THE POLISH ECONOMIST

JUNE 1928

PRICE: 1/6, $ -·30, OR Zł 3·—.

3000

LOOK AT THIS MAP BEFORE GOING ANY FURTHER

POPULATION OF POLAND — 29.249 000
DENSITY (PER 1 SQ. KLM.) — 75.3

AREA OF POLAND (IN SQ. KLM.) — 388 279
UNDER CULTIVATION — 183 078
UNDER FORESTS (CENTERS: BIAŁOWIEŻA, PINSK, WILNO, CARPATHIAN MOUNTAINS) — 90 621

MAIN NATURAL RESOURCES
(APPROXIMATE YEARLY PRODUCTION-IN TONS)

COAL (CENTERS: KATOWICE, DĄBROWA, KRAKÓW) — 35.000 000	IRON ORE (RADOM, KIELCE, CZĘSTOCHOWA) 400 000	SALT (WIELICZKA, INOWROCŁAW) — 400.000
PETROLEUM (BORYSŁAW, JASŁO, STANISŁAWÓW) — 800 000	ZINC ORE (KATOWICE, SOSNOWIEC) — 400 000	POTASSIUM SALTS (KAŁUSZ, STEBNIK) 180.000
	HEALTH RESORTS	

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THE POLISH ECONOMIST

A MONTHLY REVIEW OF TRADE, INDUSTRY AND ECONOMICS IN POLAND

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COVER ILLUSTRATION: FROM THE STATE CHEMICAL WORKS, CHORZÓW *(PHOT. S. PLATER)*

* * *

APRIL saw further progress in the economic development of Poland and although there were signs of seasonal depression in some of the branches of production, the situation, on the whole, was satisfactory.

In agriculture, owing to unfavourable weather, the state of the sowings was not quite so good as in the preceding year and this was one of the factors which contributed to a certain uneasiness in agricultural circles. The harvest returns have, as a rule, a great influence on conditions in Poland and for this reason it is gratifying to be able to report that the state of the sowings improved considerably towards the end of April and in the beginning of May.

In industry, brisk activity prevailed with the result that the number of unemployed decreased. The temporary slackening off in coal mining and the sales crisis in the textile industry only increased the number of part-time workers and compared with a year ago conditions were much improved in this respect.

In commerce, the active operations which were the characteristic feature of the month of March slowed down, which seems to have brought about a decrease in railway traffic; on the other hand, the volume of goods handled by the Polish ports increased to record figures.

Foreign trade returns showed large fall in imports, which had risen in March to unusual proportions in connection with readjustment of the customs rates.

The Treasury reported an excess of revenue over expenditure and although both were smaller than in the praceding month, the surplus was much larger than a year ago.

On the money market stringent conditions continued to prevail but the demand for discount credits was en‥rely satisfied.

The Bank of Poland, as a result of the adverse foreign trade balance at the beginning of the year, showed a temporary fall in the bullion and foreign currency reserves.

REVIEW OF THE GENERAL ECONOMIC SITUATION IN POLAND

APRIL 1928

	UNIT	APRIL 1927	MARCH 1928*)	APRIL 1928
STATE OF EMPLOYMENT:				
UNEMPLOYED		272.414	167.676	153.013
PRODUCTION:				
COAL	thousand tons	2.599	3.509 —	2.980 —
OIL	thousand tons	59·4	61·8	59 —
IRON	thousand tons	47·9	58·1	54·9
AGRICULTURAL INDEXES: (CROP PROSPECTS)				
RYE	5 points system	3·3	2·9	2·7
WHEAT	5 points system	3·5	3·1	2·9
BARLEY	5 points system	3·3	2·9	2·7
OATS	5 points system	·	·	·
PRICES:				
WHOLESALE PRICE INDEX	(1914 = 100)	119·4	121·2	124·5
INDEX OF COST OF LIVING IN WARSAW	(1914 = 100)	117·8	119·3	120·7
FOREIGN TRADE:				
IMPORTS	million zł	255·5	372·2	265·6
EXPORTS	million zł	205·9	208·4	184·5
EXCESS OF EXPORTS (+) OR IMPORTS (—)	million zł	— 49·6	—163·8	— 81·1
TRANSPORTS:				
RAILWAY TRAFFIC	truck loaded (15 tons)	469.410	485.057	437.970
PORT TRAFFIC (DANZIG AND GDYNIA)	reg. ton	361.295	383.912	389.228
BUDGET:				
RECEIPTS	million zł	202·5	306·2	222·5
EXPENDITURE	million zł	166·1	286·8	213·2
MONEY CIRCULATION:				
BANK OF POLAND NOTES	million zł	693·7	1 127·6	1.126·0
COVER IN GOLD AND FOREIGN CURRENCIES	% %	54·23	68·44	67·76
TOKEN COINS	million zł	434·6	285·4	266·1
CREDIT: (BANK OF POLAND)				
BILLS DISCOUNTED	million zł	364·7	495·8	499·00
OFFICIAL DISCOUNT RATE	% %	8·5	8·00	8·00
FOREIGN CURRENCIES: (WARSAW STOCK EXCHANGE-AVERAGE RATES)				
U. S. A. DOLLAR	zł	8·93**)	8·90	8·90
POUND STERLING	zł	43·46**)	43·50	43·52

REMARK: — Figures appearing in the above table are intended exclusively to characterise the economic situation in April 1928; detailed comments on them, and in some cases the latest data, are given in the respective sections of this issue and in the "Latest news".

FOREIGN CAPITAL IN POLISH INDUSTRY

IN ORDER to discover the characteristic lines of economic development of a country, apart from the statistics relating to industry, commerce and finance, the returns concerning the capital engaged in these branches and in particular the data covering the share of foreign investments, are of great importance.

The preparation of such returns is invariably difficult, owing to the liquid nature of the capital employed, and sometimes, owing to the hidden or

*) *Corrected figures.*
**) *zł of 1924.*

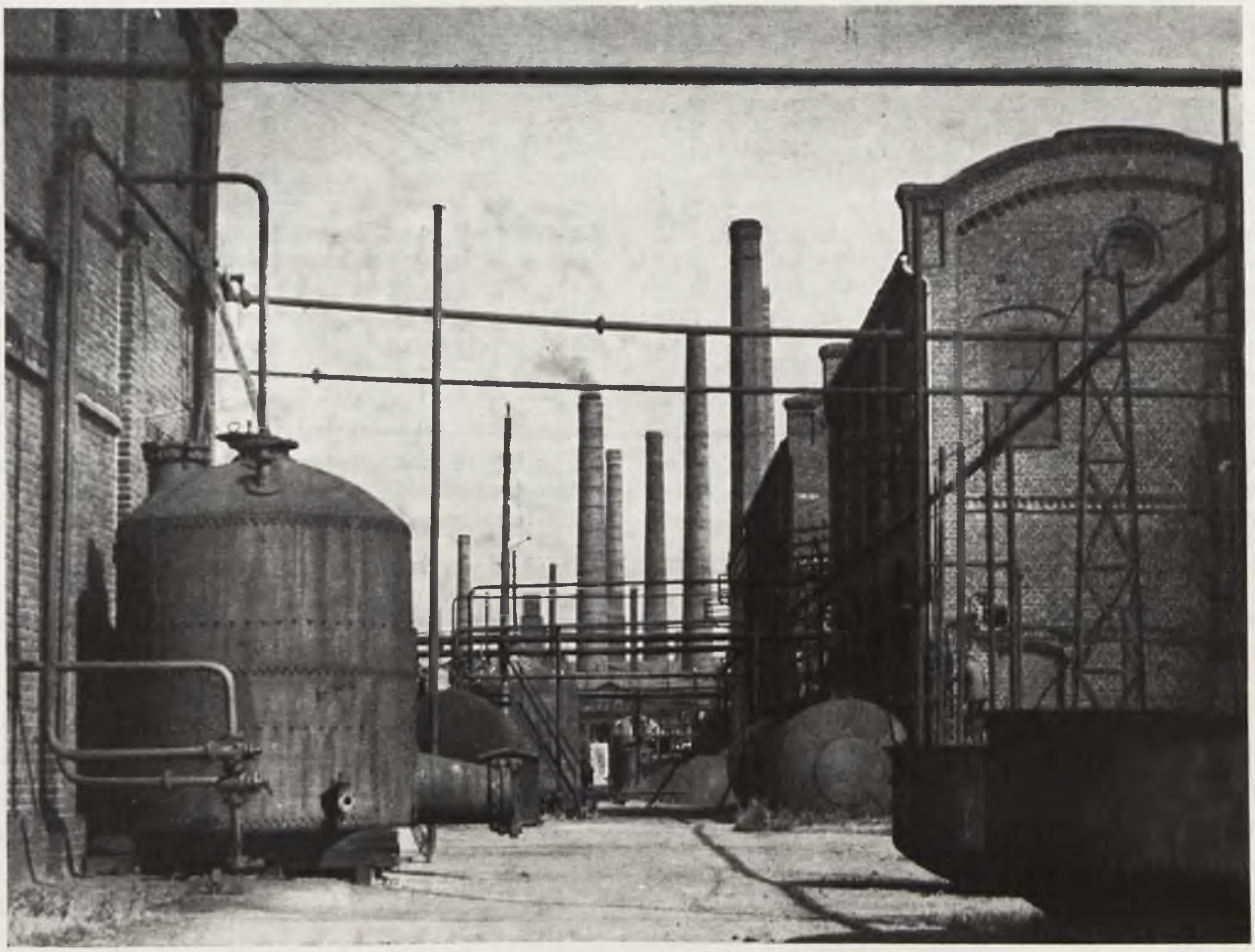
disguised form in which it is used. This task is exceptionally difficult in Poland, due to a whole range of local causes.

To begin with, there are the difficulties arising from the different laws applicable in the different sections of the Republic to the most common and predominant type of company, i. e., the public company (Société Anonyme). It is only of late that a new Public Company Law has been promulgated which is in force throughout Poland. Up till quite recently public companies operating in the central, southern and eastern parts of the country, came under a law framed on the concession system and based on the Act of April 19, 1919, whereas in the western parts, there was in force a system of registration based on the German Commercial Code of 1897. This variation in the Public Company Laws necessitated the application of different methods when the activity of public companies situated in the different parts of Poland was subject to investigation.

The next obstacle encountered in connection with these investigations was the break down, on two occasions, of the Polish monetary system which brought with it the necessity for valorisation of the capital of public companies and made comparisons difficult.

It was under such conditions that the Ministry of Industry and Commerce made an attempt to examine the capital of public companies, with special reference to the quota of foreign capital engaged therein.

In the first place there arose the necessity of strictly defining the field of the work. The scope of the investigations had necessarily to be reduced and research was narrowed down by the fact that only industrial public companies were subject to investigation. This delimitation, however, should not affect the final conclusions reached, for in Polish industry, the public company is the predominating type of institution and, in addition, foreign capital is almost exclusively interested in undertakings established on these lines. Further, the field of investigation was limited by the exclusion of public companies carrying on business in the western part of Poland; this measure had to be taken in view of the fact that the system of registration in force there, rendered the application of the methods



CHEMICAL WORKS AT HAJDUKI OF MESSRS. THE UNION OF COKE WORKS, LTD., KATOWICE
(*PHOT. S. PLATER*)

of research which were adopted in all the remaining parts of the country, impossible.

Finally, it was found advisable to examine solely the capital employed in industry and to leave out commercial, financial and insurance undertaktngs as well as those directly bound up with agriculture.

The total number of public companies in Poland in the years from 1921 to 1927 is given below:

1921	1.028
1922	1.264
1923	1.255
1924	1.690
1927	1.775

Of the 1755 public companies, 225 were in liquidation on January 1, 1927 due to the economic crisis which prevailed during the years 1925 — 1926. The remainder, or 1530 companies, were subjected to examination by the Chief Statistical Office. Of this number 341 companies did not return the questionnaires. Of the reamainder, 917 were engaged in industry and 272 in other activities. In accordance with the data furnished by the Chief Statistical Office, the capital of all the public companies on January 1, 1927 amounted to Zł 1„872,122.000, the capital of industrial enterprises included in the latter figure, being Zł 1„670,000.000.

Parallel with the investigations made by the Chief Statistical Office, the Ministry of Industry and Commerce undertook the task referred to above. Here, a much smaller number of companies was examined, namely — 850 the capital of which, taken together, represented a sum of Zł 1„528,305.378.

These were exclusively industrial enterprises and it should be stated that they did not include public companies domiciled in the western part of the country, and those registered in Upper Silesia. It is certain, however, that the 850 companies examined formed the bulk of the Polish industry.

The data compiled by the Ministry of Industry and Commerce were taken from the reports of the general meetings of the companies, for it would have been difficult to obtain the necessary figures both from the shareholders and their debtors — the companies. Besides, the figures thus obtained might not have been reliable. Unfortunately, even the material examined did not furnish very accurate details. The information obtained was scanty, for a large number of shareholders did not attend the general meetings, while foreign shareholders were mostly represented at these meetings by local bankers, so that it is difficult to know exactly what portion of the capital of a given public company is in foreign hands.

The proportion of foreign to local capital in the public companies examined is illustrated in the following table (in thousands of Zł):

CAPITAL	INDUS									
	Petr.	Mining foundry	Metal	Scient. Instr.	Electric	Electric Power Works	Mineral	Timber	Paper	Graphic
Home	13.432	178.298	28.441	2.387	15.072	36.753	45.617	20 351	37.050	13.140
Foreign	110 872	83.868	13.045	30	8.142	29.651	6.207	3.602	6.438	112
(country of origin)										
Austria	25.788	1.134	4.284	—	—	1.045	3.020	1.048	32	112
Czechoslovakia	—	252	343	—	—	—	—	—	6	—
Hungaria	—	—	—	—	50	—	—	—	—	—
Germany	—	5.541	100	—	448	—	377	275	—	—
Denmark	970	—	—	—	358	—	—	30	—	—
Sweden	3 978	—	—	—	6.682	—	—	350	—	—
Switzerland	—	—	850	—	135	12.390	—	148	—	—
France	77.653	66.468	3.300	30	184	9.262	—	428	6.400	—
Belgium	624	2.020	130	—	62	5.891	2.808	965	—	—
France, Belgium	—	1.800	—	—	—	—	—	—	—	—
Italy	—	226	238	—	—	—	—	—	—	—
France, Italy	—	6.427	—	—	—	—	—	—	—	—
Rumania	—	—	—	—	—	—	2	91	—	—
England	267	—	198	—	223	1.063	—	267	—	—
America	1 592	—	3.002	—	—	—	—	—	—	—
Latvia	—	—	—	—	—	—	—	—	—	—
TOTAL	184.304	262.166	141.486	2.417	23.214	66.404	51.824	23.953	43.488	13.252

It is seen from the above table, that foreign capital invested in the 850 public companies represented Zł 322,805.005 or 21·14 per cent.

France ocupied the first place with 51·8 per cent of the total foreign interests in Polish public companies, then come Austria (12·6 per cent), Belgium (5·8 per cent), Switzerland (4·1 per cent), Sweden (3·4 per cent), England (2·6 per cent), Germany (2·9 per cent), Italy (2·8 per cent), the United States of America, etc. This review discloses the incompleteness of the data: for instance, the latest investments made by American capitalists in some of the Silesian public companies are not accounted for; and German capital has not been fully taken into account as its natural field of operation is in the Western part of Poland.

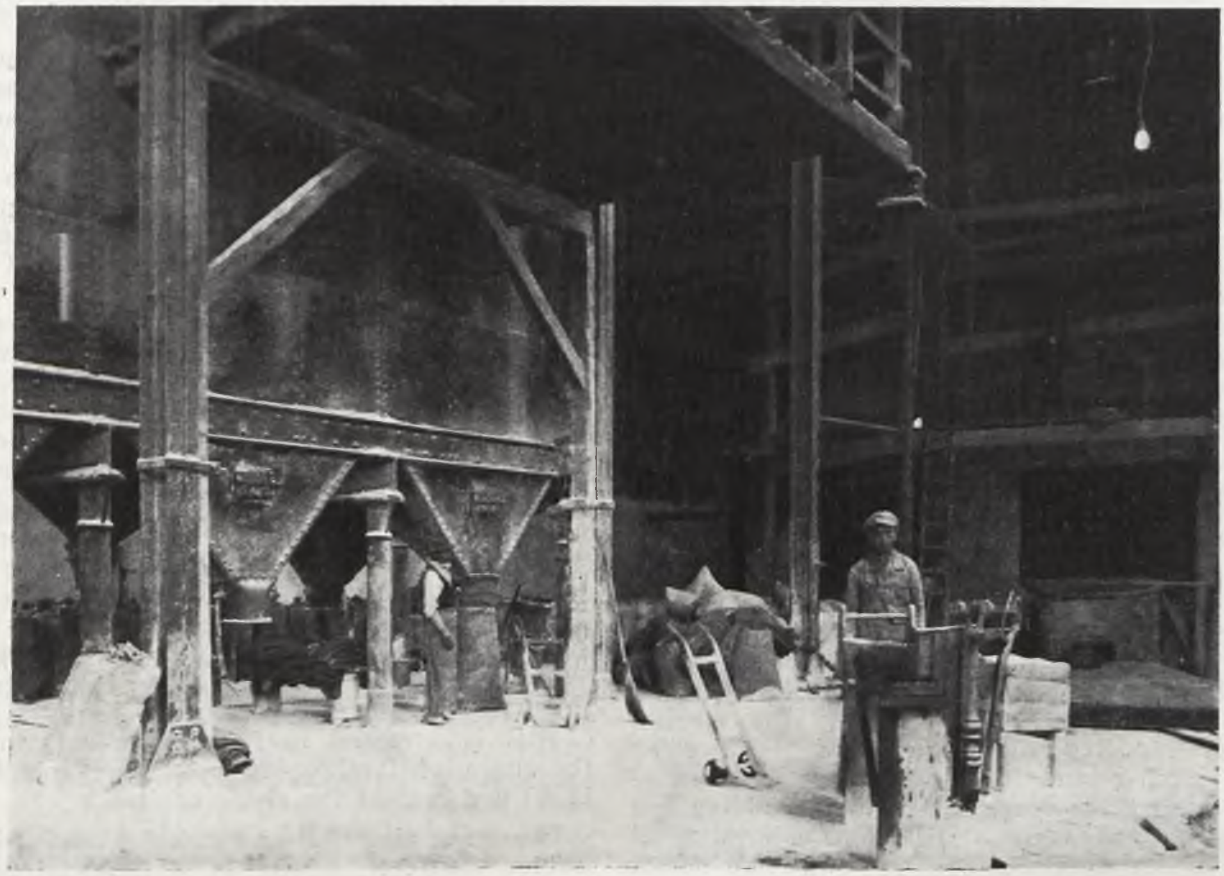
The analysis of the foregoing table shows that foreign capital is distributed among the different branches of industry very unevenly; it is concentrated in some of them, and prominent by its absence in others. The largest share is in the petroleum industry (60·2 per cent), in which French and Austrian shares predominate. Next comes the electric power supply industry (43·2 per cent — Swiss and French capital); the electrotechnical industry (35·1 per cent — Swedish capital; mining and foundries (32·0 per cent — French capital). Conversely, outfitting, building and printing industries, the theatre and entertainment as well as the hotel business in towns and health resorts, are almost entirely controlled by local capital.

