in the 1970s. Between the 1970 and 1980 censuses, the average useful floor space grew from 60 to 69 square metres per dwelling, and to 76 square metres for dwellings completed after 1970. As in the previous decade, this represented an increase in average floor space of 9 square metres. Dwellings in rural municipalities were on average more spacious than those in urban municipalities, and the difference has been growing steadily since

1960. In 1980, average floor space amounted to 77 square metres in rural municipalities and to 65 square metres in urban ones. This difference is due to the predominance in rural settlements of small dwelling houses, which tend to have greater average floor space than apartment block dwellings. Average floor space was 84 square metres per dwelling in 1—2 dwelling houses, 72 in terraced houses and 55 in multi-dwelling houses. Since the 1970 census, 1—2 dwelling houses have experienced a particularly sharp increase — 18 square metres — in average floor space per dwelling.

Floor space per person amounted to 26 square metres in 1980, as against only 19 square metres ten years earlier. In addition to these indicators, living space is also measured in terms of »persons per 100 rooms». In Finland, as elsewhere, this rate has been falling continually. It was as high as 152 in 1950 and still exceeded 100 in 1970, but had fallen to 78 by 1980. It has always been slightly lower in urban municipalities than in rural ones.

Even so, living conditions in Finland are noticeably more crowded than in the other Nordic countries. In 1970, there were only 68 persons per 100 rooms in Sweden, the corresponding rates for Norway and Denmark being 67 and 76, respectively. (In Denmark, kitchens were not even counted as rooms.) By 1980, the average occupancy rate in Sweden had fallen to 55.

A breakdown of the stock of dwellings by size also points to a marked increase in living space. Table 4 shows that the proportion of small dwellings has fallen steadily since 1960. There has also been a sharp decline in the number of dwellings less than 30 square metres in area.

Large dwellings, on the other hand, have increased in both absolute and relative terms. This is especially so for dwellings with an area of more than 90 square metres. In 1980, there were almost four times as many such dwellings as in 1960 and their share of the total dwelling stock was more than twice as large.

TABLE 4. DWELLINGS BY USEFUL FLOOR SPACE AND NUMBER OF ROOMS IN 1960, 1970 AND 1980

| Floor space or number of rooms | 1960 | | 1970 | | 1980 | |
|--------------------------------|---------------------|----------|---------------------|----------|---------------------|----------|
| | Number of dwellings | Per cent | Number of dwellings | Per cent | Number of dwellings | Per cent |
| Total dwellings | 1 211 200 | 100.0 | 1 463 200 | 100.0 | 1 838 000 | 100.0 |
| Floor space, m ² | | | | | | |
| 7— 29 | 265 700 | 21.9 | 200 300 | 13.7 | 154 700 | 8.4 |
| 30— 49 | 405 500 | 33.5 | 393 800 | 26.9 | 405 200 | 22.0 |
| 50— 69 | 276 200 | 22.8 | 383 500 | 26.2 | 487 300 | 26.5 |
| 70— 89 | 139 400 | 11.5 | 240 300 | 16.4 | 345 800 | 18.8 |
| 90—139 | 89 200 | 7.4 | 182 200 | 12.5 | 358 200 | 19.5 |
| 140 + | 25 400 | 2.1 | 40 500 | 2.8 | 78 800 | 4.3 |
| Average floor space | 51 | | 60 | | 69 | |
| Number of rooms | | | | | | |
| 1 | 181 800 | 15.0 | 180 800 | 12.4 | 225 400 | 12.3 |
| 2 | 406 900 | 33.6 | 362 900 | 24.8 | 321 800 | 17.5 |
| 3 | 352 800 | 29.1 | 410 100 | 28.0 | 478 700 | 26.0 |
| 4 | 153 300 | 12.7 | 260 500 | 17.8 | 379 100 | 20.6 |
| 5 + | 115 700 | 9.6 | 241 500 | 16.5 | 424 700 | 23.1 |
| Average number of rooms | 2.7 | | 3.1 | | 3.4 | |

The growth in average floor space per dwelling during the 1970s was largely due to an increase in the number of rooms per dwelling, since average room size — about 20 square metres — remained almost the same as in 1970. The average number of rooms per dwelling was 3.4 in 1980, against 3.1 ten years earlier. Hence, in this respect, too, Finland lags behind the other Nordic countries. The corresponding figures for Sweden, Norway and Denmark were 4.2, 3.9 and 3.8 (excluding kitchen), respectively.