Other calculations of the Ministry of Industry and Commerce, made on the basis of the same data, indicate that of the 850 public companies examined, 667 may be regarded as based on local capital. The remaining 183 bear either a mixed character or are foreign companies registered and operating in Poland. Of the 183 companies, 40 possessed foreign capital to the extent of 25 per cent of the share capital, 50 to the extent of from 25 to 50 per cent, i. e., a holding large enough, when concentrated, to exercise a big influence on the activity of the companies. Finally, there were 93 companies with over 50 per cent of the share capital provided by foreigners and these could thus be regarded as controlled by foreign interests.

It is worthy of note that foreign capital shows a well marked tendency to take a permanent interest in Polish undertakings. In the above mentioned 93 companies, in which foreign capital represents over 50 per cent of the share capital, over 73 per cent of the total foreign capital known to be invested in Polish industry, is concentrated. On the other hand 22 per cent of the total foreign capital is invested in 50 undertakings in which the share of foreign interests represents from 25 to 50 per cent of the share capital.

The remaining 40 undertakings showed small foreign holdings, mostly of a financial character

T R I E S											CAPITAL
Chemical	Food-stuffs	Textile	Fancy ware	Animal products	Building	Hotel & Spa	Enter-tainment	Transp. & Comm.	TOTAL	%	
65.039	**167.828**	**311.237**	**10 125**	**9.067**	**6.409**	**13.255**	**2.150**	**69.448**	**1,205.500**		Home
15.011	**6.734**	**36.873**	—	**330**	—	—	**45**	**1.838**	**322.805**		Foreign (country of origin)
1.315	1.452	1.202	—	205	—	—	45	—	40.689	12·6	Ausfria
1.005	362	—	—	—	—	—	—	—	1.970	0·6	Czechoslovakia
10	209	—	—	—	—	—	—	—	269	0·08	Hungary
172	420	2.040	—	—	—	—	—	—	9.374	2·9	Germany
132	1.500	—	—	—	—	—	—	—	2.991	0·9	Denmark
—	—	—	—	—	—	—	—	—	11.015	3·4	Sweden
—	—	—	—	—	—	—	—	—	13.523	4·1	Switzerland
3.874	535	9.331	—	—	—	—	—	63	167.429	51·6	France
3.784	—	6.880	—	—	—	—	—	1.575	18.864	5·6	Belgium
—	—	4.195	—	—	—	—	—	—	5.995	1·8	France, Belgium
1.950	—	6.608	—	—	—	—	—	—	9.276	2·8	Italy
—	—	—	—	—	—	—	—	—	6.427	1·9	France, Italy
—	—	—	—	—	—	—	—	—	108	0·03	Rumania
2.347	2.256	2.617	—	125	—	—	—	200	9.523	2·6	England
—	—	4.000	—	—	—	—	—	—	8.694	2·6	America
412	—	—	—	—	—	—	—	—	412	0·1	Latvia
80 050	174·562	348.110	10.125	9.397	6.409	13.225	2.195	71.286	1,528.305	100	TOTAL



INTERIOR OF ONE THE WORKSHOPS OF MESSRS. "SOLVAY", LTD., PODGÓRZE, NEAR KRAKÓW (*PHOT. S. PLATER*)

and the total did not exceed 5 per cent of the whole of the foreign capital invested in Polish industrial undertakings.

Foreign capital employed in Poland was invested partly before the War and partly since its conclusion. The latter portion has been mostly used for reconstruction purposes and has helped to revive the productive forces of the country which were either destroyed by the War and currency inflation, or had not been exploited of late.

The great War endangered the existence of Polish industrial undertakings, and for this reason there were cases of foreign capital being withdrawn from the country. It is gratifying to be able to state that these were isolated cases and that a reverse tendency can now be observed, namely — the inflow of foreign money. In the course of 1927, thanks to the initiative of the Government and the general stabilisation of conditions, this tendency gained considerably in strength.

And yet, even to-day, compared with the absorbing capacity of Poland and with the variety of unsatisfied needs, foreign capital is still employed on such a small scale, that it is difficult to say in a small space how much room there is still for resource, enterprise and capital, both home and foreign.

Foreign capital seeks profit and security.

These two basic conditions are now to be found in Poland, and that is why there is every reason to believe that the increased inflow of foreign capital into Polish industry, which has been observed of late, will bring about a radical change in the conditions dealt with in these lines.

THE PROBLEM OF POLISH COAL EXPORT

DURING the early days of this year's spring, the Polish coal industry was subjected to exceptionally keen competition on foreign markets. The fight was carried on under the slogan: "maintain at all cost the Baltic and Scandinavian markets, gained during the coal stoppage in England". As is well known, in order to recapture the North European markets lost during the coal dispute, the exporting collieres situated in Yorkshire, Nottinghamshire, and Derbyshire, have decided to levy 3/- per ton of coal raised, increasing at the same time the prices on the home market; the funds thus consituted are to be utilised for the payment

USING A PNEUMATIC DRILL AT THE HOYM MINE, UPPER SILESIA
(PHOT. S. PLATER

of premiums in respect of coal exported to the above mentioned markets, which will enable the exporters to reduce their price by as much as 3/- per ton. The application of these dumping methods resulted in a material reduction of prices on the above mentioned markets so that Polish coal, which was usually 1/- per ton cheaper, had to be sold, in March, at 11/- f. o. b. Danzig i. e., 2/- cheaper than in the preceding month. Despite the introduction of these methods the English collieries failed to recapture these markets while at the same times Polish coal gained ground, the sales of this commodity having increased on the markets in question.

It may be recalled that the railway contracts which are difficult to secure and which up till quite recently were regarded as a monopoly of the English collieries, were lost almost entirely. Thus, in Sweden of the total contracts of 111.000 tons English collieries obtained only 18.000 tons, the remainder being furnished by Poland; in Norway, the whole contract for the supply of 40.000 tons, was placed with Polish exporters; in Finland, of the total amount of 30.000 tons required, Poland obtained a contract for the delivery of 22.000 tons; even to Lithuania, Poland supplied a half of of the total quantity of 60.000 tons ordered abroad, and in Denmark, English collieries secured a contract for the delivery of half of the quantity of 70.000 tons ordered abroad.

Thanks to their geographical situation, the Baltic and the Scandinavian countries are natural markets for Polish coal, and if up to the present these markets were served with English coal, it was because of the lack of enterprise on the part of the Polish collieries, which having nearby a convenient and undisputed market in German Upper Silesia, absorbing about 500.000 tons of coal per month, did not take the trouble to look for new outlets; moreover, it was generally considered, quite wrongly as experience showed later on, that English coal was so good that Polish had no chance to compete against it. It was only the Polish-German customs war in 1925 and the embargo placed by Germany on Polish coal exports that gave an impulse to the Polish coalowners to look around for new markets. There arose the necessity of placing abroad 500.000 tons per month; otherwise, it would have been difficult to maintain production at its previous level. There is no doubt that the coal stoppage in England helped the Polish coalowners to gain the north European markets; also foreign consumers learned to appreciate the high quality of Polish coal.

Analyses of average coal

Variety of coal	Organic mass:		Dried coal:		Crude coal:		
	volatile matter %	calorific value calories	ash %	calorific value calories	moisture %	ash %	actual calorific value
Durham							
large	36·3	8.510	8·2	7.820	2·4	8·0	7.360
small	38·1	8.310	16·3	6.950	3·8	15·7	6.420
North Wales							
large	38·9	8.350	9·1	7.590	4·1	8·7	7.010
small	39·5	8.330	14·5	7.120	5·3	13·7	6.470
South Yorkshire							
large	37·4	8.260	6·2	7.740	6·6	5·8	6.950
small	38·0	8.140	8·8	7.430	12·0	7·7	6.240
Derbyshire							
large	38·1	8.200	6·0	7.700	7·7	5·5	6.820
small	39·7	8.170	9·0	7.430	8·1	8·3	6.540
Northumberland							
large	38·3	8.230	9·6	7.440	7·7	8·9	6.590
small	39·6	8.060	19·3	6.500	9·5	17·5	5.600
Scotch							
large	40·5	8.000	8·3	7.330	10·7	7·4	6 250
small	40·6	7.920	12·0	6.970	12·7	10·5	5.790
Westphalian							
large	32·8	8.470	7·4	7.850	4·2	7·1	7.250
small	36·0	8.280	10·2	7.430	8·5	9·3	6.500
Upper Silesian							
large	37·8	8.100	5·5	7.660	5·6	5·2	6.960
small	39·0	7.990	9·0	7.280	7·3	8·3	6.460
Dąbrowa	37·6	7 690	6·3	7.210	11·6	5·6	6.100

	fixed carbon	hydrogen	nitrogen	oxygen	sulphur	ash	actual calorific value
Coals eams near the "Royal" foundry . . .	82·6	5·2	0·9	7·1	0·8	3·4	7.441

It will be seen from the above table that as regards calorific value, Upper Silesian coal corresponds to that of North Wales, and South Yorkshire is of slightly lower value than that of Durham and Westphalia, and somewhat higher than the varieties obtained in Derbyshire, Northumberland and Scotland. Dąbrowa coal is about the same quality as the three last named varieties.

When it is borne in mind, however, that English coal is badly screened, (English large coal is screened over a mish of 1½ "and Polish over 6 to 8") and contains up to 20 per cent small coal, and that Polish coal is not only screened, but also washed, then it is obvious that Durham coal is superior to Polish only in theory, for its actual calorific value is between 7.360 and 6.420 calories, i. e., about 6.900 which is not superior to average Upper Silesian coal.

In should be mentioned, that the foregoing table contains analyses of average specimens and that concerns such as "Robur", "Skarboferm" and "Progress" produce coal of high calorific value, up to 7.400 calories (seams situated near the "Royal" foundry — see table). Moreover, Polish coal is cleaner than the corresponding English varieties. Its ash content is smaller and so is the quantity of volatile sulphur also; as the quantity of SiO_2 and Al_2O_3 in the slag is much smaller than in English coal the furnaces are not clogged and thus better service is ensured Thanks to the large content of oxygen and volatile matter, Polish coal burns with a long flame and produces a small amount of soot and even with little draught and inefficient service it burns completely; in this way the flame covers a large surface of the boiler which enables its theoretic calorific value to be utilised to the full. The superiority of Polish coal in this respect has been proved on several occasions; thus, the trials made before the War by the German Government for ascertaining the possibility of the employment of Upper Silesian coal for the German fleet and the trials effected in 1926 under the supervision of the Russian Government proved conclusively that although Upper Silesian coal in point of calorific value is slightly lower than Westphalian coal, yet its degree of utilisation is higher than that of the latter by from 5 to 10 per cent.

Subsequent trials made by the French railway authorities in Algeria showed that Upper Silesian coal furnished by "Skarboferm" and "Robur" is superior to Welsh coal shipped from Cardif, its evaporative quality being superior by 8 per cent. As a result of these trials the Upper Silesian concern "Skarboferm" succeeded in securing a contract.

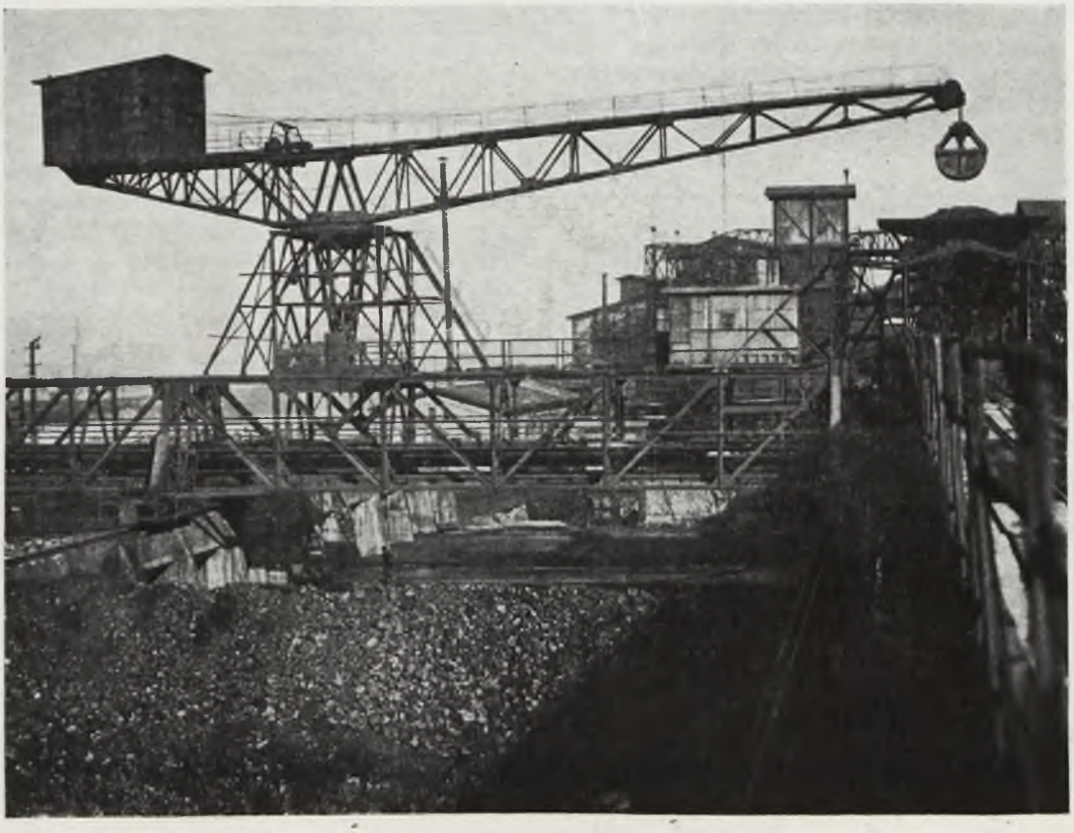
Among the qualities of Polish coal should be mentioned its exceptional hardness which enables it to be transported over long distances without being crushed, and the accumulation of stocks without running the danger of spontaneous combustion.

For this reason large Upper Silesian coal after reaching its destination contains about 5 per cent of "smalls", whereas Yorkshire coal (Best South Yorkshire Association hards) contains up to 20 per cent and Scotch even up to 30 per cent. This circumstance is of great importance to coal dealers especially when it is borne in mind that for instance in Sweden the difference in prices of large and small coal is enormous, being Kr. 22 for large and Kr. 8 for small.

Polish coal was favourably commented upon in all the other markets in which it was unknown up till recent times, which is confirmed by the memorandum of the Union of Scandinavian Dealers of July 24, 1927 addressed to the Director of the Fuel Research Board. To-day there is not the slightest doubt that Polish coal can successfully compete with English coal and that the decisive factor in this respect will be the price. The price of coal as of every other commodity depends on the cost of production. Exceptionally favourable mining and geological conditions of the Polish coal basin are responsible for the comparatively high productivity of the miners. The average daily output per miner per day in the Upper Silesian coal basin amounted to 1·271 tons in 1927, and there are numerous pits at which this figure reached as much as 2·1 tons per miner per day. At the English mines the productivity of miners is much smaller; in the 4th quarter of 1927 the output was as follows: Northumberland—1·130 tons, Durham—1·114 tons and Yorkshire—1·120 tons, the corresponding figures for Scotch mines being 1·184 tons.

The large output per miner together with low wages are responsible for low costs of production and that is why Polish coal is the cheapest in the world. During the last quarter of 1927, the cost of production in Upper Silesia amounted to 8/6, while all costs in England during the same period were much higher which is apparent from the following figures: Scotland — 13/2, Northhumberland — 13/2, Durham — 13/11, Yorkshire — 14/5. The figures quoted are in respect of the coal competing with that of Polish origin. The above figures indicate that Polish coal at pit head is cheaper by 4/8; this margin is large enough and in fact, sufficient to cover with a surplus, the additional costs of Polish coal resulting from the coal basin being situated far away from the sea ports—Danzig and Gdynia. At present the reduced railway rates applicable to Polish export consignments is zł 7·20 or 3/4 so that Polish coal f. o. b. comes to 11/10; on the other hand English coal if the transport to Newcastle or Hull be estimated at only 1/- per ton, will be 14/2 f. o. b. or 2/4 more. Further, when the difference in the rates of freight amounting to 6d in favour of Polish ports is taken into account, it will be found that Polish coal c. i. f. Swedish ports is cheaper than English coal by 3/- per ton.

The statement that the Polish Government applies dumping methods in connection with coal exports by maintaining excessively reduced railway rates is absolutely ill-founded. The actual cost of transport of coal by railway to Danzig (about 560 km.) is zł 1·30 per ton per km. By applying the reduced rate (zł 7·20) the railway gets zł 0·01285 per km., the loss in this case being zł 0·000115 which over the whole distance makes zł 0·09 or about 0·5d. As may be seen from the above considerations the Polish coal industry, having in its hands such trumps as high grade coal and low costs of production, may be quite sure of maintaining a permanent hold on its newly acquired markets. Consequently when the Central Collieries Commercial Association, introducing dumping methods in regard to coal exports, reduced the prices of coal on the Northern European markets, Polish exporters, fully realising their favourable position, also reduced their figures in order to secure the contracts for the railways. In some cases prices were reduced to 11/- f. o. b. quite unnecessarily. In anticipation of further strife and further price reduction, the Polish coal industrialists found it advisable to increase prices by 10 per cent on the local market as from April 16, 1928 for the purpose of building up a reserve fund. The English coal owners will ultimately come to the conclusion that they have no prospects for victory, and as the quality of the goods of the competitors is about the same, the cheaper product will win. The undermentioned figures indicate that English coal exports to the Scandinavian and Baltic countries declined considerably (in tons):



A VIEW OF ONE OF THE POLISH STATE COAL MINES, UPPER SILESIA
(*PHOT. J. PLATER*)

	1927 December	1928 January	1928 February
Sweden	95.578	87.345	52.766
Denmark	170.401	164.329	111.199
Norway	111.475	124.215	119.141
Finland	20.605	8.571	3.025

During the period from December 1927 to February last, English coal exports to the above mentioned countries fell by about 100.000 tons which quantity was supplied by Polish collieries, the only competitors for English coal in these markets.

Owing to the restricted handling capacity of the railway lines uniting the coal basin with the sea ports, and owing to the inadequate transhipment facilities at the harbours, Polish collieries can only export about five hundred thousand tons of coal monthly by this route; this quantity does not cover the requirements of the Northern European markets which, as we have already mentioned, constitute the natural markets for Polish coal; this being so, it is no wonder that Polish coal competes with the English. In 1931, when the construction of the port of Gdynia and of the new railway line connecting the coal basins with the ports (Herby— Kalety — Inowrocław — Gdynia) is completed, the Polish collieries will be in a position to export at least 1 million ton per month and under these new conditions Polish collieries will have to seek further outlets.

Exports of coal from England and Scotland in 1927

(in thousands of tons)

	total from England	*North Wales*	*Durham North-humberland*	*Yorkshire*	*Scotland*
Sweden	2.182	168	1.172	328	449
Denmark	2.150	59	1.202	135	723
Norway	1.574	75	1.161	129	174
Finland	543	13	284	14	217
Lithuania	83	—	75	8	—
Estonia	55	—	21	34	—
Latvia	47	5	23	6	13
Danzig	11	—	10	1	—
France	9.262	5.254	3.092	319	434
Italy	6.792	3.185	2.773	89	323
Switzerland	127	—	127	—	—
Algeria	1.462	602	740		117
Egypt	2.194	1.738	304	2	46

It is seen from the above figures that coal from Newcastle (from the Northumberland basin) has a marked advantage over Welsh coal shipped through Cardiff. This advantage was of still greater importance a few years ago, that is, before the appearance of Polish coal on the Baltic and Scandinavian markets. This state of affairs was favourable to Poland as it enabled the Polish collieries to gain a footing in these countries. In the Latin countries and in the mediterranean, the advantage lies with Cardiff coal (South Wales basin), although it is true that large quantities of coal produced in Northumberland, Durham, Yorkshire and Scotland are absorbed by these markets, so that Polish coal has also good prospects in this part of Europe. The most convenient markets for Polish coal, apart from the Scandinavian and Baltic countries, are Italy, Algeria and France where it has only recently been introduced and, having met with success, there is every reason to believe that it will compete successfully against English coal in the future. The coal exported to Italy through Newcastle passes through Genoa and according to the returns for 1927, English coal exports to this port amounted to 2,753.000 tons; this is the longest route and the difference of freight represents only 1/6 in favour of England as compared with Poland; but even then Polish coal will be cheaper than the English by 1/6 (in Danzig the price is lower by 3/- per ton).

The situation obtaining on the world coal market is regulated by the ratio of supply to demand. As the supply has increased and the demand has declined, the coal exporting countries are passing through a protracted coal crisis which is sporadically interrupted by various events of an economic and political nature (occupation of the Ruhr valley). The characteristic feature of the conflict between the coal exporting countries is a continued decline of prices which does no good to any of the countries involved. This situation is taken advantage of by the importing countries which obtain their coal supplies at abnormally low prices; this contributes to the development of their industry with a consequent increase of exports, and to the improvement in their economic life. The progress achieved by the English collieries since the coal stoppage as regards the productivity and self cost, is illustrated by the following statement (average figures for the whole of England and Scotland):

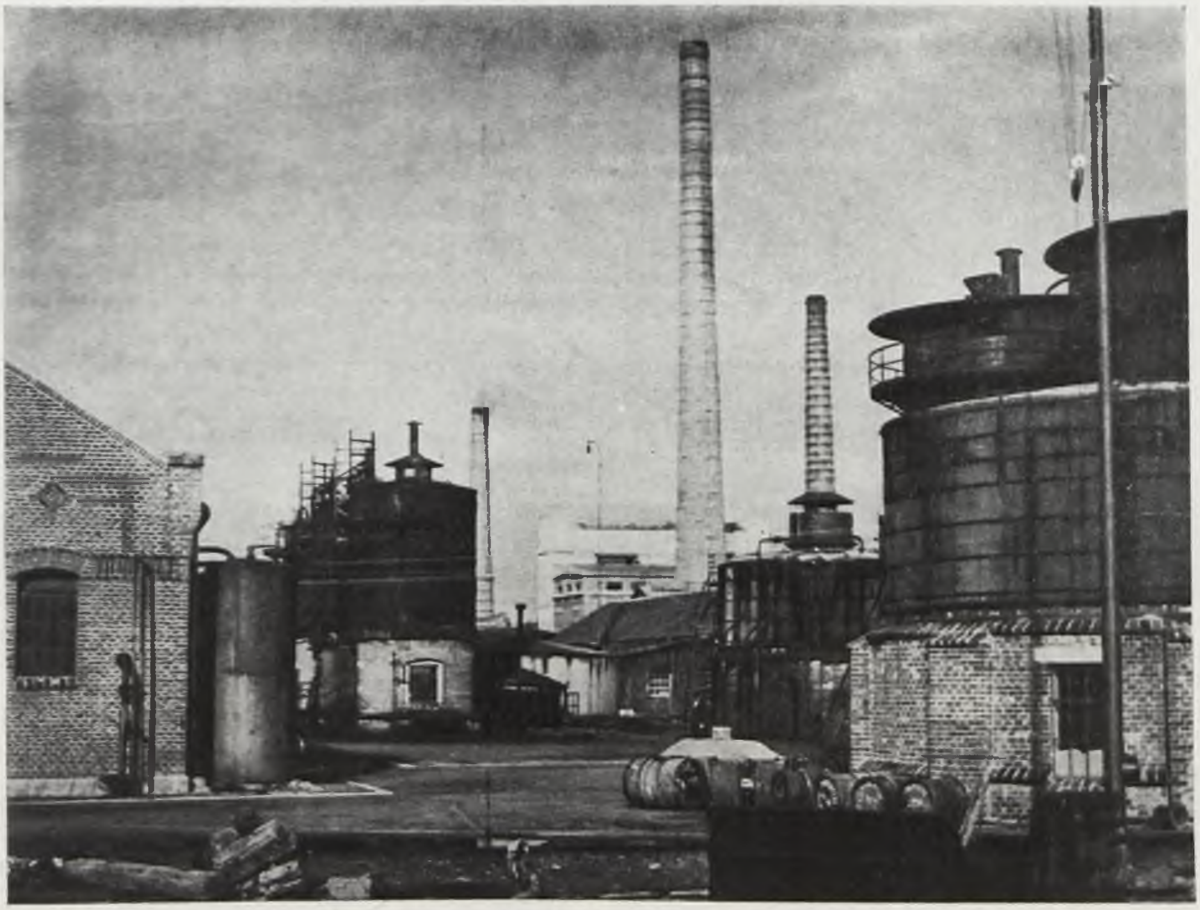
	Productivity	*Self cost*	*— loss + profit*
IV quarter 1925	930 kg.	17/5	— 1/6
I " 1927	1050 "	16/2	+ 1/2
II " "	1040 "	16/1	— 1/1
III " "	1040 "	15/3	— 1/2
IV " "	1050 "	14/10	— 1/0

It is clear that the year 1927 which marked a period of heavy competition, commenced after the conclusion of the coal dispute in England for the purpose of recovering the lost markets, was distinctly unfavourable to the industry.

The only remedy under these conditions would be an international understanding for the purpose of fixing output and minimum prices and the dividing of sales markets, in short the foundation of an international coal syndicate.

Up to the present the arrival at such an understanding has been impossible to realise owing to the chief coal exporter, the English industry, not being organised; but now, as is well known, owing to heavy competition, the English industry is being organised. It seems therefore that an international understanding could now be established and the problem appears to be sufficiently ripe for solution; even in England the number supporters of this idea is constantly growing.

Significant is the statement made by the Minister of Trade in the House of Commons that the British Government is inclined to establish standard organisations of the producers in the heavy industry not only for the purpose of rationalisation and concentration of production but also with a view to enable these industries to come to international understandings. According to "The Fair Play" the British interested circles appeared to have reconciled themselves to the fact that Poland has permanently gained a footing in overseas markets to which it supplies from 5 to 6 million tons. Coal owners are of the opinion that under the present conditions the deliveries of Polish coal have depreciated the value of coal on all English markets and that the amelioration of conditions in this respect may only be brought about by discontinuing the strife and the recognising Poland's rights within the above mentioned limits.



PART OF THE "POLMIN" PETROLEUM REFINERY, DROHOBYCZ *(PHOT. S. PLATER)*

POLISH OIL POLICY

IMPORTANT, if not decisive developments have taken place in the shaping of Poland's oil policy during the past three months. It should be stated that a clean cut policy resting on the basic principles of the Government's programme, namely — the encouragement of production, has been adopted. The carrying out of these principles requires particularly sustained efforts on the part of the oil industry where great difficulties of a natural character have to be overcome, while at the same time large investments and extensive liquid capital, are absolutely necessary. The Government's policy which was framed in conjunction with the industrial circles concerned is based on the results of the enquiry made last year on the initiative of the Minister of Industry and Commerce, in the three most important directions, namely: 1) the development of oil mining, 2) the rationalisation of the movement of petroleum products and 3) the reform of oil legislation.

The recent Presidential decree concerning the encouragement of drilling activity is also well known. According to this decree, petroleum undertakings which take up prospecting and drilling work within the next ten years, will not pay any taxes on capital invested in connection with this work, while the profits derived from oil production and natural gas at the newly completed wells will be freed from income tax. Oil produced by the new wells will be allowed to be forwarded abroad in a crude state without payment of any export duties. In addition, contracts and other documents relative to the foundation of companies desirous of taking up prospecting and drilling work will be freed from all taxes and dues. The sale of oil-bearing territories, forming the property of the Goverument, will be effected on most liberal terms.

At the same time steps were taken for the creation of oil legislation, in order to provide for the establishment of legal conditions propitious to the development of oil mining. Legal protection is an indispensable complement of the economic protection which was provided for by the above mentioned Presidential decree concerning the promotion of oil mining.

The existing oil laws did not provide sufficient support. This is the unanimous opinion of all the interested industrial circles including those representing the conflicting interests of the owners of the oil rights on the one hand, and the owners of the oil bearing territories, on the other. There is a difference of opinion on the manner in which the reform is to be realised; two principles are in conflict, namely—the exclusive right enjoyed up to now by the owners of the land to carry out prospecting work, and the projected reform by which this privilege of the land owners is extended to all those desirous of carrying out this work. This conflict has now reached a decisive phase. The Government's views in this matter which were submitted to the interested economic circles are based on the principle of the freedom of mining which is to be the key note of the future Polish mining legislation. The law unifying the Polish mining legislation will be promulgated within the next few months.

Independently of the principles adopted and the date of publication of this law, it can now be stated that the basic idea of the future oil legislation will be the creation of conditions favourable to the development of the oil industry on a large scale together with the removal, as far as possible, of the risks with which oil prospecting, owing to its very nature, is usually linked up.

In view of the initiative taken by the economic and legal circles, the oil industrialists have become much interested in this scheme; they understand that they must make every effort to show that oil mining in Poland is an important revenue producer. They are also out to prove that there is no conflict between a fairly high selling price for crude oil, amply covering the costs of production, and the price of products obtained therefrom. In order to remove this conflict it is necessary to increase the absorptive capacity of the internal market and to form a united front against the competitors in foreign markets. To achieve this end sales, both at home and abroad should be centralised, for in this way overhead charges can be reduced to a minimum. For this reason the problem of commercial organisation based on these principles was investigated by the inquiry commission and from that time on has been receiving the most careful attention of the interested circles. It should be stated that the commercial organisation is to be based on the principles of centralisation and rationalisation of sales and the restriction of the activity of individual firms; it is only in this way, that is, by the reduction of overhead charges and the cutting down of the cost of transportation that the consumption of petroleum products at home and abroad may be materially increased. The price policy will be closely linked up with the increased absorbing capacity of the internal market and with the establishment of a special fund for prospecting and drilling work.

The drilling fund should reach a sum of from Złoty 15 to 20 million during the five years of existence of the syndicate. It is to be the first, but not, by any means, the only link in the provision of the funds to be used for the development of the oil fields in southern Poland. The way in which this fund will be built up and distributed is now being considered by the Government and the circles concerned. The general trend of opinion is that a special company quite independent of the petroleum syndicate should be founded for the carrying out of prospecting and pioneer drilling. The shareholders of this company should be members of the petroleum syndicate while the necessary capital should be raised by the payment of predetermined amounts by the members of the syndicate during a period of five years, which is the projected life of the syndicate. The Polish State Petroleum Company, "Polmin", made its accession to the syndicate dependent upon the foundation of the pioneer company, named "Pioneer". On the other hand the existence of the syndicate is in no way bound up with the "Pioneer" company. The capital of the latter, although built up by instalments, will be ensured by the direct and unconditional engagements of the members of the syndicate, which means that it will be provided for even should the syndicate be disolved; the activity as well as the programme of the company will be controlled by the Government while the influence of "Polmin" will be brought to bear by an adequate financial interest and statutory stipulations. In this way the "Pioneer" company will have at its disposal, within five years, a sum of about Zł 15 million and a further Zł 5 million which will be contributed by the members of the syndicate who will together pay Zł 1 million per annum for the purposes of geological investigations.

It is seen, therefore, that the problem of the future of the Polish petroleum industry, that is, the taping of the new oil-bearing territories is quickly approaching the final stages of the long looked for realisation.

The past few months have seen concerted action in the sphere of law, organisation and finance which has materially affected the Polish oil policy.

The initiative and the well defined policy of the Government with the influence of "Polmin", constitute a guarantee for the stability of this policy which, by the way, has been accompanied, especially of late, by exceptionaly successful drillings in the Borysław and Mraźnica areas. Moreover, considering the ever growing absorbing capacity of the internal market (benzine, gas oil, lubricating oils — due to the revival of economic activity in

ONE OF THE WORKSHOPS AT THE "WOLBROM" RUBBER WARE FACTORY, WOLBROM
(PHOT. J. MALARSKI)

numerous branches of production) and the consolidation of a price policy for Polish petroleum products in foreign markets, there is no exaggeration in saying that the achievements of the past three months assure good prospects for the development of the Polish oll industry.

THE ORGANISATION OF POLISH CHAMBERS OF INDUSTRY AND COMMERCE

THE COMPULSORY formation of Chambers of Industry and Commerce, uniform throughout the country, was instituted in Poland by the Presidential decree dated July 15, 1927. The establishment of these bodies in Poland is not a novelty as they have been in existence in two sections of the Republic — namely, in the former German and Austrian sections. The rest of Poland, that is, the whole of the territory known before the War as Russian Poland, dit not possess such institutions as they were unknown in the late Russian Empire. Consequently, for the central part of Poland the introduction of Chambers of Industry and Commerce is quite a new factor in its economic activity, whereas for the remainder of the country, the above mentioned Presidential decree introduces a modification of the existing bodies.

Under these conditions it is only natural that the section of the community concerned have taken up different attitudes towards the scheme initiated by the Government. In those parts of the country where such bodies were already in existence, the new scheme was favourably received whereas the section in which Chambers of Industry and Commerce were lacking—were against their establishment. Various arguments were brought against the introduction of the chambers, one of them being that they are not necessary and can be dispensed with. In support of this statement such countries as England, Switzerland, and the United States of America where compulsory chambers do not exist, were cited. The opponents of the scheme expressed the opinion that the best organisation of representative bodies for the purpose of protecting the interests of commerce and industry, are free unions and trade associations with a possible central authority.

It is seen from the above considerations that the Polish Government was confronted with marked differences of opinion, and was compelled to act energetically in order to reconcile these differences before it succeeded in realising its scheme. The Government was of the opinion that liberalism in this field, although quite sound and advisable in principle, cannot always and everywhere be practiced.

Poland, as a country restored under special conditions and devoid of uniform traditions in the sphere of trade, could not be expected to be able to create in a spontaneous manner a free and representative body of the economic interests. Besides, quite apart from the above consideration, the problem whether legal compulsion has a favourable influence on the value of the organisation of chambers of commerce or not, has been neither theoretically nor practically solved. There are countries possessing chambers of commerce organised under compulsion similarly as there are countries where there is no compulsion in this respect, and the chambers of commerce owe their existence to private initiative. In the first category may be mentioned: Germany, France, Italy, Switzerland and Holland, in all of which the compulsory chambers of commerce perform their functions in an exellent manner. Included the other category are: England, Switzerland and the United States of America, which countries have reached a high standard of economic development with freely organised chambers of commerce. It is obvious that Poland had two examples to choose from and it was decided to adopt the compulsory system of organisation.

The firm attitude of the Polish Government as to the solution of this question, placed the whole discussion as to the character of the chambers on a proper footing with the result that the opponents of the compulsory system abandonned their view, and the activity of the Government as well as of the economic circles concerned was concentrated in one direction, namely — to make the new organisations as efficient as possible. It should also be stated that the existence of the compulsorily organised chambers does not preclude the existance of free trade organisations and associations; on the contrary, they will mutually complete one another and will thus be able to protect the interests of those concerned, and achieve the objects for which they were called into being.

Chambers of Industry and Commerce founded in accordance with the new Presidential decree will be the representative bodies of the economic interests of their respective areas; they will be provided in a legal manner with funds derived from supplements to trading licences. They will be called upon to represent and to protect the interests of industry and commerce and will thus have to direct the general opinion on the various aspects of economic problems; it will be also their duty to pay due attention to the economic interests of every particular industry in an equitable manner, having in view the progress and the economic development of the country as a whole. These characteristic features show the significance and the value of the Chambers of Industry and Commerce. On the other hand, unions of certain particular branches of production and commerce will represent their respective interests as a whole and for this reason will bear the character of an essentially trade organisations.

The above mentioned Presidential decree contains a provision whereby the Government is legally bound to take into consideration the opinions of the chambers whenever the interests of the economic circles concerned are involved.

Legal stipulations of this character in regard to chambers of commerce are, so far, unknown in western Europe. Moreover, the organisation of Polish chambers of commerce has peculiar features of its own. Thus, three-fifths of the members of the chambers are to be delegated by the economic associations themselves and the remaining two-fifth will be elected from among those possessing the right to vote. Further, one-tenth of those elected will be nominated as councillors; the number of councillors will be fixed by the statutes within the limit from 30 to 80 persons; the chambers will be divided into sections (industrial, commercial &c.).

The Minister of Industry and Commerce will act as a supervising authority and approve or disapprove of the budget, and nominate as director of the chambers one of the three candidates, submitted to him. The Minister of Industry and Commerce fixes the date of elections to the chambers and dissolves the latter when necessary. This supervision is understandable as the chambers are public institutions and are financially suported by the Government. The Minister of Industry and Commerce is to divide the country into areas which are to be provided with Chambers of Industry and Commerce. The executive decree of the Minister of Industry and Commerce, dated November 30, 1927 provides for the establishment of ten Chambers of Industry and Commerce in the following cities: Warsaw, Łódź, Sosnowiec, Lnblin, Kraków, Poznań, Bydgoszcz, Grudziądz and Wilno. The chamber for the Silesian Voievodship has not, as yet, been arranged for, but the Presidential decree will become effective there after its passage through the Upper Silesian Sejm, which, no doubt, will take place in the near future.

In this way the economic self governing units provided for by article 68 of the Polish Constitution have been partially accomplished by the organisation of the Chambers of Industry and Commerce which will be one of the component parts of the Chief Economic Chambers forseen by the Constitution. As the above mentioned organisation of the Chambers of Industry and Commerce was carried out after a detailed discussion with the representative of the economic circles concerned, and as agreement on the differnt points at issue has been reached by verbal and written enquiries, there appears every reason to believe that the chambers will play an important rôle in the consolidation and unification of the economic life of Poland.