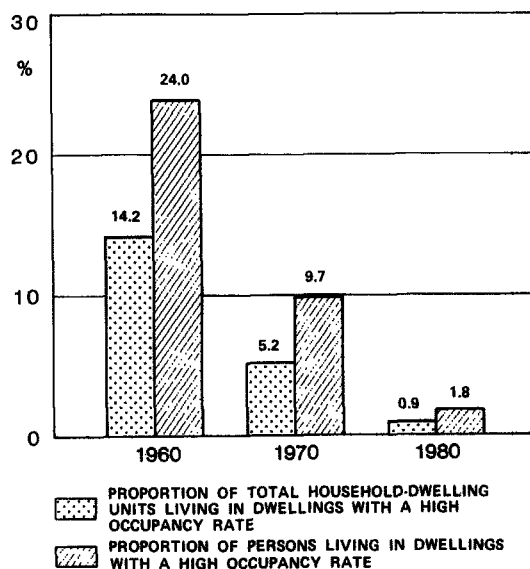
LIVING CONDITIONS MORE CROWDED IN RURAL AREAS

Even if average floor space and number of rooms per dwelling were less in urban than in rural settlements, occupancy rates were, nevertheless, greater in the latter category. The difference was, however, very small: there were 80 persons per 100 rooms in the rural municipalities as against 77 in the urban municipalities. The proportion of dwellings with a high occupancy rate³, as well as the

share of the dwelling population living in such dwellings, was slightly larger in rural than in urban municipalities.

The proportion of dwellings with a high occupancy rate according to standard 1 has dropped sharply in the whole country over the

CHART 2. CROWDED LIVING CONDITIONS IN 1960, 1970 AND 1980



STANDARD 1: DWELLINGS OCCUPIED BY MORE THAN 2 PERSONS PER ROOM, INCLUDING A KITCHEN IN THE NUMBER OF ROOMS

³ According to the UN recommendation, standard 1, a household-dwelling unit has a high occupancy rate if more than two persons per room, including a kitchen in the number of rooms, occupy the dwelling.

past two decades. While such dwellings accounted for 14 per cent of the dwelling stock in 1960 and about 5 per cent in 1970, they constituted less than one per cent of dwellings in 1980. There has been a similar fall in the share of the population living in these kind of conditions from nearly one quarter of the dwelling population in 1960 to less than 2 per cent in 1980. Dwellings with a high occupancy rate according to standard 2⁴ amounted to less than 4 per cent of the dwelling stock in 1980 and closely housed persons for less than 7 per cent of the dwelling population.

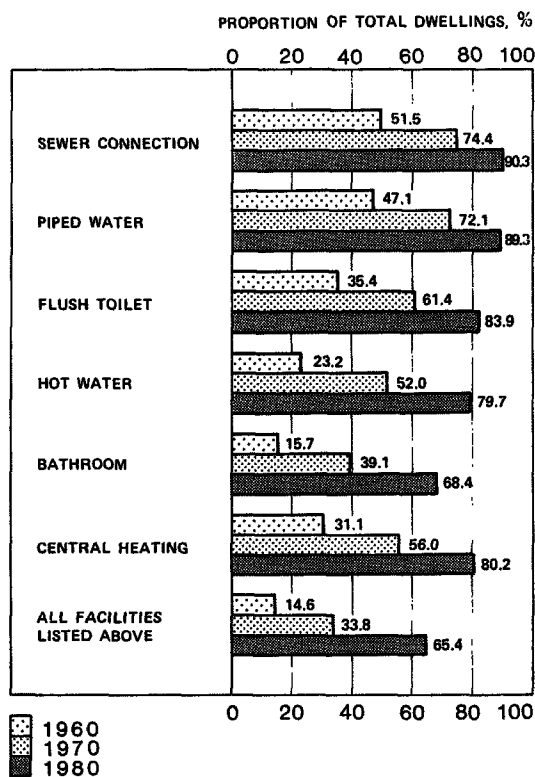
QUALITY OF DWELLINGS HAS IMPROVED

The standard of amenities in dwellings has improved considerably in the past twenty years. In 1980, 90 per cent of all dwellings had piped water and a sewer connection, 80 per cent a flush toilet, hot water and central heating, and 70 per cent a bathroom (or shower) or a sauna. These shares were 15—30 percentage points less in 1970, and during the previous decade the changes had been even greater, as is shown in Chart 3.

According to the 1980 census, almost two-thirds of all dwellings had a sewer connection, piped water and a flush toilet as well as central heating, hot water and a bathroom, as compared with only one-third of the dwelling stock in 1970. In both censuses, the proportion of dwellings of this standard was distinctly higher in urban than in rural municipalities, but the difference had been reduced noticeably in the course of the decade.

The average standard of amenities in dwellings, as well as average floor space and number of rooms have, of course, changed as old, small and poorly equipped housing units have been abandoned for new, more spacious and better equipped dwellings. This trend is reflected in the fact that almost 100 per cent of dwellings

CHART 3. DWELLINGS BY TYPE OF FACILITY IN 1960, 1970 AND 1980



completed after 1970 were equipped with the facilities mentioned above. On the other hand, nearly 138 000 dwellings in Finland still lacked all these facilities in 1980.

Despite the improvement in the standard of housing equipment in Finland, the other Nordic countries are about ten years ahead of Finland in this respect. In 1970, more than 97 per cent of dwellings in Sweden, Norway and Denmark had running water, and 96 per cent of dwellings in Denmark, 90 per cent in Sweden and 72 per cent in Norway were equipped with flush toilets. In the same year, more than 90 per cent of housing units in Sweden and more than 80 per cent in Denmark had central heating, while almost 80 per cent of dwellings in Sweden and Denmark and 66 per cent in Norway had a bathroom. However, it should be noted that in Finland a sauna, either within or separate from the dwelling unit, often substitutes for a bathroom.

⁴ More than 2 persons per room, excluding a kitchen from the number of rooms, occupy the dwelling.

TABLE 5. RESIDENTIAL BUILDINGS BY HEATING FUEL AND TYPE OF RESIDENTIAL BUILDING, PER CENT

| Fuel | Total residential buildings | 1—2 dwelling houses | Terraced houses | Multi-dwelling houses and other residential buildings |
|------------------|-----------------------------|---------------------|-------------------|---|
| 1970 | 768 200 (100.0) | 714 000 (100.0) | 5 200 (100.0) | 49 000 (100.0) |
| District heating | .. | .. | .. | .. |
| Oil, gas | 37.1 | 35.5 | 75.9 | 56.0 |
| Coal, coke | 2.8 | 2.6 | 1.4 | 6.1 |
| Electricity | 5.0 | 5.2 | 2.4 | 2.5 |
| Wood, peat | 54.1 | 55.8 | 17.1 | 33.0 |
| Other or unknown | 0.9 | 0.9 | 3.1 | 2.4 |
| 1980 | 840 300 (100.0) | 773 300 (100.0) | 22 600 (100.0) | 44 400 (100.0) |
| District heating | 4.4 | 1.6 | 28.3 | 40.9 |
| Oil, gas | 36.5 | 35.8 | 53.1 | 39.9 |
| Coal, coke | 1.3 | 1.4 | 0.2 | 0.9 |
| Electricity | 19.1 | 20.1 | 11.7 | 5.2 |
| Wood, peat | 37.9 | 40.3 | 6.0 | 12.3 |
| Other or unknown | 0.7 | 0.7 | 0.7 | 0.8 |

USE OF WOOD AS A HEATING FUEL HAS DECLINED

The 1980 population and housing census statistics show that the use of domestic fuels, either wood or peat, for the heating of residential buildings declined during the 1970s. Fifty-four per cent of all residential buildings were heated by these fuels in 1970 as against only 38 per cent in 1980. As one would expect, the use of wood heating was most common in 1—2 dwelling houses and noticeably more widespread in the countryside than in urban settlements.

Between 1970 and 1980, the proportion of residential buildings with oil-fired heating remained almost unchanged at about 37 per cent. The use of electric heating, on the other hand, increased during this period. Whereas 38 000 residential buildings — only 5 per cent of the housing stock — were heated electrically in 1970, this amount had risen to 160 000 — almost one-fifth of the building stock — by 1980.

In the 1970 census, the share of district heating was not reported separately, but by 1980 it had become quite substantial. Admittedly, only just over four per cent of all residential buildings were connected to a district heating network in 1980. However, this included 40 per cent of multi-dwelling houses, which explains why almost one-third of all dwellings were classified under this kind of heating. The statistics did not reveal which fuels are used in producing district heating, but oil is likely to be the most commonly used.

HOUSEHOLD-DWELLING UNITS — HOUSEHOLDS

The population and housing censuses have also analysed the units formed by persons occupying the same dwelling. In the 1980 census, the concept of household-dwelling unit was introduced. According to this, regardless of family relationship, all persons, including subtenants, living in the same dwelling constitute a household-dwelling unit. The previous censuses employed a slightly different concept, the household, according to which subtenants were considered as belonging to separate households. This conceptual difference makes comparisons between the censuses difficult and thus only limited reference is made to this subject here.

There were 1 782 000 household-dwelling units in Finland in 1980. This excluded 76 000 persons who were either without a permanent residence or lived in institutions.

Between 1970 and 1980, the average size of household-dwelling units diminished. Only 10 per cent of all household-dwelling units consisted of more than four persons in 1980, as compared with 20 per cent in 1970. The most common type of household-dwelling unit is the one- or two-person household-dwelling unit, representing more than half of all household-dwelling units in 1980. In 1970, the share of these household-dwelling units was only 40 per cent. The average size of household-dwelling units fell from 3.2 to 2.6 persons

during the ten years between the 1970 and 1980 censuses.