ECONOMIC RESEARCH AND THE ORGANISATION OF SMALL HOLDINGS

THE ECONOMIC development of small holdings not exceeding 50 ha is, in Poland, a problem of paramount importance as they cover about 53 per cent of the productive land, including forest, and as their share in the agricultural production is large, amounting to 89 per cent and 58 per cent of the produce of animal and vegetable origin respectively. The natural process of the disintegration of large landed estates into small peasant holdings which is aided by the gradual realisation of the Land Reform scheme comprising purcellation, liquidation of peasant privileges such as the collection of fire wood in forests belonging to large estates as well as unification of small-sized deteriorated peasant holdings, brings to the fore the necessity of teaching the small holders to employ modern methods of farming. Strennous efforts are being made in this direction. The best proof that these efforts have already yielded good results is the development of agricultural schools for peasants and small holders, the number of which during the past ten years has risen from 20 to 120. Each year 4.000 pupils leave the school in addition to 500 agricultural instructors, who are employed by various subsidised organisations and Chambers of Agriculture for the purpose of fostering and popularising modern methods of farming.

The drafting of a definite and detailed plan for the development of small holdings implies a thorough knowledge of their working methods and their powers of production, their requirements and the manner in which they sell their produce.

Two years have elapsed since the initiation, in Poland, of systematic research work on a large scale with special reference to the practical side of the various problems in this field. The work is carried out by a specially established institution named — the Department of Agricultural Economy for Small Holders, which is attached to the State Scientific Institute of Agriculture at Puławy. This department is to be regarded as the nucleus of an independent institute of small holders, which is to be organised in the future. For this reason, right at the outset, it has not confined itself solely to problems of a purely economic character, but has also embraced those of an agrarian nature as well as matters pertaining to social agronomy. The object of the last named work is the promotion of progress in agriculture by means of experiments (in the domain of land cultivation, stock breeding etc.) adapted to the standards and working conditions of small holders.

ADJOINING WHEAT FIELDS ILLUSTRATING THE VALUE OF ARTIFICIAL MANURES

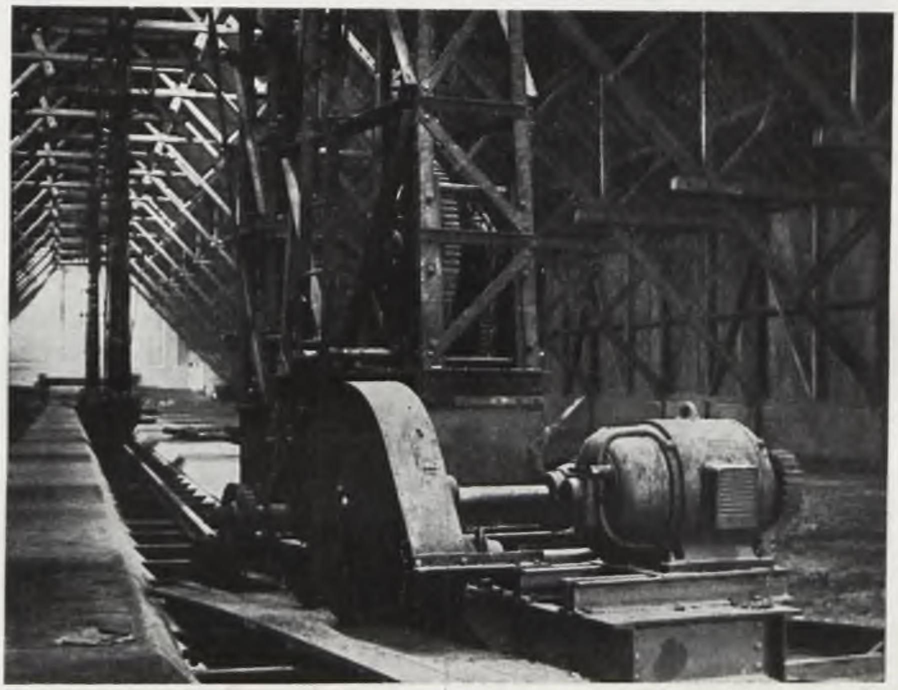
The work was started with the collection of the relevant data as to the actual conditions obtaining on small farms in order to have the necessary material for scientific research and analysis, which will eventually lead to concrete results to be applied in practice.

The induction method was resorted to and deductions will be drawn later on, on the strength of practical experience, supported by statistical returns and expert observation.

The first problem attacked was to introduce agricultural book-keeping among small holders, as this method was considered the best means for the realisation of the ulimate aim. A system of single entry book-keeping, based on the method of Prof. E. Laura, of Brugg, adapted to local conditions by the replacement of ledgers by slips and forms, was worked out. Thus, the farmer fills in two forms which may be regarded as weekly reports, and forwards them to the district office, which classifies and arranges the data in accordance with the principles underlying the system adopted. The forms or questionnaires are drawn up in a simple and comprehensive manner and are designed to obtain as much information about the farming as possible. The Swiss method was, in a way, enlarged by the insertion of questions concerning the return of vegetable production, the amount of fodder used for stock rearing, the quantity of seeds used, the actual, not estimated, cost of the labour involved in certain specified operations, and other problems of vital importance.

agricultural areas than in other countries where, in a large majority of cases, the data are collected sporadically. This is of great importance as it enables the establishment of average figures for the whole country and the determination of the characteristic features of the separate areas individually.

In the first year of operation i. e., from July 1, 1926 to June 30, 1927, only 450 balance-sheets from 220 districts were drawn up although work had been commenced on 750 farms; in the current year, 1927/28, in view of the interest taken in this work by the small holders, accounts from 1.000 farms, or 4 per district, will be forthcoming and it is proposed to keep to this figure for a few years. Compared with the 3·25 million small holdings



A PORTION OF THE POTASSIUM SALT CONCENTRATING PLANT AT KAŁUSZ, UNDER CONSTRUCTION *(PHOT. S. PLATER)*

The accounting offices, numbering 8, have their headquarters in the chief towns of the country and give explanations by means of letters and visits, regarding inaccuracies in the weekly reports, enter all data under appropriate headings, make up inventories, draw up descriptions of the farms, adjust the material collected in preparation for the closing of the accounts and, finally, prepare comprehensive balance sheets which are easily understandable to the farmers and which are supplemanted with shorts report about the standing of the farms.

The Department, supplies the questionnaires, finances and controls the whole action, collects all the data at the end of the business year, and prepares the balance-sheets of a scientific nature worked out from the statistical point of view, for publication.

The organisation of the book-keeping is, in Poland, spread more evenly throughout the

the above figure does not appear to be large but the costs involved in the system of weekly reports are considerable.

The Department has endeavoured to use for the scheme typical small holdings not exeeding 50 ha, a certain percentage of those composed of small plots of land, or the so-called chessboard farms and a number of newly established farms on reclaimed areas, in order to examine their requirements and shortcomings. Schools of agriculture are taking an active part in the propaganda of the book-keeping scheme; it should be mentioned that the data furnished to the Department are treated as being strictly confidential.

Periodical publication of the results will provide extensive and valuable material for the economists taking an interest in agricultural problems, as well as for the Government, the Parliament, various agricultural associations and social workers. At the same time they will be further utilised by the

Department for the formulation of new aims and ideas for the benefit of agricultural organisations; they will also serve as a guide to all those who by virtue of their offices are called upon to see that modern methods of farming are practised in Poland on a large scale. Moreover, the results obtained by the Department will enable comparisons being made with conclusions arrived at abroad in connection with simiral schems.

In addition to the above work, the Department is drawing up a full report on farms. The forms, containing about 300 questions, have been filled in with the help of village teachers; 3.500 questionnaires have been returned and are now being worked upon.

It will take some considerable time before this large quantity of material containing valuable information is completely utilised and before the ultimate results are published. It is certain that the material, similarly as in the case of Germany and Czechoslovakia, will fill a score of volumes. Each of the selected village teachers was obliged to give 4 descriptions of farms of various sizes situated in his village.

In order to assemble the necessary material regarding a very important problem in Poland, namely—the prevention of the splitting up of small holdings, on the death of the owner, among the heirs, the Department has instituted an enquiry into the inheritance customs in the villages. It was felt that new legislation in this domain should, as far as possible, be adjusted to meet local customs. Just as it was done in Switzerland when the corresponding legislation was being amended. The Department had returned to it 1.200 long questionnaires which were filled in by district law courts, notaries public, small holders and members of district self-governing bodies. The whole of the material has been handed over to 12 experts for investigation. This enquiry also covers the whole of Poland, as the customs in this respect vary according to localities.

Further, the Department has arranged competitions for two scientific works bearing on agrarian problems. The first work is on the subject of "Land Unification in Poland with Special Reference to the Southern Areas". This is a problem of paramount importance to the country's agricultural community, and it is intended to throw light on the causes responsible for the small progress evident in land unification in the south of Poland, to recommend the means by which unification may be fostered and to propose measures against the splitting up of small holdings which have already been unified. The second work is on the subject of a "Project for the Amendment of the Hypothecary Legislation". The number of works sent in was much smaller than in the case of the first subject. The object of this work was the drafting of a project of the law whereby small holders could take advantage of the mortgage system, which is lacking in the major portion of the country. The absence of these facilities constitute a great difficulty in obtaining cheap credits.

In order to promote social work among the peasants an enquiry was made by the agricultural Press. The subject was: "The Path of Progress of the Polish Peasant". The object was to show, on the strength of the personal experience of social workers, what methods and what conditions, produced success or failure. The answers numbering 150, contained much valuable material bearing on the psychological features of the Polish peasant.

As regards the adjustment of modern methods of production to small holdings, the Department of Agricultural Economy has arranged a competition on the subject: "Adapting Experimental Research Work in Cultivation and Breeding to Small Holdings". The competition should give results of great importance.

With a view to stimulating writers on agricultural topics to draw up monographs on the different aspects of country life a competition has recently been arranged. The subject is to be a monograph on two villages situated near one another, of which one is imbued with modern ideas on farming, while the other adheres to the old and obsolete methods. All the works are published as they come in. In addition, the Department has written detailed monographs on two districts.

The Department also follows closely the methods which are being adopted by countries with a large percentage of small holdings. In this connection reports on Belgium, Denmark and Switzerland are in hand and the writers will also visit the countries in order to obtain first hand information.

The programme of work for the near future comprises examination of progressive farms in Poland. In contrast with the book-keeping and reports on farms which are designed to picture the actual conditions obtaining on an average small farm, the investigations carried out on the spot on model farms will furnish excellent material as to what methods of farming are best suited in a given district.

Book-keeping, enquiries and scientific research work will throw light on a whole range of problems of vital importance to the rationalisation of farm work on small holdings which, no doubt, will favourably affect the economic life of Poland.

SUMMARY OF LAWS, ACTS AND EXECUTIVE DECREES

published in the *"Official Journal of Laws of the Republic of Poland" ("Dziennik Ustaw Rzeczypospolitej Polskiej")*
from April 15th to May 15th 1928

Agreement between Poland and Germany regarding mining areas which are crossed by the Polish German frontier (*"Dz. Ust. R. P."* No. 46, item 449 and 450).

Reimbursement of import duties at the time of exportation of finished textile products, metal and wood working machinery, dyes, ferro-cyanide, blues, lay, hats, hat shaps and cotton yearn (*"Dz. Ust. R. P."* No. 47, items 1.058 — 1.060.

The extension of the Polish-Czechoslovakian Trade Convention dated April 23, 1925 to the territory

of the Free City of Danzig (*"Dz. Ust. R. P."* No. 48, item 472).

Consular fees (*"Dz. Ust. R. P."* No. 49, item 474).

The executive decree dated April 6th, 1928 amending the Presidential decree dealing with the expansion of towns (*"Dz. Ust. R. P."* No. 49, item 476).

Partial amendment of the narrow gauge railway freight tariff (*"Dz. Ust. R. P."* No. 49, item 477).

The Baltic Geodesic Convention (*"Dz. Ust.R. P."* No. 50, item 480 and 481).

Executive decree to the Presidential ordinance relating to the insurance of brain workers (*"Dz. Ust. R. P."* No. 50, item 482).

Executive decree to the Presidential ordinance relating to the control of insurance institutions (*"Dz. Ust. R. P."* No. 50, item 483).

Partial amendment of the executive decree relative to the combating of potatoe cancer (*"Dz. Ust. R. P."* No. 51, item 491).

Partial amendment of the goods tariff on normal gauge railways (*"Dz. Ust. R. P."* No. 51, item 494).

Partial amendment of the executive decree dealing with the despatch of radiograms to and from America and Poland via "Radio — Warszawa" (*"Dz. Ust. R. P."* No. 53, item 507).

The warehousing of mineral oils by industrial undertakings (*"Dz. Ust. R. P."* No. 53, item 508).

Alterations in passenger fares on normal gauge railways (*"Dz. Ust. R. P."* No. 53, item 511).

THE SECOND POLISH CONFERENCE ON SCIENTIFIC MANAGEMENT.— This conference was held in Warsaw on the 4th, 5th and 6th May under the auspices of the President of the Republic; the number of delegates present was about 1.100. There took part in the Conference some distinguished foreign guests including Mr. Harington Emerson, the pioneer of scientific management, M. Francesco Mauro, President of the International Committee of Scientific Management and President of the Council of the International Institute of Scientific Management at Geneva, Dr. Zimmer, President of the Academy of Labour at Prague, and numerous guests from Belgium, France, Italy, Czechoslovakia, Rumania, &c. It should be stated that the organisation of the Conference was indeed exellent. As 80 papers covering various issues of scientific management were prepared, summaries were printed which enabled all the delegates to follow the ideas of the speakers. In order to simplify the work of the Conference, seven sections were set up; one of them was general and the remaining six dealt with special subjects. The special sections were as follows: 1) the organisation of industrial plants, 2) appliances in industry, 3) psychotechnique and education, 4) organisation of private and public offices, 5) organisation of agriculture, 6) organisation of house keeping.

All the papers read at the general Conference and at the meetings of the different sections together with the minutes of the meetings, will be published. The opening of the Conference was very simple, without any introductory speeches on the part of the Polish organisers of the Conference; short addresses were delivered by foreign guests. At the opening of Conference only one paper was read which concluded as follows: "Harmony between capital and labour is the basic condition for the application of the important achievements of scientific management which leads communities to general prosperity". This was received with great applause.

During the last day of the Conference, at the plenary sitting, papers were read by M. M. Harington Emerson and Francesco Mauro. In the first paper stress was laid on the fundamental factors of efficiency in output and the reduction of costs of production, and the second was devoted to the justification of the necessity for harmony between capital and labour. The Conference which was held on the 25th anniversary of the publication of the first works by Frederick Taylor in America, and by Karol Adamiecki in Poland, which are the foundations of the modern science of management, emphasised the achievements of these pioneers.

PRODUCTION AND TRADE

STATE OF EMPLOYMENT. — In April, the situation on the Polish labour market showed further improvement; the number of registered unemployed declined from 167.676 to 153.016, or by 8·7 per cent, and was thus lower than in the corresponding period of the last few years, which is shown in the following statement (at the beginning of the different months):

	1926	*1927*	*1928*
January	251.326	190.140	165.228
February	301.457	208.536	179.602
March	302.179	213.592	178.403
April	295.529	205.770	167.676
May	272.414	190.578	153.016

It is seen from the above figures that the decline in unemployment has been growing since February last at an increasingly rapid pace. The situation in this respect is developing this year similarly as in the previous year, the only variation being that the improvement has taken place a month earlier, which is accounted for by the general betterment in the industrial activity of the country, and as a consequence the number of unemployed is lower than in the past few years. Apart from the general improvement in employment the labour market in Poland is, to a large extent under the influence of seasonal factors and for this reason, in the spring, owing to the resumption of work on the land, building operations, land improvements etc., employment figures grow at a rapid pace despite the curtailment of operations in certain branches of industry, principally in coal mining and the textile industries. During the period under review textile mills worked on a reduced scale but the number of operatives discharged was comparatively small because mill owners only reduced the number of working days; in this connection the number of part-time workers rose considerably, from 48.878 at the beginning of April to 54.385 at the end of the month, The time worked by the partially employed was as follows: 54 worked 1 day per week, 348 — 2 days, 5.240 — 3 days, 10.263—4 days and 38.480—5 days. The average worked time was 4·6 days per week as against 4·5 in the preceding month. The following statement gives the number of unemployed according to trades at the beginning of the months:

INTERIOR OF ONE OF THE WORKSHOPS AT THE CHEMICAL FACTORY OF MESSRS. LUDWIK SPIESS I SYN S.A. MANUFACTURING CMEMISTS AND DRUGGISTS. (*PHLT. J. MALARSKI*)

	April	*May*	*+ increase — decrease*
mining	19.267	18.601	— 666
foundries	2.499	2.376	— 123
metal	11.364	10.821	— 543
textile	16.049	16.544	+ 495
building	18.733	14.137	— 4.956
clerical	17.067	16.962	— 105

In the mining industry there was a decline in unemployment despite the fact that in the most important branch—coal mining, the production in April was curtailed in anticipation of a reduced demand in the spring and summer; however, the number of hands employed in mining was only slightly reduced. In the petroleum industry the situation remained unchanged. Zinc and lead mines were also operated under favourable conditions. Unemployed miners represented 13 per cent of those at work.

The iron and steel foundries showed a further improvement; unemployed foundry workers were 4 per cent of those at work. The improvement observed in this industry is closely linked up with the gradual return to the 8 hours day of those sections in which it was temporarily suspended. In connection with the increasd activity in the building trades, there is a big demand for constructional iron and iron plates; a certain falling off in orders for rails was in evidence and smaller interest was also taken in pig iron. The inflow of orders was smaller than in the preceding month but, on the other hand, an increased demand on the part of the metal industry was the feature of the month. In the zinc and lead smelting industry, the situation has become brighter, due to the improvement in prices on the world markets. In the engineering trade, the situation continues to be good and the number of workmen taken on is steadily growing. Unemployed metal workers represented about 13 per cent of those at work. There are numerous undertakings which increased operations in anticipation of a large extension of building operations. Makers of agricultural machinery and implements are getting ready for the summer but the prospects in this section are not quite clear as it is difficult to foresee the results of this year's harvest on which, as is well known, the purchasing power of the farmers largely depends. It may be remarked, by the way, that strong competition on the part of the German makers, who give convenient terms to the purchasers, has of late been in evidence. Manufacturers of milling machinery also complain of this competition. The state of employment in the machinery branch producing sugar plants, engines of various types etc., was normal. A certain improvement was also observed in the situation of boiler makers due to the renewals and repairs being made in practically all branches of industrial production. A certain slump was observed in the textile industry. Manufacturers of cotton fabrics in the Łódź area reduced the output by 5 per cent as compared with the preceding month.

Sales of cotton fabrics effected in April were on a restricted scale though some improvement has taken place during the second half of the month.

As a result of the termination of the summer season the manufacturers of woolen fabrics in the Łódź area reduced the number of working days, so that the output diminished by about 2 per cent as compared with the preceding month. Preparations were being made for the production of winter fabrics. In connection with a certain slackening off in home sales, there are rumours according to which clothing manufacturers in the Bielsk area intend to operate somewhat cautiously Nevertheless, the situation in this area is much better than in the Łódź woolen industry. In the course of the last season manufacturers in the Bielsk district succeeded in clearing off their stocks and received in April numerous additional orders of importance. A certain improvement has also been noticeable in the Białystok woolen industry. Makers of knitted wares enjoy a good trade, although in the Łódź area production was slightly curtailed owing to seasonal causes. The jute industry operated at full capacity. The number of part-time workers engaged in the textile industry increased to a certain extent; the unemployed were 9 per cent of those at work.