It follows from the definition of household-dwelling unit that a breakdown of these units according to, for example, tenure status and type of residential building conforms quite closely with the corresponding distributions for dwellings. However, in some cases an analysis by household-dwelling unit offers new perspectives. It is interesting to note, for example, that household-dwelling units occupying rented dwellings are on average smaller than those living in owner-occupied dwellings. Of one-person household-dwelling units, 30 per cent lived in rented dwellings and 48 per cent in owner-occupied homes, whereas in the case of four-person household-dwelling units the corresponding figures were 14 and 74 per cent.

Of those household-dwelling units where the head of the unit had the socio-economic status of manual worker, 60 per cent lived in owner-occupied and almost one-quarter in rented dwellings. The proportion living in owner-occupied dwellings was slightly larger for household-dwelling units headed by a non-manual employee, and largest, about 90 per cent, for those household-dwelling units where the head was classified as self-employed.

The proportion living in owner-occupied dwellings grew along with the age of the head of the household-dwelling unit up to the over-65 age group. Thus, in household-dwelling units where the head was under 25 only one-third lived in owner-occupied dwellings, for the 55—64 age group the corresponding share was three-quarters. For those household-dwelling units where the head was over 65, however, the proportion of owner-occupied dwellings had fallen to about two-thirds.

As was pointed out above, just under 2 per cent of the dwelling population live in dwellings with a high occupancy rate. In terms of household-dwelling units, this is less than one per cent. Analyzed by socio-economic status, the proportion of household-dwelling

units living in dwellings with a high occupancy rate was highest, 1.7 per cent, among household-dwelling units where the head was a manual worker. It was lowest for those household-dwelling units the head of which was a pensioner. This is because more than 90 per cent of household-dwelling units headed by a pensioner comprise only one or two members. For all household-dwelling units, the average number of persons per room was 0.8. Household-dwelling units consisting of more than four persons lived in more crowded conditions, with an occupancy rate of 1.2 persons per room.

A QUARTER OF A MILLION SUMMER COTTAGES

Summer cottages form an essential part of Finnish life and totalled 252 000 according to

TABLE 6. SUMMER COTTAGES AND OTHER RESIDENTIAL BUILDINGS USED FOR RECREATION BY YEAR OF COMPLETION AND USEFUL FLOOR SPACE IN 1980

| | All summer cottages | Also suitable for winter use | Built originally for recreational use | Built originally for some other purpose |
|-------------------------------------|---------------------|------------------------------|---------------------------------------|---|
| Total | 251 700 (100.0) | 52 100 (100.0) | 197 700 (100.0) | 50 700 (100.0) |
| Year of completion, % | | | | |
| —1920 | 8.6 | 16.2 | 1.7 | 35.5 |
| 1921—1959 | 27.6 | 36.6 | 21.6 | 52.2 |
| 1960—1969 | 26.3 | 15.8 | 31.9 | 5.9 |
| 1970—1979 | 32.4 | 26.8 | 40.0 | 4.3 |
| 1980 | 2.6 | 2.9 | 3.1 | 0.4 |
| Unknown | 2.6 | 1.7 | 1.6 | 1.8 |
| Floor space in square metres, % | | | | |
| —19 | 9.7 | 2.5 | 11.1 | 4.6 |
| 20—39 | 45.4 | 27.8 | 50.6 | 27.6 |
| 40—59 | 27.0 | 33.6 | 26.2 | 31.3 |
| 60—79 | 9.4 | 18.2 | 7.4 | 17.7 |
| 80—99 | 3.4 | 8.0 | 2.2 | 8.3 |
| 100+ | 3.4 | 8.8 | 1.9 | 8.8 |
| Unknown | 1.7 | 1.1 | 0.5 | 1.7 |
| Average floor space, m ² | 42 | 57 | 38 | 56 |

the 1980 population and housing census. This figure does not include recreational buildings used for business purposes, such as rental cottages in holiday centres. In the 1970 census, about 176 000 households were registered as owning a summer cottage. Because of joint-ownership, however, the actual number of cottages was smaller, approximately 155 000.

According to the 1980 census, the majority of summer cottages were situated in southern Finland, where most Finns live, a natural consequence of the fact that people generally try to acquire a cottage within reasonable travelling distance from their permanent home. Many old residential buildings in rural areas abandoned as a result of heavy emigration and internal migration are now being taken over for recreational purposes. This also applies to other kind of buildings: for example, school buildings in the countryside which are no longer in use because of a shortage of pupils. The 1980 census recorded more than 50 000 »summer cottages« of this type, nine-tenths of which had been erected before 1960.

However, more than three-quarters of all summer cottages were originally built for recreational use. These are fairly new, two-thirds having been completed after 1960 and more than 40 per cent after 1970.

With an average useful floor space of 42 square metres, summer cottages were in general quite small. Those originally built for recreational purposes were on average less spacious than those built for some other use. The average floor space in the former category was 38 square metres and that in the latter 56 square metres.

Summer cottages are normally used for only a part of the year, although some are in use throughout the year. Because of the construction method and type of heating employed, one-fifth of all residential buildings used for recreation were also classified in the 1980 census as being suitable for winter use.

Where Finns are concerned, a summer cottage should, of course, have a sauna. The 1980 census shows that this does, in fact, tend to be the case: only one cottage in ten was without one. In addition, the census recorded more than one million saunas in multi-dwelling houses (provided as a common facility which may be booked by residents) and more than 0.5 million saunas attached to individual dwellings. Especially in recent years, it has become the practice to equip new dwellings in terraced and multi-dwelling houses with a sauna. All in all, there are almost 1.8 million saunas in Finland, which means only 2.6 Finns for each sauna.

ITEMS

Finland's balance of payments January—June 1983. According to the Bank of Finland's preliminary figures, the current account showed a deficit of 1 644 million marks for the first half of this year. The net inflow of long-term capital amounted to 1 380 million marks and the net inflow of short-term capital to 179 million marks. Hence, the foreign exchange reserves of the Bank of Finland declined by 85 million marks. In the first half of 1982, the current account had shown a surplus of 50 million marks.

About four-fifths of the deficit for January—June arose during the second quarter of the year. During the first quarter, the net inflow of long-term capital rose to nearly 1 700 million marks. Because of large redemptions, however, the net inflow of long-term capital swung into a net outflow in April—June. The net flow of short-term capital was reversed. In January—March, 1 900 million marks of short-term capital was exported, while in April-June the equivalent amount was imported. Thus, the foreign exchange reserves of the Bank of Finland grew by 400 million marks during the second quarter of 1983 after having declined by almost 500 million marks in the first quarter of the year.

CURRENT ACCOUNT

The trade account registered a surplus of 72 million marks in January—June this year. The trade carried on in tied currencies (with the Soviet Union, the German Democratic Republic, Hungary and Bulgaria) was in surplus to the value of almost 2 200 million marks, while the trade in convertible currencies registered a deficit of 2 100 million marks. In the corresponding period last year, the surplus on the trade account had amounted to 1 421 million marks.

MAJOR BALANCE OF PAYMENTS ITEMS JANUARY—MARCH 1983, MILL. MK ¹

| | Receipts | Expendi- ture | Net |
|--|---------------------|--------------------------|--------|
| Trade (exports f.o.b., imports c.i.f.) | 34 103 | 33 755 | 348 |
| Adjustment items | —62 | 214 | —276 |
| Trade account | 34 041 | 33 969 | 72 |
| Transport (c.i.f.) | 2 550 | 1 126 | 1 424 |
| Travel | 1 193 | 1 725 | —532 |
| Other services | 2 838 | 2 074 | 764 |
| Services account | 6 581 | 4 925 | 1 656 |
| GOODS AND SERVICES | | | |
| ACCOUNT | 40 622 | 38 894 | 1 728 |
| Investment income, net | 1 461 | 4 478 | —3 017 |
| Unrequited transfers | 211 | 562 | —351 |
| Other | 1 272 | 1 276 | —4 |
| A. CURRENT ACCOUNT | 43 566 | 45 210 | —1 644 |
| | Change in assets | Change in liabilities | Net |
| Long term financial loans and suppliers' | | | |
| credits: drawings | —294 | 5 420 | 5 126 |
| redemptions | 754 | —4 166 | —3 412 |
| Direct investment | —293 | 79 | —214 |
| Other long-term capital | —324 | 204 | —120 |
| B. LONG-TERM CAPITAL ACCOUNT | —157 | 1 537 | 1 380 |
| BASIC BALANCE (A + B) | | | —264 |
| Prepayments and liabilities related to imports | | | 912 |
| Prepayments and receivables related to exports | | | 744 |
| Short-term capital of authorized banks | | | —369 |
| Other short-term capital | | | —883 |
| Errors and omissions | | | —225 |
| C. SHORT-TERM CAPITAL ACCOUNT | | | 179 |
| D. Allocations of SDRs | | | — |
| OVERALL BALANCE (A + B + C + D) | | | —85 |
| Change in the foreign ex- change reserves of the Bank of Finland | | | 85 |

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

¹ Preliminary figures.

Exports rose by 8 per cent in value terms but fell by 2 per cent in volume terms. Export volumes increased in the metal industry and the foodstuff industry, whereas they decreased in the other industrial sectors. The value of imports rose by 12 per cent and the volume by 3 per cent. The largest increase occurred in the import volumes of consumer goods and of machinery and equipment. The import volumes of raw materials and intermediate goods were slightly less than in the same period in 1982.