Building operations are developing and an increasingly large number of workmen are being taken on. Still, these operations have not assumed the anticipated proportions on account of the lack of long term credits. Unemployment, however, declined in a whole range of other trades including clerical workers. As is usual at this time of the year, the largest decrease was observed again in the section of unemployed unskilled workers who found work in connection with various land improvement schemes or obtained work on farms.

As regards wages, the tendency was strong due to the general improvement on the labour market. Metal workers in the Warsaw area obtained an increase of 4 per cent while at the same time an increase of 7 per cent was granted to those employed in ceramic works in the Pomerania district. In addition, workers in a number of industries, including the textile section, have asked for an increase in wages.

GRAIN

— The upward trend of grain prices which has been in evidence since the beginning of February stopped in the latter half of April. Prices of wheat and rye reached the highest level in the third week of April, the average figures on the three local corn exchanges being zł 60·81 or $ 6·83 and zł 53·21 or $ 5·97 respectively, that is, the highest level recorded in the course of the last two years. Subsequently, there was a gradual decline which, by the week ending May 15th, amounted for wheat to 7·3 per cent and for rye to 3·2 per cent. Prices of malting barley and oats reached the highest level during the week ending April 30st, the average for the three local corn exchanges being zł 50·28 or $ 5·64 and zł 46·04 or $ 5·17 respectively. Since, then a falling off in prices has taken place though not to the same extent as in the other varieties of grain. The decline in the latter half of May amounted for barley to 1·1 per cent and for oats to 2·1 per cent. The break down in the upward tendency of prices in Poland, apart from the influence of the quotations ruling on the world market, was brought about by large supplies of imported grain being thrown on the market, as also by the termination of the spring work on the land and, to a certain extent, by the fine weather. The movement of prices during the period under review is illustrated by the following table:

	HOME EXCHANGES								Berlin	Chicago
	Warsaw		Poznań		Lwów		Av. of 3 exch.			
	zł	$	zł	$	zł	$	zł	$	$	$
WHEAT										
April 1—7	60·—	6·74	54·50	6·12	55·66	6·25	56·72	6·37	5·96	5·32
„ 8—15	60·80	6·83	55·50	6·23	—	—	58·15	6·57	6·17	5·43
„ 16—22	63·80	7·16	58·87	6·61	59·75	6·71	60·81	6·83	6·38	5·78
„ 23—30	63·00	7·07	55·20	6·20	58·37	6·55	58·86	6·61	6·51	6·—
May 1—7	60·25	6·76	52·75	5·92	57·50	6·46	56·83	6·38	6·38	—
„ 8—15	59·55	6·69	52·—	5·84	57·50	6·46	56·35	6·33	6·37	5·92
RYE										
April 1—7	48·27	5·42	46·75	5·25	46·12	5·18	47·05	5·29	6·22	4·74
„ 8—15	50·—	5·61	49·—	5·50	—	—	49·50	5·55	6·41	4·85
„ 16—22	54·56	6·13	53·20	5·97	51·87	5·82	53·21	5·97	6·84	5·12
„ 23—31	54·45	6·11	53·30	5·98	51·37	5·77	53·04	5·95	6·85	—
May 1—7	52·50	5·89	52·87	5·94	46·69	5·58	51·69	5·80	6·75	—
„ 8—15	52·25	5·87	51·58	5·79	50·75	5·70	51·53	5·78	6·80	5·33
BARLEY (feeding)										
April 1—7	46·—	5·16	37·50	4·20	42·75	4·80	42·08	4·72	—	4·39
„ 8—15	—	—	39·50	4·43	—	—	—	—	—	4·17
„ 16—22	51·60	5·80	42·50	4·77	44·—	4·94	46·03	5·17	—	4·43
„ 23—31	49·25	5·53	not quoted		44·50	5·—	—	—	—	4·45
May 1—7	49·—	5·50	not quoted		42·08	4·72	—	—	—	4·50
„ 8—15	48·66	5·46	not quoted		41·50	4·66	—	—	—	4·55
BARLEY (brewing)										
April 1—7	46·87	5·27	42·25	4·74	45·33	5·09	44·82	5·04	6·15	—
„ 8—15	49·—	5·50	44·—	4·94	—	—	46·50	5·22	6·31	—
„ 16—22	50·50	5·67	48·87	5·49	47·00	5·28	48·79	5·48	6·50	—
„ 23—31	53·35	5·99	50·—	5·61	47·50	5·33	50·28	5·64	6·48	—
May 1—7	53·20	5·97	50·—	5·61	45·75	5·14	49·65	5·58	6·50	—
„ 8—15	53·50	6·01	50·—	5·61	45·75	5·14	49·75	5·58	6·37	—
OATS										
April 1—7	45·67	5·13	40·—	4·49	39·25	4·41	41·64	4·68	5·78	4·33
„ 8—15	50·—	5·61	41·50	4·66	—	—	45·75	5·13	6·12	4·37
„ 16—22	50·75	5·70	44·37	4·98	42·—	4·71	45·71	5·13	6·31	4·78
„ 23—31	51·—	5·73	44·25	4·97	42·87	4·81	46·04	5·17	6·34	4·97
May 1—7	50·—	5·61	43·56	4·89	42·37	4·76	45·31	5·09	6·32	4·98
„ 8—15	49·—	5·50	43·50	4·88	42·75	4·80	45·08	5·06	6·38	4·97

A comparatively large decrease in the prices of wheat as compared with those of rye brought a further diminution in the differences in prices for these commodities. While during the first week of March prices for wheat were 128 per cent of those for rye, the percentage fell to 121 at the beginning of April and to 110 in the first week of May. On the Poznań corn exchange prices for wheat and rye were identical, a situation hitherto unknown in Poland.

The trend of prices for grain in Poland will be influenced by the prospects for the harvest and it is difficult to say, as, yet, anything definite on this subject. In the second half of winter, the sowings in Poland, similarly as in the major portion of Europe, suffered considerably.

The state of the sowings is worse than in the corresponding period of last year and shows a certain deterioration as compared with March. According to the data of the Chief Statistical Office the state of winter sowings calculated on the five point system was on April 20th as follows:

	1928 March	1928 April	1927 April
wheat (winter)	3·1	2·9	3·5
rye „	2·9	2·7	3·7
barley „	2·6	2·7	3·3

During April the weather was changeable; short mild spells of weather were succeeded by cold and wintry days and in the middle of the month there was a heavy snow storm accompanied by a low temperature. The amount of heat required was, on the whole, insufficient and broadly speaking, the temperature was from 0·1 to 2^{0} C above the average for the past few years; the amount of moisture was sufficient and was from 75 to 100 per cent of the normal quantity with the exception of the western part of the country where it was from 15 to 40 per cent below the average for the past few years. The reserves of moisture in the soil were sufficient throughout Poland.

Spring work in the fields was much delayed this year. Work is in an advanced state in the western part, but it may be stated that up to the beginning of May, only about 75 per cent of the work involved in the cultivation of the spring sowings had been completed.

The grain balance which showed a surplus for the first three months of this year closed in April with an adverse balance amounting to Ƶ 17,203.000. This was due to imports of all the varieties of grain with the simultaneous decline in the export of barley, oats and wheat.

The movement of grain in April as compared with March and April 1927 is given below (in tons):

	Imports: 1928 March	1928 April	1927 April
wheat	2.174	12.795	45.071
rye	1.438	28.156	5.421
barley	48	235	193
oats	1.936	2.152	5.662
	Exports:		
wheat	326	135	406
rye	693	807	546
barley	10.991	7 620	5.118
oats	2.644	1.517	649

Wheat was imported from Germany (35·2 per cent), Hungary (18·0 per cent), Canada (17 per cent), the United States of America (13·6 per cent), Sweden (9·2 per cent), the Argentine (6·9 per cent) and from Czechoslovakia.

Rye was almost exclusively supplied by Germany (84·2 per cent). The bulk of these imports were purchased by flour mills who found it profitable to buy abroad on account of the high prices ruling on the local market. Smaller quantities were received from Sweden, Hungary, Canada, the Argentine, the United States of America and Czechoslovakia.

Barley came from Rumania (78·7 per cent), Germany (17 per cent), Czechoslovakia (3·5 per cent), Sweden and Denmark.

Oats were Imported from Germany (84·5 per cent). Czechoslovakia (15·4 per cent) and Sweden.

Polish exports of wheat and rye effected in April were almost exclusively placed in Germany. Over a half (55·9 per cent) of the barley exported was sent to Belgium and the remainder to Latvia (11·8 per cent), Denmark (11·2 per cent), Germany (9·8 per cent), Estonia (7·6 per cent), Finland, England, Austria, Switzerland and Czechoslovakia; the buyers of oats were Germany (39·4 per cent), Belgium (24·4 per cent), Sweden (13 per ccnt), Latvia (8·3 per cent), England (6·6 per cent), Denmark, Estonia and Czechoslovakia.

The balance of grain exports and imports covering the first three quarters of the 1927/8 agricultural year was drawn up at the end of April and compared with the same period of last year, is given below (in tons):

	Imports: 1.8,27—1.5.28	Imports: 1.8.26—1.5.27	Exports: 1.8.27—1.5.28	Exports: 1.8.26—1.5.27	Surplus of import — or export + 1.8.27—1.5.28	Surplus of import — or export + 1.8.26—1.5.27
wheat	67.993	31.037	5.123	16.280	— 62.870	— 74.757
rye	45.462	49.638	8.185	80.203	— 37.277	+ 30.565
barley	1.326	695	65.665	90.159	+ 64.339	+ 89.464
oats	14.931	13.177	8.089	7.452	— 6.842	— 5.727

The balance of grain for the first three quarters of the current agricultural year compares unfavourably with that of a year ago. Although the deficit in wheat export is smaller yet this is due to restricted imports in connection with the prohibition of import of this commodity. The movement of rye which showed a favourable balance, this year exhibited an adverse balance amounting to 37.277 tons. The surplus of barley is smaller than last year, while the excess of imports over exports is larger.

Taken as a whole, the balance for the first three quarters of the current year, that is, from August 1, 1927 to May 1, 1928, is closed with an adverse balance of Ƶ 24,134.000, whereas in 1926/7 the balance covering the same period showed an excess of exports over imports amounting to Ƶ 631.000.

THE FOSTERING OF LAND IMPROVEMENT. — The *"Dz. Ust. R. P."*, No. 36, dated March 24 last, contains a Presidential decree concerning the fostering of land improvement. In accordance with the provisions of this decree productive soil, drained or irrigated as well as pastures and peat areas which are cultivated immediately after the improvements are made, are not subject to the parcellation forseen in the Land Reform scheme for a period of ten years counting from the commencement of the work. The following conditions, however, have to be observed: *a*) that the improvements should have been undertaken after the entry into force of the above mentioned decree, *b*) the the Ministries of Agriculture and Land Reform must be satisfied as to the necessity for the improvements, *c*) the improvement must be effected in accordance with the plans and estimates foreseen in the prescriptions issued by the Minister of Agriculture in conjunction with the Minister of Land Reform and the Minister of Public Works. The stipulations of this decree are not applicable to lands on which improvement work was commenced after they had been placed on the list of areas subject to compulsory sale or after the submission by the respective Land Offices of a proposal to have the land in question parcelled in connection with the unification of small holdings. Improved lands which had previously been recognised by the competent authority as waste land, are not subject to parcellation, during a period of 20 years counting from the date of the termination of the improvements; moreover, if the waste land is turned into cultivated field, land tax is not to be levied during a term of 15 years. Land which is not subject to be parcelled during ten years, may be used for parcellation purposes before the close of this period if it is situated within the territory of a District Land Office in which the reserves of soil destined for parcellation are exhausted, or when small holdings are to be completed by additional plots, in accordance with the unification scheme. In such cases the owners of the land will obtain compensation for the portion of the outlay on the improvements which is not amortised. Lands temporarily freed from parcellation may be subject to it before the termination of the specified term, if the improvements made are destroyed through the neglect on the part of the owner.

The executive decre concerning the fostering of land improvement came into force on the day of its publication, throughout the whole of the Republic of Poland with the exception of Upper Silesia. It is to be hoped that this decree together with the credits granted in this connection will favourably affect the agricultural industry and will induce land owners to carry out various improvements on the land.

BUTTER

— During the latter half of April and the first half of May a further decrease in prices was in evidence on the Polish butter market. The seasonal decrease which usually becomes more accentuated during the period immediately following the Easter holidays owing to the falling off in demand, is less marked this year.

The prevailing cold and bad weather adversely affected the production, while the lack of fodder, the winter reserves of which were exhausted, contributed also to the above mentioned decline. Not without influence in the same direction were the untoward atmospheric conditions which delayed the development of the winter pastures.

On the local market the supplies were, on the whole, plentiful. Prices of butter during the period under review were as follows (in zł per kg.)

	April 16th-30st	May 1st-15th	Percentages of difference
Bydgoszcz	6·60	6·60	—
Lublin	6·90	6·60	—
Lwów	7·15	7·20	+ 0·7
Poznań	6·45	6·35	— 1·6
Warsaw	6·85	6·75	— 1·5
Wilno	6·40	6·30	— 1·6

Exports in April were maintained at approximately the same level as a month earlier, amounting to 682 tons, valued at zł 4,164.000. The bulk of the exports was absorbed by Germany which took 637 tons or 93·4 per cent of the total; smaller quantities were sent to England (3 per cent), Austria, Belgium and Czechoslovakia. It is worthy of note that butter export increased considerably as compared with 1927, which is to be attributed to the development of the dairying industry in Poland. During the first three quarters of the 1927/28 agricultural year, exports of butter totalled 6.145 tons, valued at zł 36,547.000, whereas during the same period of the preceding agricultural year the quantity sent abroad was 4.253 tons or over 30 per cent less, than in the current year.

The chief foreign consumer of Polish butter is Germany which took about 90 per cent of the total exports. Smaller quantities were placed in England (5 per cent), Austria (3 per cent), Sweden, Denmark and Belgium. Imports of butter into Poland since August 1,1927 amounted only to 35 tons valued at zł 210.000 and came mostly from Germany and Denmark.

EGGS

— In the second half of April, on account of increased production, prices of eggs declined, although very slightly, owing to the increased demand. This situation continued on the egg market during the first half of May. The demand was considerable and the goods were purchased for preserving and were mostly put into cold store. Prices of eggs in the wholesale trade during the period under review were as follows (in zł per case of 1.440 eggs):

	April 16th—30th	May 1st—15th
Bochnia	205 — 210	198
Kraków	205 — 210	205 — 210
Katowice	190 — 195	175 — 185
Lwów	200 — 207	207
Stanisławów	180	180
Tarnopol	180 — 185	170 — 175
Warsaw	180 — 195	190 — 200

PEDIGREE CATTLE RAISED ON THE GÓRA ESTATE

In April, exports of eggs amounted to 5.231 tons, valued at zł 13,717.000 and were much larger than in the preceding month. The chief consuming market were Germany with 2.507 tons or 47·9 per cent of the total exports, England which, took 23·3 per cent, Austria (14·1 per cent), Italy (5·7 per cent), Czechoslovakia, Holland, France and Latvia.

The export of eggs in the current agricultural year was smaller than a year ago. During the first three quarters of the year 1926/7 the exports totalled 41.144 tons, whereas in the current year this figure declined to 34.915 tons or by 15 per cent. In any case, eggs are one of the most important export articles in Poland as even in the current year it represents about 5·5 per cent the total value of Polish exports. The chief purchaser is Germany which, during the three quarters of the year 1927/8 imported 58 per cent of the total exports; Austria and England absorbed 15 and 11 per cent respectively and count among the better customers; smaller quantities were sold to Czechoslovakia, Italy, Switzerland, Latvia, Holland, France and Belgium.

TIMBER

— Although prices in general are stabilised, those for unworked timber and in particular pine logs for saw mills and building purposes, declined in April by from zł 3 to zł 12 per cub. m. In southern Poland unworked fir, spruce and oak logs as well as sawn timber, showed also a downward trend. In the Directorates of State Forests the selling prices in March and April, f. o. r. loading stations, were as follows (in zł per cub. m.):

		March	April
Pine logs for saw mills (per cubic m.)	Warsaw	78·—	75·—
„ „ „	Radom	71·—	68·—
„ „ „	Siedlce	64·35	54·40
„ „ „	Wilno	51·—	50·—
„ „ „	Białowieża	60·—	55·—
„ „ „	Poznań	77·30	65·50
„ „ „	Bydgoszcz	69·—	63·—
„ „ „	Toruń	75·—	75·—
Pine logs for building purposes (per. cub. m.)	Siedlce	54·20	50·45
„ „ „	Białowieża	52·—	45·—
„ „ „	Wilno	40·—	38·—
pine pit props (per cubic m.)	Warsaw	39·—	39·—
„ „ „	Radom	37·—	37·—
„ „ „	Siedlce	27·50	29·50
„ „ „	Poznań	31·10[1]	31·60
„ „ „	Bydgoszcz	32·—	32·—
„ „ „	Torun	31·—	31·—
spruce logs for saw mills (per cub. m.)	Siedlce	40·20	40·—
	Lwów	44·—	44·—
oak logs for joinery (per cub. m.)	Białowieża	115·—	110·—
„ „ „	Łuck	155·—	155·—
pulpwood (per stacked cub. m.)	Siedlce	30·—	30·—
„ „ „ „	Wilno	24·50	25·20
„ „ „ „	Białowieża	29·—	29·50

[1]) *Prices for timber affected by the "Panolis Flammea".*

pine fire wood (per stacked cub. m.)	Warsaw	16·—	16·—
" " " "	Radom	16·—	16·—
" " " "	Siedlce	13·—	13·—
" " " "	Wilno	8·50	8·—
" " " "	Białowieża	14·90	16·—
" " " "	Poznań	11·—[1])	11·50
" " " "	Bydgoszcz	13·50	14·50
" " " "	Toruń	16·—	16·—
spruce fire wood (per stacked cub. m.)	Lwów	11·—	11·—
beech fire wood (per stacked cub. m.)	Lwów	13·—	13·—

Exports of timber products in March and April are illustrated below (in tons):

	March 1928	*April 1928*
pulpwood	71.368	44.683
pit props	57.557	51.877
telegraph poles	4.453	3.009
logs, eams	148.353	107.843
deals, boards, battens	124.379	133.580
railway sleepers	17.207	8.579

It is seen from the above table that the export of unworked timber showed a decline as compared with the preceding month, which is usually a period of brisk activity in the trade. Exports of sawn timber exhibited an upward trend.