The services account showed a surplus of 1 656 million marks, almost as much as in the first half of last year. The surplus on the transport account remained the same at 1 424 million marks. Travel receipts did not grow while expenditure increased by 20 per cent; hence, the travel account registered a deficit of 532 million marks, as compared with a deficit of 241 million marks in the first half of 1982. The »Other services» account recorded a surplus of 764 million marks.

Interest expenses on borrowing abroad totalled 4 478 million marks. With interest earnings on foreign assets reaching 1 461 million marks, the investment income account showed a deficit of 3 017 million marks. This was 246 million marks more than in January—June 1982. The unrequited transfers account registered a deficit of 351 million marks.

CAPITAL ACCOUNT

Drawings of long-term loans totalled 5 420 million marks, or 549 million marks less than in the first half of last year. Redemptions of long-term loans amounted to 4 166 million marks, 1 805 million marks more than one year earlier. The central government accounted for 2 519 million marks of the drawings and for 1 428 million marks of the redemptions. Drawings of long-term export credits granted to foreign customers reached 294 million marks and redemptions of outstanding export credits 754 million marks. Finnish direct investment abroad amounted to 293 million marks

and foreign direct investment in Finland to 79 million marks. The net inflow of long-term capital totalled 1 380 million marks, which was 1 323 million marks less than in January—June of last year.

Imports of short-term capital (including errors and omissions in the balance of payments) amounted to 179 million marks. Short-term liabilities related to imports grew by 912 million marks, and net prepayments and receivables related to exports declined by 744 million marks. The net short-term debt of the authorized banks fell by 369 million marks.

The foreign exchange reserves of the Bank of Finland declined, in net terms, by 85 million marks. The convertible foreign exchange reserves decreased by 2 445 million marks, whereas the tied foreign exchange assets increased by 2 360 million marks. Allowing for the changes in exchange rates, the convertible foreign exchange reserves of the Bank of Finland amounted to 6 708 million marks and the tied foreign exchange reserves to 3 928 million marks at the end of June.

At the end of June, Finland's net foreign debt totalled 42 274 million marks, of which the central government accounted for 18 617 million marks. The net long-term debt amounted to 42 132 million marks and the net short-term debt to 142 million marks.

Labour disputes in 1982. According to data compiled by the Central Statistical Office, there were 1 240 labour disputes in Finland in 1982, involving 167 000 employees and 210 000 working days lost. Compared with the previous year, this represented a fall of almost 400 in the total number of disputes. The number of employees involved and the number of working days lost declined to one third of their corresponding totals in the preceding year.

Collective bargaining between the labour market organizations was carried through without any major labour disputes in the first

quarter of 1982. The only significant dispute during the second quarter of the year was a strike involving about 4 000 employees.

Most of the labour disputes, about 92 per cent, were strikes, which accounted for 97 per cent of all working hours lost through labour disputes. There were 722 strikes, 58 per cent of all labour disputes, which were less than one day in duration. Only three strikes lasted longer than one month.

The majority of disputes, 63.3 per cent, involved 10—100 employees, and in 40 per cent of all disputes less than 20 working days were lost. In only three of the disputes were more than 5 000 working days lost.

As regards the reasons for labour disputes in 1983, »other motive» was the most frequently reported. In 46 per cent of all labour disputes the reason was connected with the payment of wages.

There were only a few strikes involving white-collar workers in 1982. Together they accounted for 2.1 per cent of all working hours lost, as compared with 18.4 per cent in 1981 and as much as 46 per cent in 1980.

New appointment at the Bank of Finland. Mr. Matti Vanhala, head of the Foreign Exchange Department, has been appointed as a Director of the bank effective from September 1, 1983.

(continued from page 2)

total manufacturing investment in the late 1970s was mainly attributable to a fall in the level of investment of large enterprises.

What are the development prospects for the output of small and medium-sized firms at the technological level? The innovative ability of small and medium-sized firms often depends on the personal development input of the owner-entrepreneur. The establishment of the firm and the continuity of its activities can be determined according to this. On the other hand, the major part of small enterprises are involved in activities based on established products and production methods. Statistical data on outlays on research and development in industry throw some light on the research inputs of businesses of different size, even if they obviously underestimate the research input of small firms because of the omission from statistics of the contribution of the firm's management. In 1981, small and medium-sized firms accounted for 15 per cent of industry's expenditure on research and development, the share of small firms being less than 6 per cent. Thus, their contribution was

CHART 2. LABOUR PRODUCTIVITY (VALUE ADDED/HIRED PERSONNEL) IN 1970-1980 AT 1970 PRICES, BY SIZE OF INDUSTRIAL FIRM

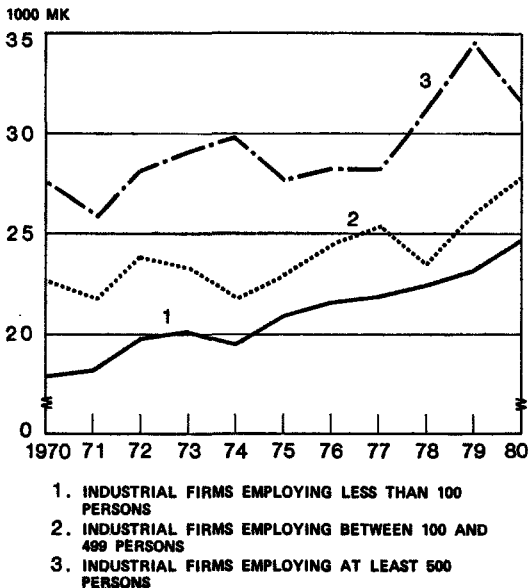
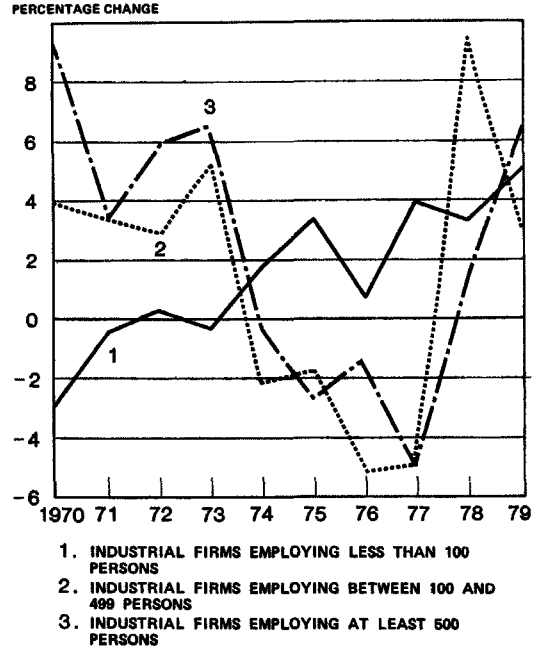


CHART 3. CHANGES IN THE NUMBER OF PERSONS EMPLOYED BY INDUSTRY IN 1970-1980, BY SIZE OF FIRM



relatively small, distinctly less than half of their contribution to value added, for example. Accordingly, although the product development of small and medium-sized firms is obviously carried out at lower-than-average costs, there would seem to be a need to raise the research and product development input of these enterprises.

One of the major areas of emphasis in industrial policies aiming at the development of small and medium-sized industrial firms is the activation of research and product development by these enterprises. This is also closely bound up with the development of other entrepreneurial activities, notably business management and marketing.

The data presented above on the position of small and medium-sized firms in the economy and their growth prospects are based on a report completed at the beginning of the current year by a committee investigating the development issues of small and medium-sized industrial firms. The report notes that, in order to enhance the operating conditions of small

and medium-sized firms, it will be necessary to implement a wide range of separate development measures. The measures proposed are focussed on several fields, including industrial administration, special finance organizations, taxation, training and labour force administration.

Further work on formulating these measures is currently under way. Ultimately, these measures will determine the overall operating prospects for small and medium-sized industrial firms in the years to come.

August 22, 1983

BANK OF FINLAND

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Chairman

Pentti Uusivirta

Ele Alenius

Harri Holkeri

Seppo Lindblom

*Absent as Minister
of Trade and Industry*

Esko Ollila

Markku Puntila

Acting Member of the Board

Directors

Markku Puntila

Eino Helenius

Pentti Koivikko

Kari Nars

Sirkka Hämäläinen

Matti Vanhala

Senior officials

Timo Männistö

Internal Audit

Ralf Pauli

Monetary Policy

Raimo Hyvärinen

Domestic Financing

Stig G Björklund

Payments

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Administration

U. Levo

International Legal Affairs

Ossi Leppänen

Accounting

Anton Mäkelä

Personnel

Reijo Mäkinen

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Research Dept.

Kari Pekonen

Exchange Policy

Kari Holopainen

Bilateral Trade

Pekka Tukiainen

Foreign Financing

J. Ojala

Exchange Control

Seppo Kostainen

Deputy, Economics Dept.