COAL

— The situation in the Polish coal mining industry in April may be regarded as satisfactory. It is true that the output of coal declined to a large extent as compared with the preceding month but this should be considered as a normal occurence in the spring season and also as due to the fewer number of working days in the month. It is worthy of note that the April output was greater than in the corresponding month of last year, which indicates that the absorptive capacity of the local market has increased. The rise in prices on the home market by 10 per cent, as from April 15th, favourably affected the demand during the first half of the month, for both the wholesalers and consumers endeavoured to accumulate stocks at the lower prices. As regards the different varieties, it should be stated that an increased demand was noticeable for slack coal, due to the anticipated increased operations at brick and cement works in connection with the activity in the present building season. The demand was so great that it could not be covered; the same remark applies to the demand for cobbles.

As regards export, a decline, as compared with the preceding month, was only noticeable in the consignments transported by rail and chiefly to the Succession States (Austria, Hungary and Czechoslovakia), whereas those transported by sea rose considerably owing to the increased demand from northern European markets in connection with the termination, after the Easter holidays, of the strike and lock out at the paper mills and cellulose works, and also in connection with the contracts secured from the Swedish, Norvegian, Danish and Finish railways. It should be noted that the amount of coal shipped from the Polish ports is steadily increasing. The handling capacity at the ports, although inadequate to meet the requirements of the coal trade, could not be fully employed owing to the insufficiency of railway sidings, especially at the port of Danzig.

As a result of the decline in output and the increased demand, the stocks at pit heads declined considerably. The position of the Polish coal mining industry in April is illustrated by the following table (in tons):

Coal mining districts	*Extraction*	*Home consumption*	*Exports*	*Stocks at pit-heads*[1])
Upper Silesia	2,258.000	1,294.000	828.000	875.000
Dąbrowa	540.000	343.000	129.000	380.000
Kraków	182.000	161.000	520	76.000
Total:	3,980.000	1,798.000	957.520	1,331.000
March[2]):	3,509.000	2,039.000	1,024.000	1,388.000
± in relation to March	— 529.000	— 241.000	— 67.000	— 57.000

It is seen from the above table that the output of coal in Poland amounted to 2,988.000 tons, a decrease of 529.000 tons or 15·08 per cent as compared with the preceding month. Total sales declined also although to a smaller extent than the output — namely, to 2,755.000 tons or by 308.000 tons or 10·6 per cent as compared with March. Local sales amounted to 1,798.000 tons, an increase of 241.000 tons or 11·8 per cent while export totalled 957.000 tons, or 67.000 tons or 6·54 per cent less than in the preceding month.

The distribution of coal exports effected during the period under review was as follows (in tons):

Destination	*1925*	*1926*	*1927*	*1928*	
	first semester[3]) *(monthly averages)*			*March*[2])	*April*
Austria	194	214	192	237	186
Hungary	36	42	48	54	27
Sweden	—	144	202	194	239
Denmark	2	72	97	118	107
Czechoslovakia	47	41	47	92	73
Latvia	1	18	29	28	37
Yougoslavia	8	14	22	21	20
Switzerland	2	10	19	11	11
Italy	1	49	126	53	37
Rumania	6	8	10	16	10
Lithuania	1	3	6	3	2
Memel	1	3	2	10	3
Holland	—	1	—	5	—
Finland	—	9	9	18	39
France	—	23	16	28	25
Norway	—	7	15	62	67
England	—	37	—	—	—
Germany	451	1	1	1	1
Belgium	—	—	12	11	9
Russia	—	—	6	—	—
Other countries	—	1	6	4	9
Total:	750	697	865	866	922
Danzig	26	37	27	24	26
Bunker coal	—	38	15	34	29
Total:	776	772	907	1.024	957
Export, Germany not included	325	771	906	1.023	956
Shipped through:					
Danzig	29	225	314	369	401
Gdynia	—	30	54	117	136
Tczew	—	5[1])	11	—	—

It is seen from the above figures that of the total coal exports effected in April, the Scandinavian and the Baltic countries absorbed 521.000 tons or 44·6 per cent. Compared with March the exports to these countries rose by 64.000 tons or 14·0 per cent, the largest increase being recorded in the shipments to Sweden (by 45.000 tons) and to Finland (by 21.000 tons). Certain increases in the volume of exports were also recorded in the shipments to Latvia (by 9.000 tons) and Norway (by 5.000 tons) and to Danzig. On the other hand, the amount of coal sent to Denmark and Memel declined by 11.000 tons and 7.000 tons respectively. As regards the export of Polish coal to the Succession States, it should be stated that it declined considerably, by 97.000 tons or 25·33 per cent, as compared with the preceding month and amounted to 286.000 tons (29·89 per cent of the total exports). Exports to Austria declined by 51.000 tons and to Hungary and Czechoslovakia by 27.000 tons and 19.000 tons respectively.

Exports to the remaining countries also declined markedly; they were 150.000 tons (15·67 per cent of the total coal exports) or 34.000 tons, or 18·48 per cent less than in March. The decline in the case of Italy (by 16.000 tons) was rather large. Smaller drops were observed in the consignments to Rumania (6.000 tons), Holland (5.000 tons) and to France, Belgium and Yougoslavia.

Despite the general decline in the exports, the average daily despatch from the mines slightly increased owing to the fewer number of working days (24 in April and 27 in March) and was 39.875 tons, a decrease of 1.949 tons or 5·14 per cent.

[1]) *Prices for timber affected by the "Panolis Flammea".*

[1]) *After deduction of the coal utilised by the mines themselves, for workmen and after correcting the stock on hand.*

[2]) *Corrected figures.*

[3]) *The monthly average figures for separate countries have been calculated by dividing the respective figures for the first semester by 6; but in fact, these figures were reached for the exports of coal to Holland—during 2 months, to Finland—during 5 months, to Norway — during 4 months. The exports to England date since June, in which month they amounted to 221.000 tons. Export to Russia was during 2 months.*

[1]) *Average quantity for 6 months; this figure has been calculated as explained in note No. 1; exports via Tczew lasted only 4 months.*

In connection with the rise in the quantity of exports to the Scandinavian and the Baltic countries, the coal shipped through the Polish ports, Danzig and Gdynia, amounted to 537.000 tons thus breaking all records; compared with March this showed an increase of 51.000 tons or 10·49 per cent. Exports through Danzig were 401.000 tons (an increase of 32.000 tons), and via Gdynia 136.000 tons (an increase of 19.000 tons). The quantity shipped through the two ports represented 56·11 per cent of the total exports of coal as against 47·46 per cent a month earlier.

The number of idle days in the month, similarly as in the previous month, represented about 4 per cent of the total number of the working days.

The number of workmen employed in April in the coal mining industry declined by 795 to 111.272 as compared with March. During the period from March 31st to April 28th, the number of unemployed miners declined from 19.267 to 18.601. The production figure per day per miner in April was for the whole of Poland 1.243 kg., a decline of 29 kg. as compared with the preceding month.

Workmens' wages were maintained at their previous level. The average daily wage per day (together with supplements and payments in kind) in the Upper Silesian, Dąbrowa and the Kraków basins were as follows (in Zł):

	February	March
Upper Silesia districh	8·70	8·81
Dąbrowa "	7·83	8·01
Kraków "	7·02	6·02

As already mentioned, prices on the internal market have been increased as from April 16, but those in respect of export consignments destined for Austria, Hungary and Czechoslovakia were maintained at their previous level. Prices for coal to be delivered to northern European markets rose slightly, reaching at the end of the month 12/- f. o. b. Polish ports for the better grades originating in Upper Silesia.

It is gratifying to note that the situation on the northern markets has become easier.

Railway rates remained unchanged with the exception of that via Drawski Młyn and Tama Garbarska and Poznań to Stettin which amounts to Zł 6·20 and is in force as from April 1.

Shiping rates in April were as follows: to Sweden - 4/6 to 5/-, Denmark 4/10 to 5/3, Latvia (Riga) 5/6, Finland — 6/- to 6/4, Norway (Bergen) 6/9, France 6/6 to 7/-, Italy 8/9 to 9/-, Algeria — 8/11 to 9/2.

The output of coke amounted in April to 138.000 tons, a decline of 7.000 tons as compared with March. Sales fell by 16.000 tons to 127.000 tons. Local sales declined by 14.000 tons to 120.000 tons, exports by 2.000 tons to 8.000 tons. Stocks at the coke works amounted at the end of April to 19.000 tons, the rise over the preceding month amounting to 11.000 tons.

The number of workmen employed was 2.697.

PETROLEUM

— According to provisional returns the output of crude oil in Poland in April was as follows (in tons):

Drohobycz district	49.600
Jasło "	5.890
Stanisławów "	3.500
Total:	58.990

The output in the Borysław area, the richest in Poland, was about 43.000 tons, or about 1.440 tons per day (in February — 1.470 tons and in March 1.460 tons). This decline is accounted for by the failure to complete new wells which would compensate for natural decline in production.

Drilling and prospecting work increased particularly to the west and south of Mraźnica. This work is stimulated by the fact that the production of the newly completed wells has been maintained at over 50 tons per day which in some cases has risen by as much as 100 per cent ("Joffre" mine, Mraźnica). The investigation work has also been favourably affected by the completion, in April, at the southern edge of the Mraźnica area of a well (Petain), which showed that abundant deposits of crude oil are to be found in this region at a depth of about 1.313 m. A number of the leading companies have acquired extensive areas with a view to carrying out prospecting work on a large scale.

Workmen's wages remained unchanged throughout April although here aud there demands for increases were put forward; the relations between the employers and employees remained unchanged. At the ozokerite mine at Borysław, one hundred men were on strike from April 19 to the end of the month; here also higher wages were claimed.

The price of Borysław standard crude declined as compared with the preceding month, and was $ 19·2 per ton.

The situation in the petroleum industry in March was not subject to any considerable changes. The output in the most important area, Borysław, showed certain, though small, falling off. The throughput at the refineries as well as local consumption declined somewhat, whereas export was maintained at the same level as in the past few months.

The output of crude oil in March was as follows (in tous):

Drohobycz district	52.225
Jasło "	6.083
Stanisławów "	3.524
Total:	61.832

A VIEW OF THE OIL FIELDS, BORYSŁAW (PHOT. S. PLATER)

In the Drohobycz area the total extraction was (in tons):

Borysław Standard crude	45.430
Special brands	6.795

Compared with February, the average daily extraction of crude oil declined by 10 tons to 1.460 tons.

Stocks of crude oil held by the storage companies and the producers at the end of March, were as follows (in tons):

Drohobycz district	34.765
Jasło "	5.586
Stanisławów "	3.133
Total:	43.484

This is less by 1.652 tons as compared with a month earlier. The stocks of Borysław standard crude on March 31, amounted to 21.665 tons as against 22.866 tons at the end of February, a decrease of 1.191 tons, due to a decline in output and increased sales to the refineries.

The number of workmen employed in the petroleum industry (including the subsidiary plants such 'as electric power stations, gasworks, mechanical workshops etc.) was 11.340 of which 8.031 were employed in the Drohobycz area.

In the natural gas industry, the situation continued to b favourable; prices remained practically the same as a month earlier and amounted to $ 540 per ten-ton tank wagon.

The conditions obtaining in this branch are best illustrated by the following statement:

output of gas (in thous. of cub. m.)	40.107
throughput of gas (in thous. of cub. m.)	21.160
output of gasoline (in tons)	2.566
home consumption "	2.484
exports "	71
number of plants in operation	18
number of workmen employed	172

Of the 18 works, 14 are situated at Borysław, 2 at Bitków, 1 at Drohobycz and 1 at Schodnica.

The extraction of ozokerite at the two mines (at Borysław and Dźwiniacz) was 69 tons and the stocks at the end of the month 177 tons; exports, the bulk of which were directed to Austria, Germany and France, totalled 70 tons. Ozokerite mines employed 414 workmen.

The activity of the refining industry in March is illustrated by the following statement[1]) (in tons):

throughput of crude oil	57.977
output of petroleum products	53.099
home consumption	27.249
exports	20.324
stocks on March 1	193.770
stocks of crude oil in refineries	39.623
number of workmen employed	4.877

The throughput of crude oil declined as compared with February (59.098 tons), but was larger than the total output of crude oil, the excess being taken from stocks.

Local consumption of petroleum products declined in March as compared with February owing to the close of the winter season and was as follows: kerosene -- 10.111 tons, benzine — 4.858 tons, gas oil 4.791 tons and lubricating oils—3.399 tons.

Exports of petroleum products in March were as follows (in tons):

benzine	5.946
kerosene	2.826
gas oil	4.256
lubricating oil	2.287
paraffine wax	3.116
other products	1.183
Total:	20.324

The distribution of exports according to their destination is given below (in tons):

Czechoslovakia	7.887
Austria	2.891
Germany	1.285
Switzerland	638
Other countries	2.905
Danzig	4.718
Total:	20.324

Exports of benzine and lubricating oils effected in March rose considerably as compared with February (3.599 tons and 1.755 tons respectively), whereas those of kerosene, gas oil and paraffine wax showed certain declines.

Exports of petroleum products to Czechoslovakia and Austria in March showed increases over the preceding month, whereas those to Danzig and Switzerland — declined.

IRON

— The month of April saw a certain deterioration in the output figures, due partially to the Easter holidays and the consequent disorganisation of work, and partially to the repairs which the foundries and mines undertake during the holiday period when there is less work. On the whole, however, the iron and steel industry continued operations under the same conditions; local sales improved although not to the same extent as was anticipated in connection with the good prospects in the buildiug trades. Despite many difficulties exports were maintained at their previous level which is largely due to increased local sales at better prices as well as to the improvement in the situation on the world iron and steel market.

The import and export of iron ore is given below (in tons):

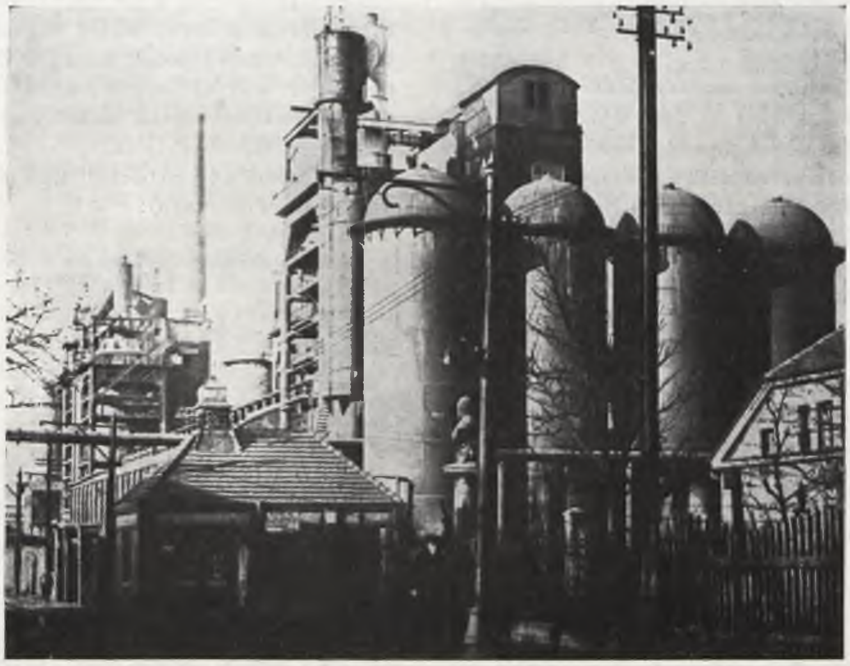
	Extraction	Imports iron ore	Imports mangan ore	Exports
Monthly av. for 1927	44.947	59.129	—	7.538
Monthly av. for I quarter of 1928	63.353	37.999	1.790	9.631
March " "	69.732[1])	27.388	490	11.142
April " "	50.186[2])	42.059	1.195	8.429
" " 1927	39.590	58.100	—	8.181

It will be seen from the above figures that the output for April, as compared with March, which gave record figures, declined by 19.546 tons or 28 per cent. This decline is accounted for by a strike which lasted several days at one of the largest mines, by extensive preparation work and by the smaller number of working days in the month. There were 33 mines in operation of which 30 were producing. On the whole the iron foundries were less active as the building season which promised to be so good did not quite come up to the expectations and they, therefore, did not obtain the orders they had anticipated. Government orders were also on a reduced scale as the railways which are large consumers of iron, placed their orders earlier in the year, and new indents will not probably be placed before the month of June. According to the provisional data of the Syndicate of the Polish Iron Foundries, which do not cover pig iron, piping and the so-called own consumption, orders in April amounted to 57.500 tons as against 58.312 tons, a decrease of 1·4 per cent. These figures include Government orders for 6.225 tons (in March — 9.782 tons) and private orders for 51.275 tons (in March — 48.338 tons).

It is seen from the above figures that the slight decrease in the total amount of orders was due to a drop in Government orders for those placed by private interests were composed of the following: wholesale trade — 27.645 tons, and industry — 23.630 tons. The volume of wholesale orders declined by 4·1, whereas those from industry increased by 20 per cent. The output of iron foundries is given below (in tons):

[1]) *Provisional figures.*

[1]) *Corrected figures.*
[2]) *Provisional figures.*



EXTERNAL VIEW OF THE BLAST FURNACES AT THE "PEACE" FOUNDRY, UPPER SILESIA *(PHOT. PLATER)*.

	Pig iron	Steel ingots	Rolled products	Number of workmen employed
Monthly av. for 1927	51.515	103.685	76.765	43.968
" " I quarter of 1928	57.201	108.288	84.068	47.215
March "	58.124[1])	118.341[1])	95.119[1])	47.838
April "	54.923[2])	108.229[2])	76.956[2])	48.717
" 1927	47.873	97.466	73.734	42.380

It is seen from the above figures that the output in April declined considerably as compared with March, but in all sections it was larger than the average monthly figures for the past year and the corresponding figures for April of 1927. The decline as compared with March in the case of pig iron was 3.200 tons and in the case of steel — 1.011 tons. The output of rolled products declined during the same period by 18.163 tons or 19·1 per cent.

Exports of foundry products in April amounted to 12.655 tons, valued at zł 6,734.000, an increase of 498 tons or 4·1 per cent over the preceding month. The following table shows the imports and exports of foundry propucts (in tons):

	Exports:			Imports:		
	March 1928	April 1928	April 1927	March 1928	April 1928	April 1927
rails, iron and steel articles	990	760	1.603	1.596	557	1.443
iron and steel sheets	3.430	3.812	5.552	2.998	1.182	1.830
pipes	4.776	3.985	4.994	2.897	1.593	1.088
pig iron	2.961	4.098	2.362	359	—	149

[1]) *Corrcted figures.*
[2]) *Provisional figures.*

These figures indicate that there was a slight increse in the exports of foundry products and a large decrease, by 53·5 per cent, in the imports. In this way the excess of exports over imports as compared with March rese by 4.716 tons or 109 per cent. Exports of pipes rose by 1.137 tons or 38·3 per cent.

Prices of foundry products were maintained in April at their previous levels.

ZINC AND LEAD

— The zinc and lead industry in April operated under normal conditions. The slight improvement in zinc prices on the international market during the month favourably affected the Polish industry; the Easter holidays on the contrary were responsible for a slackening of work at both the smelting works and the mines, and for this reason the output declined as compared with the preceding month. The output of zinc and lead ore in its natural and enriched state as well as imports are given below (in tons).

	Extraction:		Imports:	
	ores gross amount	enriched ores	zinc ores	lead ores
Monthly av. of 1927	86.780	31.441	16.388	1.362
Monthly av. for the I quarter 1928	94.206	32.500	15·382	1.352
March "	100.242	34.600	15.798	1.655
April "	82.875	28.600	14.903	1.296
" 1927	78.437	27.062	16.362	1.107

It is seen from the above figures that the extraction of ore declined by 17·367 tons or 17·3 per cenf as compared with March. Imports of zinc ore effected in April were maintained at about the level of the previous month, the decline being 5·7 per cent, whereas those of lead ore declined considerably, by 21.2 per cent. The ratio of locally extracted ores to those imported as compared with the monthly average for last year was in March 1·98 and in April 1·77. The number of zinc mines in operation remained unchanged, that is, 12, of which 11 were producing and 1 was engaged in the preparation work. The number of workmen engaged in zinc ore mining, including the washing plants was, 7.194 as against 7.166 in March. The output per miner was in April 11·8 tons as against 14·2 in March and 12·3 in February. The plants engaged in enriching poor ores by means of roasting, operated under satisfactory conditions and the three plants producing zinc oxide obtained about 659 tons of the mineral. The output of zinc and lead smelters was slighty below the March figure. The number of zinc foundries in operation was 13, of rolling millls 4, and of lead smelters 2; and in addition there were 9 ore roasting plants. The output of zinc and lead products and of sulphuric acid was follows (in tons).

	Production:				
	sulphuric acid 50° Bé	raw zinc	zinc sheets	raw lead	Number of workmen
Monthly av. of 1927	22.246	12.532	1.294	2.405	12.727
Monthly av. for the I qaarter 1928	24.421	13.014	1.328	2 253	12.855
March 1928	25.490	13.516	1.464	2.300	12.752
April 1928	24.981	12.881	1.069	1.995	12.690
" 1927	22.313	12.135	1.152	2.560	12.585

The average monthly output declined, as compared with the percding month: sulphuric acid 2 per cent, zinc sheets 27 per cent and raw lead 13·3 per cent.

Exports of the lead and zinc products effected in April, as compared with the past three months and April 1927 are given below (in tons):

		Raw zinc dust incl.	Zinc sheets	Refined lead	Value of exports (in thous. of zł
January	1928	8.861	991	748	12.303
February	"	10.341	891	884	13.839
March	"	12.457	872	904	16.200
April	"	10.087	1.137	945	13.537
"	1927	10.589	844	1.675	17.247

It is seen from the above that exports, as compared with March, declined by

2·064 tons or 14·5 per cent and in point of value by 16.4 per cent. Compared with April 1927, the value per ton declined from Zł 1.310 to Zł 1.112, that is, by 15·2 per cent.

CONCENTRATION OF CAPITAL IN THE ZINC INDUSTRY.— The Henckel v. Donnersmarck-Beuten Estates Ltd. has ceased to exist as a producer of zinc as all their smelting works and mines have been sold to the Société Anonyme des Mines et Usines de Silesie. In this way, the latter company has become the largest zinc producing company in Poland. This company has now taken over the following zinc smelting plants "Łazy", with the roasting and sulphuric acid plants, "Hugo", "Miłość" and "Nadzieja", the rolling mills at Nowa Wieś, the factory of acid resisting ceramic works, and the zinc mine "Paulina".

VARIOUS

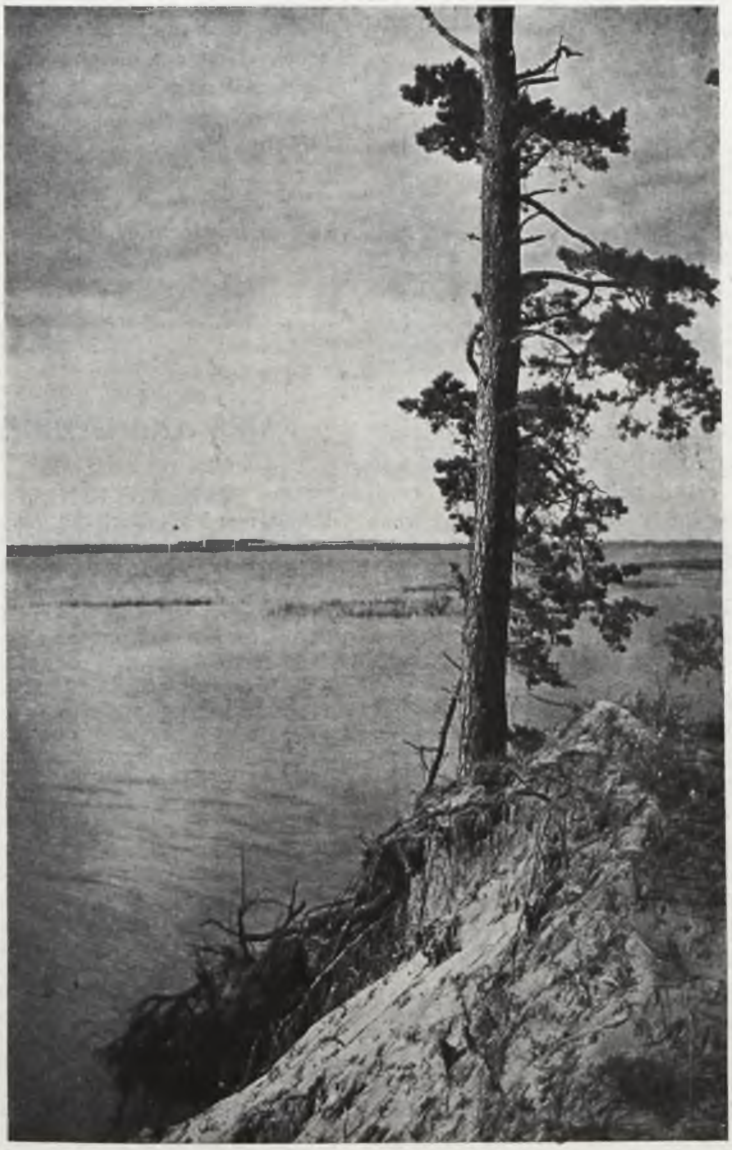
CENSUS OF LIVE STOCK.— In 1927, there was carried out in Poland a census of live stock. This filled a gap in the agricultural statistics, for since 1921 no investigation of this kind had been made

The number of domestic animals in Poland on November 30, 1927 turned out to be as follows:

horses	4,128.000
cattle	8,571.000
swine	6,397.000
sheep	1,917.000

In comparison with the animal census of 1921, the number of horses increased by 25·5 per cent, cattle by 5·5 per cent, swine by 20 per cent and the number of sheep decreased by 16 per cent.

In comparison with the numbers of these animals in Poland before the war, it is calculated that the number of horses and swine has risen by 17·9 and 14·2 per cent respectively, that cattle have decreased by 1·5 per cent and sheep by 57·4 per cent.


LAKE NAROCZ IN EASTERN POLAND (*PHOT. J. BUŁHAK*)

THE STOCKING OF POLISH LAKES WITH FISH. — In order to develop the fresh water fishing industry, the Ministry of Agriculture has taken action through the intermediary of the Fishermen's Organisation with the object of stocking lakes with perch-pike and eel. The initiative of the Minister of Agriculture has been received favourably by the interests concerned, and arrangements have been made for the catching of spawn at five different places in the the country; efforts have also been made at the artificial fertilizing of perch-pike roe by the application of the methods employed in the United States of America. It has also been decided to import elvers, which for the first time since the war will be brought into Poland for this purpose.

MOVEMENT OF PRICES. — In April, trade in general showed a normal turnover. At the beginning of the month, during the period preceding the Easter holidays, operations were fairly active, but gradually the curve returned to normal and as a certain slackening off took place towards the end of the month, trade figures covering the whole month, were practically at the same level as in March. The principal factor which exercised a depressing influence was the scarcity of money brought about by considerable orders being placed abroad by local traders in order to get in suplies before the application of the readjusted customs duties. The tightness on the money market was also due to the increased demand for credit on the part of the agricultural community and the seasonal industries. Nevertheless the discounting of long term bills was easier than in the preceding month.

In certain branches the cold weather interfered with business; this was particularly the case in the textile trades.

Prices exhibited an upward trend, due to various seasonal influences and not to an increase in demand.

The movement of price indices is

illustrated by the following table (1914 = 100):

		Wholesale price index:	*Retail price index:*	*Cost of living index:*
January	1927	112·8	147·8	116·6
April	„	119·4	147·7	117·8
May	„	120·5	150·0	118·8
June	„	120·2	149·1	119·0
July	„	120·9	147·2	115·3
August	„	120·1	147·2	116·4
Sept.	„	119·3	149·6	117·2
October	„	119·6	150·0	119·0
November	„	120·7	151·5	121·8
December	„	120·0	151·2	121·0
Jan.	1928	118·6	151·5	120·3
February	„	117·8	150·3	118·3
March	„	121·2	151·9	119·3
April	„	124·5	153·0	120·7

It is seen that the index of wholesale pricea in April rose by 3·3 per cent and that of retail prices by 1·0 per cent, while the index of cost of living rose by 1·2 per cent. The increase in the wholesale prices is to be attributed to the rise in value of agricultural products and, to a lesser degree, of manufactured articles. The index of the former rose by 4·6 per cent and of the latter by 2·5 per cent. The group of agricultural products showed irregular tendencies; thus, the prices of foodstuffs of vegetable origin moved up by 9 per cent, while at the same time the prices for the products of animal origin declined. Of course, the increase in the products of vegetable origin was caused by the rise in prices for grain which moved up in connection with the upward trend on the world market. There were also other reasons for the rise in prices of grain—namely, the exhaustion of the local reserves and the some what unfavourable reports on the state of the sowings. Prices for potatoes also moved up, due to the decrease in the supplies and the increased demand for planting.

In the group of animal products prices of meat did not show any change but those for eggs and butter declined by reason of the increased production which is natural occurance at this time of the year.

In the group of industrial commodities, prices of coal showed the largest increase, 11·9 per cent, owing to the rise of prices on the world market. Textiles rose by 2·6 per cent on account of the increased prices for the raw materials, wool and cotton; prices of timber rose by 0·5 per cent, the higher grades being chiefly affected. In connection with the improvement of prices on the world metal market, prices of zinc rose in Poland by 0·3 per cent. In the remaining groups of articles, hides and tanned skins showed a considerable increase.

The rise in the index of retail prices was caused by the upward movement of agricultural products (1·7 per cent) and of manufactured products (0·3 per cent). The index of the cost of living increased as the result of the rise in the prices of foodstuffs by 0·9 per cent, of fuel by 0·8 per cent and rent by 6·7 per cent. All the remaining articles forming the basis for the calculation of this index declined by 0·1 per cent.

FAIRS AND EXHIBITIONS

THE INTERNATIONAL POZNAŃ FAIR. — This fair, the eighth in succession, was held from April 29 to May 6. It has gained in importance; the number of stands and the area occupied by them have grown steadily as each year new buildings are erected, and new grounds added. The floor area occupied last year was 11.000 sq. m.; in the current year a new hall covering 7.500 sq. m. has been added and the total area of all the pavillions amounted to 30.000 sq. m. In addition new grounds totalling 12.000 sq. metres were placed at the disposal of exhibitors. Compared with the previous year great progress has been made which was reflected also in the different sections of the Fair, and in particular in that of agricultural machinery and implements. There was a great number of exhibitors. In the current year, among the industries represented the following merit attention: textille, tanning, footwear, outfitting, fancy ware, toy, paper, office furniture, musical instruments, sport, ceramic, glass and porcelain, foodstuffs, chemical, metal and mining.

Foreign countries were well represented the number of foreign exibitors being 30 per cent of the total. Of the different countries France and Germany occupied the first place, and the latter collected its exibits under one roof; Austria, Czechoslovakia, Italy, Brasil, Syria and Palestine may be counted among the countries which took an active part in the Fair on a large scale. During the Fair numerous meetings of businessmen were held and a number of excursions, composed of traders, came from various countries including Austria, Czechoslovakia, France, Greece, Palestine and Rumania. The volume of transactions made at the Fair beat all previous records. For this reason the International Poznań Fair is attracting an ever growing attention of the industrial and commercial circles both at home and abroad and has thus become a useful institution promoting the development of Poland's commercial relations with foreign countries.

It should be stated that the Fair has organised a permanent intelligence office which gives information to local and foreign traders concerning purchases and sales possibilities.

In 1929, the International Poznań Fair will be attached to the Polish Universal Exhibition, the object of which will be to show the development of Poland during the last ten years. This exhibition has already attracted the attention of foreign commercial and industrial circles who are desirous of establishing close economic contract with Poland.

FOREIGN TRADE

—While dealing with the foreign trade balance for March, we stated that the rise in import was transitory and was caused by the increased imports of goods which, in accordance with the Presidential decree pay, as from March 15th last, increased duties to the extent of 72 or 30 per cent respectively. A statement was made that in view of the accumulation of goods dutiable at the new rates, imports in the following months would not only return to their previous level, that is, slightly over zł 270 million, but that they would decline by about zł 30 million during the period for which the surplus imports would suffice.

The returns for April have partly confirmed our forcast for the imports amounted to zł 265,626.000, a decrease of zł 106,606.000 as compared with March and a decrease of zł 4,702.000 as compared with February.

Imports of foodstuffs amounted in February to zł 39,468.000, in March to zł 52,605.000 and in April to zł 58,031.000. It will thus be seen that despite the general decline in the import of foodstuffs, they were, in April, higher by zł 5,426.000 than in March, and by zł 18,563.000 higher than in February. When further the April figures for the most important articles of foodstuffs are compared with those for February, it will be found that after the elimination of grain (including rice), all the remaining items, with a few exceptions, show either the same level or decreases. Thus, the import of lemons and oranges, nuts, almonds spices, tea, cocoa, herrings, oils and edible vegetable fats etc. declined, whereas the import of the most important varieties of grain showed considerable increases as compared with those of March and February last.

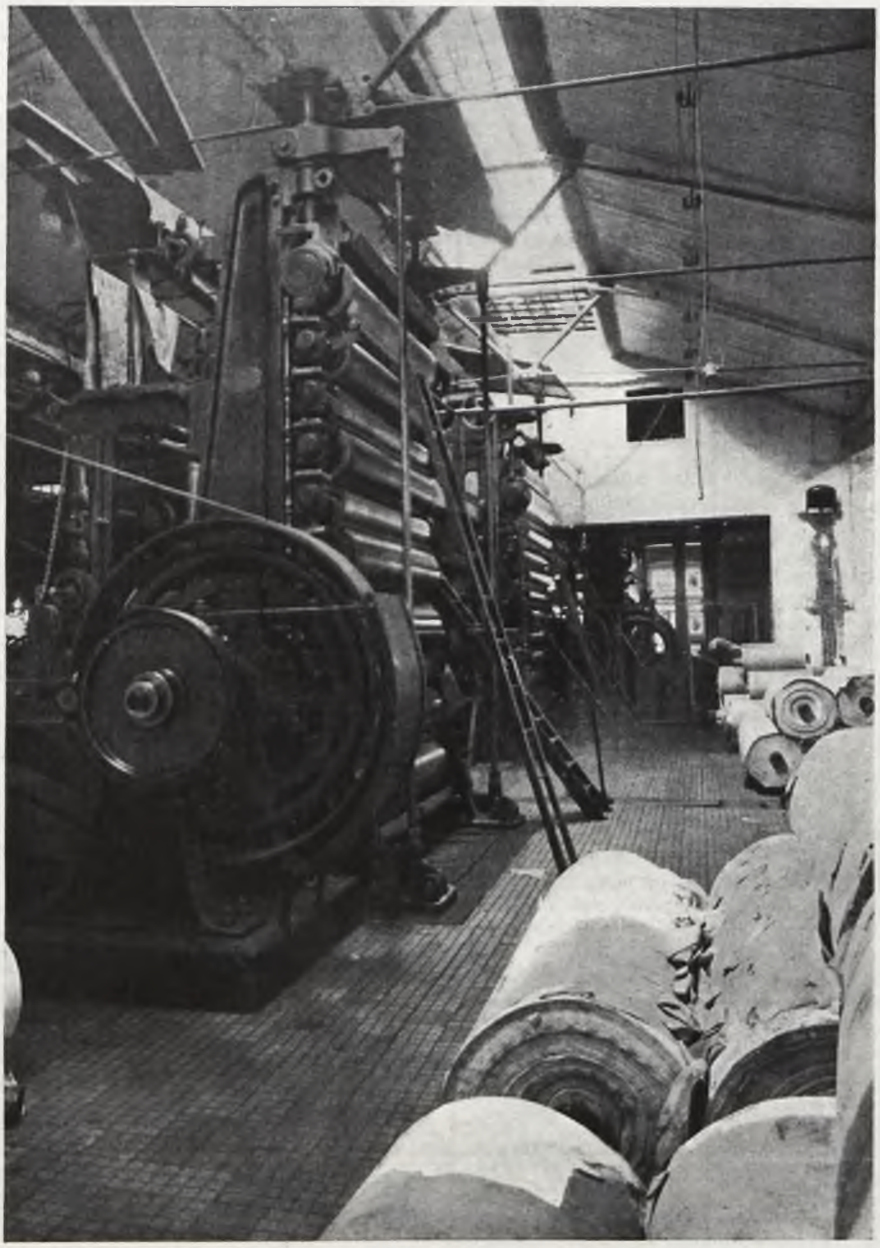
Imports of the more important varieties of grain effected in April were higher by zł 20 million than in March, and by zł 22 million than in February. This is accounted for by the