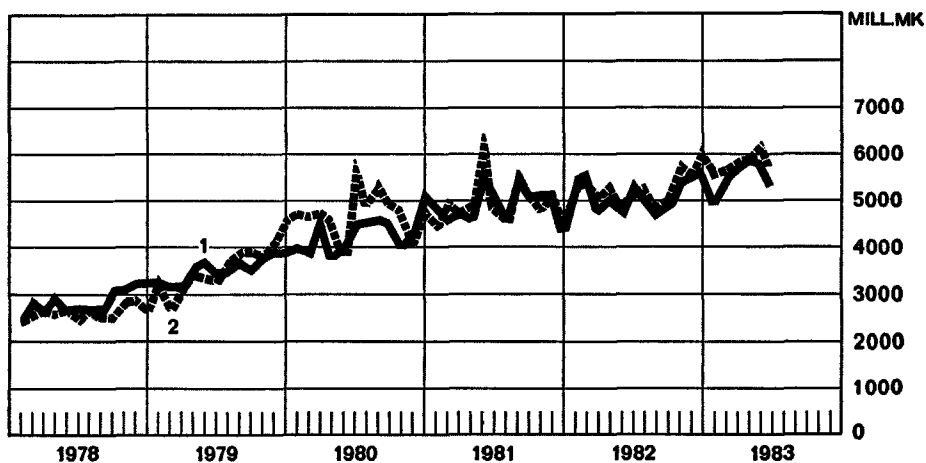
Markku Pietinen

Information

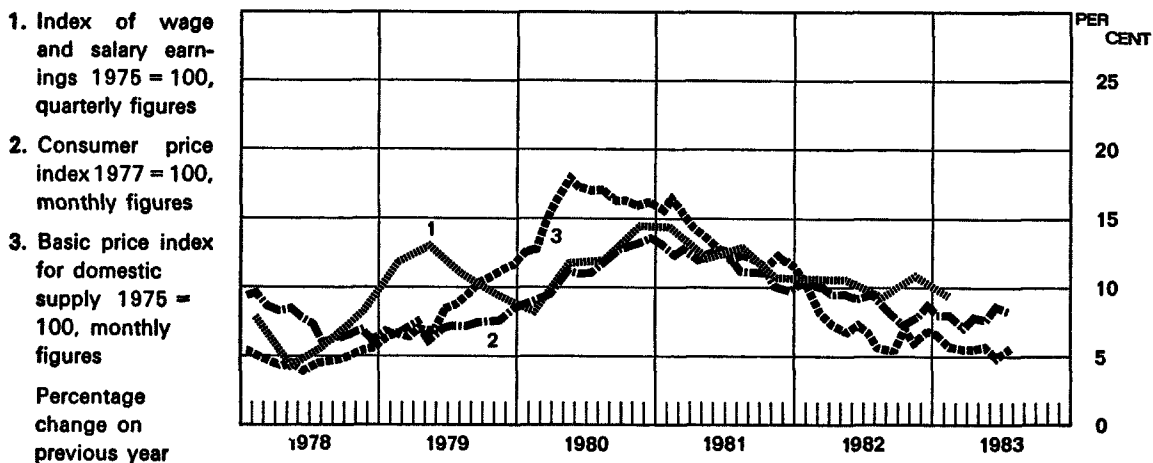
Erkki Vehkamäki

Data Processing

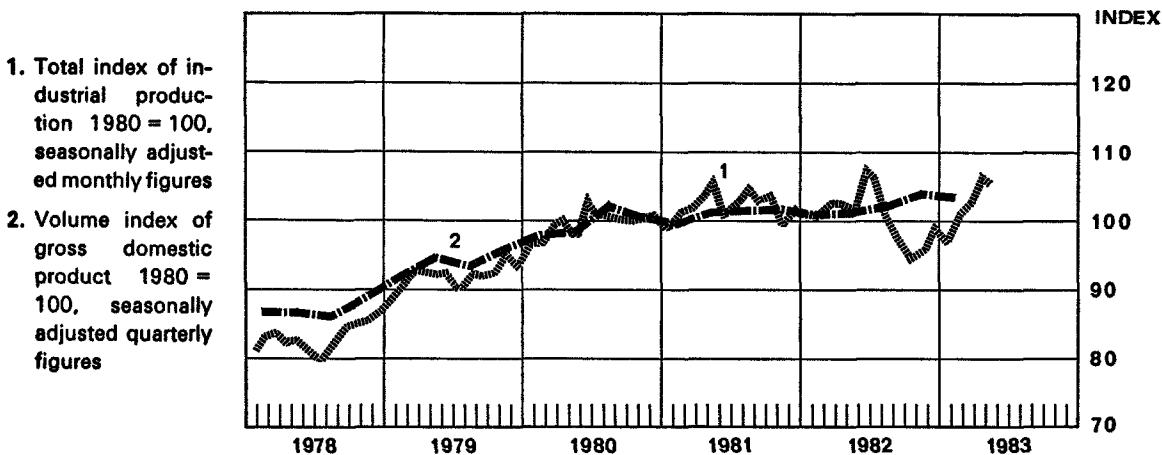
FOREIGN TRADE, 1978-83



PRICES AND WAGES, 1978 - 83



PRODUCTION, 1978 - 83



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