IMPORTS

GOODS	April 1928	Jan.-April 1928	Jan.-April 1927	April 1928	Jan.-April 1928	Jan.-April 1927
	Volume — in tons			Value — in thousands of zł		
TOTAL:	410.816	1,576.434	1,541.617	265.626	1,179.408	856.515
Foodstuffs	76.533	208.981	305.849	58.031	193.012	206.029
including:						
wheat	12.795	21.011	82.217	6.904	11.199	42.009
rye	28.156	31.013	42.571	13.843	15.111	16.361
maize	4.812	18.506	30.646	1.726	6.037	8.839
rice	7.585	20.469	15.268	4.867	13.508	10.987
plums	305	5.790	4.339	362	7.114	4.806
lemons and oranges	1.539	8.736	9.421	1.045	7.210	6.937
nuts, almonds and spices	357	2.094	1.439	1.422	7.578	5.171
tea	155	815	752	1.372	7.174	6.625
cocoa	495	2.169	1.610	1.563	6.902	5.137
coffee	630	2.432	2.115	2.919	11.158	9.724
fish and herring	5.270	34.873	37.204	4.496	25.109	22.070
edible fats of animal origin	2.422	8.003	5.017	5.928	20.239	13.694
edible fats of vegetable origin	822	4.429	4.196	2.111	10.219	8.579
mine	375	2.126	1.339	694	4.090	2.393
tobacco	911	2.890	6.581	2.744	8.646	13.927
Live animals (head)	46.613	63.804	49.653	301	823	583
Animal products	3.566	14.682	13.449	19.066	93.054	60.748
including:						
dried skins	1.389	7.474	7.573	4.487	24.615	20.054
furs raw	111	1.097	577	1.285	10.012	4.205
tanned hides	233	1.506	1.932	7.285	36.512	26.920
furs, prepared	20	75	43	1.979	7.989	2.476
shoes	39	135	64	1.812	5.980	2.397
Timber and wood ware	3.115	11.812	7.516	1.717	6.761	4.512
Plants and seeds	5.689	15.292	12.893	4.040	13.982	12.696
Building materials, minerals, ceramic products; glass	103.046	407.411	335.296	5.123	22.426	15.392
Fuel and petroleum products	19.903	96.882	51.498	1.221	6.430	3.869
Rubber and rubber products	615	1.990	903	5.562	20.287	9.476
including:						
tyres and inner tubes	300	664	379	3.280	7.509	3.938
rubber footwear	28	300	83	480	6.163	1.938
Chemicals	59.994	276.428	249.927	23.249	127.654	92.876
including:						
potass. salts	4.903	48.581	50.540	724	7.610	6.437
Chilian saltpetre	9.831	62.062	30.732	4.648	28.760	15.459
Thomas slag	8.275	55.302	43.142	820	5.196	4.620
vegetable fats	1.989	8.080	7.705	3.166	13.419	13.340
animal fats	1.420	5.279	4.956	2.230	8.127	8.380
tanners	1.332	5.977	5.093	1.394	6.445	4.437
dyestuffs (synthetic)	61	600	295	1.058	11.066	4.827
Ores, metals and metal products	114.863	418.230	479.169	25.193	105.347	83.381
including:						
iron ores	42.059	156.057	199.820	1.957	7.256	5.832
zinc ,,	14.903	61.049	60.367	3.471	10.726	15.667
scrap iron	47.971	145.198	162.507	6.653	19.983	16.463
iron and steel sheets	1.593	7.324	4.009	1.013	5.423	3.372
copper and copper prod.	742	4.127	2.766	2.374	12.588	7.869
Machinery, electrical wares, means of communication	6.679	36.804	17.012	35.406	178.561	87.417
including:						
motors	341	2.248	695	1.512	7.989	2.354
electrical machinery	218	1.349	495	2.299	10.713	4.985
wood and metal working machinery	541	2.665	1.042	1.742	9.006	5.654
textile machinery	851	3.940	1.609	5.855	20.211	10.130
agricultural machinery	1.063	5.693	1.961	3.140	15.032	7.033
boilers and heating apar.	451	1.976	966	1.807	8.898	4.261
electrical appliances	889	5.295	3.734	4.476	30.114	21.354
cycles	188	953	380	1.179	5.911	2.306
motor cars	776	3.717	1.437	5.360	25.836	10.659
Paper, books, and pictures	4.112	33.764	22.219	5.479	35.020	24.718
including:						
waste and rags	2 287	12.506	10.485	2.238	11.248	9.591
paper and paper ware	980	15 301	7.490	1.637	16.045	9.340
Textiles and textile products	12.420	52.943	45.114	71.655	337.612	232.293
including:						
jute	2.587	9.417	7.819	3.763	13.135	10.815
cotton	6.375	27.953	25.273	26.983	118.811	85.902
cotton yarns	243	1.257	1.037	3.926	20.954	13.271
„ fabrics	167	826	482	4.474	20.971	11.330
wool (combed incl.)	2.108	8.949	7.672	20.264	89.818	67.904
„ yarns	126	1.041	662	3.149	25.524	15.044
„ fabrics	45	248	165	1.581	7.538	4.126
silk fabrics	15	96	68	2.783	16.943	11.958
Clothing and fancy wares	82	389	285	3.537	14.579	10.531
Various	199	826	486	6.046	23.866	11.994

EXPORTS

GOODS	April 1928	Jan.-April 1928	Jan.-April 1927	April 1928	Jan.-April 1928	Jan.-April 1927
	Volume — in tons			Value — in thousands of zł		
TOTAL:	1,430.213	6,315.304	6,705.457	184.521	809.173	829.573
Foodstuffs	64.914	269.284	369.202	41.888	181.451	221.502
including:						
barley	7.621	35.243	30.352	3.396	15.273	12.324
peas and beans	1.874	14.432	6.251	1.168	8.358	3.223
potato flour and starch	1.741	5.912	1.061	1.217	4.043	610
sugar	7.661	68.563	105.296	4.688	39.797	71 844
meat	2.084	10.691	12.269	4.694	25.079	28.842
butter and chesse	791	3.105	1.787	4.442	17.316	7.408
eggs	5.231	14.030	20.555	13.717	39.169	49.514
hops	17	255	237	157	2.324	2.943
forage	16.137	72.306	117.361	3.938	16.529	26.979
Live animals (head)	127.081	565.371	373.939	15.348	76.190	41.645
including:						
pigs	93.066	431.477	177.160	13.950	70.701	35.219
Animal products (head)	1.468	6.804	5.336	4.478	22.427	14.731
including:						
dried skins	666	3.054	1.329	2.143	9.482	2.985
furs raw	23	184	345	617	4.291	4.935
Timber and wood ware	373.285	1,668.767	2,096.367	47.410	194.350	190.679
including:						
pulpwood	44.683	338.525	365.039	2.783	21.400	18.287
pit props	51.877	225.858	356.728	2.787	11.599	15.479
round wood and logs	107.843	460.035	614.077	11.111	45.160	53.058
planks, deals, battens	133.580	490.277	585.330	24.169	88.861	79.656
railway sleepers	8 579	44.574	55.236	1.265	6 607	5.509
furniture	607	2.499	1.712	1.140	4.601	3.162
veneers	2.386	8.536	7.201	1.866	6.314	5.052
Plants and seeds	5.750	34.481	34.523	3.846	32.017	26.501
including:						
grasses and pasture plants seeds	4.371	22.808	23.230	3.035	23.020	19.907
sugar beets seeds	31	2.245	2.662	50	3.855	3.485
oil seeds	633	4.778	2.180	543	3.574	1.625
Building materials, minerals, ceramic prod.; glass	60.436	219.571	212 566	1.511	5.469	6.977
Coal, coke, briquettes	851 492	3,810.102	3,657.996	23.555	105.423	119.741
Petroleum products	17.172	71 265	112.591	5.387	25.656	36.768
including:						
motor and lubricating oils	5.897	25.487	46.516	1.111	5.170	9.918
benzine	4.895	15.971	25.820	2.151	7.357	11.823
paraffine wax	1.225	11.642	6.355	1.025	9.246	7.379
Chemicals	16.354	66 844	48.167	4.378	17.486	14.970
including:						
artificial fertilizers	8.071	35.064	20.186	923	4.488	3.415
Ores, metals and metal products	34.625	145.768	145.255	21.707	85.609	96.723
including:						
iron and steel rails	3.812	15.910	20.620	1.184	5.003	6.451
iron and steel sheets	3.985	14.078	18.805	2.506	8.382	10.153
pipes	4.098	14.609	11.979	2.594	9.133	7.322
lead	945	3.481	5.804	917	3.402	7.058
zinc	10.087	41.746	38.548	11.060	46.669	51.361
„ sheets	1.137	3.891	4.068	1.560	5.472	6.681
Machinery, electrical wares, means of communication	279	1.587	2.698	571	3 297	4.045
Paper, books and pictures	2.021	5.645	5.911	1.198	3.714	3.938
Textiles and textile products	2.370	15.004	14.693	12.456	52.484	48.520
including:						
flax and hemp	1.001	9 805	9.509	1.065	10.459	7.503
cotton fabrics	252	1.101	2.137	2.622	11.829	19.323
wool	265	904	430	1.439	5.137	2.151
wool yarns	167	518	459	3.533	11.215	8.790
wool fabrics	81	259	158	1.466	5.186	3.706
Clothing and fancy wares	37	145	109	608	2.666	2.076
Various	10	47	44	180	940	757



A CORNER IN THE PAPER MILLS, MIRKÓW, NEAR WARSAW (*PHOT. PLATER*).

inadequate supply of home grown grain and increase of prices with the result that the competent authorities felt justified in granting import licences in respect of wheat and flour. At the same time, as is usual in periods marked by high grain prices, the imports of rice increased for the duty has only been raised on the polished variety.

The increase in imports of grain is undoubtedly an unfavorable development but under the circumstances it was an obsolute necessity. It is difficult to foresee in what proportion grain will have to be imported in the few months preceding the harvest. If the prospects for harvest improve, the supply of grain will increase from the existing local stocks and import will decline; if, on the other hand, if it is seen that the harvest will be a medium one or below the average, further imports of grain will be unavoidable and may even exceed considerably the quantity imported in April. In this case, the total value of imports will not decline and may be still larger. In addition to foodstuffs only two groups, namely—those of live animals and plants and seeds show, in April, larger figures than in March, but the increases were comparatively small being only zł 202.000 and zł 29.000 respectively. All the other sections on the import side showed decreases and were at about the same level as in February.

Before examining the more important changes a remark of a general character should be made here.

The decree relating to the adjustement of customs duties rules that the previous customs duties will only be applicable to those goods which have been declared to the customs by March 15th at the latest. In view of the fact that the customs authorities could not cope with the work during the period preceding the above mentioned date, and that the imposition of the duties has been taking place since March 15th, the Chief Statistical Office received a portion of the returns only in April. For this reason the April returns contain in many cases comparatively large items in respect of which the new rates readjusted at the ratio 1·72 were applied, that is, articles which should have been imported in considerably smaller quantities in April than before the readjustments. An example of this is the group of animal products.

The import of products of animal origin was in April zł 12,538.000 smaller than in March, and zł 3,279.000 smaller than in February; compared with the returns for February, the largest decrease is shown in the imports of hides and raw skins, whereas the import of tanned leather only declined slightly and that of furs and footwear rose considerably. The largest decrease, was shown in the group of chemicals, the import of which in April was zł 13,665.000 lower than in February and zł 17.001.000 lower than in March. The imports of organic chemicals, dyes, colours, varnishes and various chemicals (according to the classification adopted for the preparation of foreign trade statistics), which in March rose very considerably, returned in April to the February level; the whole decrease as compared with February was tharefore caused by the decline in artificial manures which is usual at this time of the year and which represent the bulk of the fourth group of chemicals, namely—that of inorganic chemicals.

Imports of metal and metal products (ores not included) rose by zł 1,198.000 as compared with February, but declined by zł 8,342.000 as compared with March; the increase in imports as compared with February is accounted for by the rise in scrap iron by zł 2,319.000; the remaining items did not show any considerable changes with the exception of copper and products thereof, the imports of which declined by zł 1,429.000.

The import of machinery and apparatus, electrical ware and means of communication returned also to the February level; taken together, they showed a decline of Zł 27,355.000 as compared with the March returns. Compared with the figures for February, it should be mentioned that there was a decline in electrical ware and an increase in textile und agricultural machinery.

The textile group exhibited a decline by Zł 32,824.000 as compared with March and by Zł 8,767 000 as compared with February. Compared with the returns for March nearly all items showed a decline with the exception of jute. The same thing will be found when comparison is made with the import returns for February, only with the difference that the decrease is not so large and is distributed unevenly among the different items. It should be noted in this connection that the imports of raw materials remained almost unchanged, while slight decreases were observed in the imports of semi — finished and finished articles. To complete the picture of the changes which have taken place in the April imports as compared with the February, it should be stated that there was a large increase in rubber and rubber ware and a decline in paper and products thereof as well as cardboard.

An analysis of the exports is easier inasmuch as there is no need to compare the data with those for February as the March exports were not subject to any special influences which could affect them even to a slight degree as did the readjustment of customs dnties in the case of imports.

Exports in April totalled Zł 184,818.000, a decrease of Zł 23,597.000 as compared with the previous month. A detailed examination of the changes which took place in the different groups and items will enable us to account for the decline.

The group of foodstuffs showed a decline of Zł 4,143.000 as compared with March; over a half of this sum was represented by a decline in the imports of grain and pod plants. The largest increase — by Zł 1,376.000, was shown by barley. Of the other foodstuffs there was a large decline in the export of meat, by Zł 3,100.000. On the other hand, there was a large increase in the export of potatoes, potato flakes and starch. Exports of butter, cheese and sugar remained practically unchanged.

A still larger decline — by Zł 5,085.000 took place in the export of live animals, due to the fall in pigs — by Zł 4,653.000. There was also a slight decline in the exports of the products of animal orlgin but this group is of comparatively small importance.

Exports of timber and products thereof, after a strong increase in March, showed a decline of Zł 4,030.000 in April. This decline was mostly due to the decrease in pulp wood by Zł 1,625.000 and round wood by Zł 3,101.000; it is also true, that the amount of railway sleepers declined by Zł 1,305.000 but at the same time there was an increase, by Zł 2,109.000 in, the exports of sawn wood.

The export season for seeds came to a close in February and for this reason there was a decline in March, and in April there was a further fall by Zł 3,942.000; the largest increase was reported in fodder roots and grasses.

Leaving out of account the groups of lesser importance, attention must be given to the exports of coal, coke and briquettes. Coal again showed a decrease of Zł 24.000 tons, valued at Zł 331.000. This decrease is small and is of little importance but it meritsattention on account of the fact that the statistical returns of the foreign trade showed smaller quantities than those indicated of late by the Ministry of Industry and Commerce. This question will be dealt with after the necessary data are compiled.

In the potroleum products group there was a slight increase in the exports of petroleum, benzine, gas oil and lubricating oils, which, taken together, amounted to Zł 581.000. On the other hand, the exports of paraffine works declined by Zł 1,591.000 with the result that the whole group showed a fall.

Exports of metals and products thereof (ores not included) showed a decrease of Zł 1,881.000. This decline is accounted for by the fall in the export of zinc by Zł 2,700.000 for, the exports of zinc sheets, iron and pipes and various other metal articles showed increases.

Finally, the last of the important export groups — the textile — showed a decrease of Zł 1,902.000. The reason for this is the decline in the exports of flax and hemp by Zł 1,367.000 and of cotton fabrics by Zł 592.000. The remaining export groups did not show large varations.

It is seen that the groups of foodstuffs, live animals, timber, and plants and seeds, taken together, are responsible for 75 per cent of the decrease so that the decline on the export side comprises in the first place agricultural products including live stock and timber. The decline in the export of agricultural products is normal at this time of the year and as regards the decline in the exports of products of stock breeding and unworked timber, it is too early, as yet, to say whether this is of a transitory charakter or not. In any case, the decline in the exports of unworked timber is rather more favourable than the reverse. The balance of 25 per cent of the total decline in the exports covers almost all the remaining groups of industrial and mining products. The fluctuations in all the other groups are so small that they may be regarded as usual monthly variations.

The adverse foreign trade balance for April was Zł 81,105.000. It is true that a large adverse balance is not, of course, a desirable factor but, as stated on several occasions, it is at present an unavoidable consequence of the inflow of foreign credits. Similarly as in the previous month, the bulk of the imports are means of production necessary for the development industry and amelioration of the goods produced. Up to the present, exports have not kept pace with imports but every new machine imported contributes towards an nicrease of the export possibilities of the country or to the replacement of consumption imports by articles of local manufacture.

OPENINGS FOR TRADE AND BUSINESS WITH POLAND

Particulars of any of the undermentioned offerings may be secured on applying to the Editor, "The Polish Economist", and quoting the respective Ref. No.

The Editor accepts no responsibility for the consequences of the transactions concluded.

Ref. No. 140: Polish enterprise producing rectified alcohol seeks buyers.

Ref. No. 141: Water and sewage cast iron piping, asphalted, and parts thereto, are offered by Polish Works.

Ref. No. 142: Export firm desires to enter into relations with foreign timber purchasers.

Ref. No. 143: Polish firm offers for sale roofing and insulating material; orders also executed for impregnating railway sleepers, masts, &c.

CUSTOMS DUTIES AND FOREIGN TRADE REGULATIONS

REGULATION OF GRAIN AND FLOUR MOVEMENT.— In accordance with the regulations of the Ministers of Finance, Industry and Commerce, and Agriculture, dated March 30th, 1928 („*Dz. Ust. R. P.*" No. 45 item 445) the export duties on rye and rye flour amounting to Zł 15 per 100 kg. will be maintained until September 30,1928.

The import prohibition on wheat and wheat flour expired on May 1,1928. In accordance with the regulation issued by the Council of Ministers and dated May 2,1928 („*Dz. Ust. R. P.*" No. 52 item 498) import prohibition on wheat is rescinded, whereas that in respect of wheat flour is prolonged to June 30,1928. The Minister of Industry and Commerce in conjunction with the Minister of Finance is empowered to issue import licences in respect of wheat flour.

CUSTOMS REBATES FOR MACHINERY AND APPARATUS NOT MANUFACTURED IN POLAND. „*Dz. Ust. R. P.*" No 41, item 403, contains regulations dated March 27,1928 concerning rebates in respect of machinery and apparatus not manufactured locally. The rate of the rebates (80 per cent) is maintained, but the regulation foresees that in connection with the order of the Ministers of Finance, Industry and Commerce, and Agriculture, dated January 25,1928, by which maximum customs duties in respect of goods originating in the countries possessing no regular commercial treaty with Poland, are applicable, the rebate (80 per cent) will also be deducted from the maximum customs duty. These rebates will not be accorded automatically but will be granted by the Minister of Finance in conjunction with the Minister of Industry and Comerce in each case separately.

These regulations provide for the automatic prolongation of this rebate until December 31,1928. These regulations replace those dated September 26,1927 („*Dz. Ust. R. P.*" No. 84, item 758).

TRANSPORTS

RAILWAY TRAFFIC IN APRIL. — During this month traffic on the Polish State Railways showed a falling off, the average daily movement declined from 17.569 15 ton goods wagons in March to 14.599, a decrease of 16·8 per cent Compared with the corresponding period of last year (15.647) transport declined by 6·7 per cent. It should be stated, however, that the decline in railway traffic in the spring season is normal and results from a whole range of seasonal causes. Thus, in this connection there is the decline in the demand for coal for heating purposes; and on account

RAILWAY BRIDGE OVER THE BUG RIVER NEAR MAŁKINIA
(PHOT. S. PLATER)

of the termination of the sowing season declines were also shown in the volume of seed consignments as well as in those of potatoes, artificial fertilisers and all those products which are generally purchased by the farmers at this time of the year; moreover, timber consignments for export showed a considerable falling off which reduced the amount of consignments destined for foreign countries. It is also worthy of note that the number of trucks destined for abroad declined as compared witb March; and the same remark applies to transit traffic.

The average daily supplies of 15 ton wagons, are given below:

	April 1928	*March 1928*	*April 1927*
loaded on the Polish State Railways:			
destined for local stations	10.238[1])	12.273[1])	10.325[1])
destined for abroad	2.766	3.233	3 349
Total:	13.004[1])	15.506[1])	13.674[1])
received from abroad	574	712	740
transit via Poland	1·021	1.351	1.223
Total:	14.599	16.178	15.647

Compared with the preceding month, the average daily number of car loadings declined by 2.002; the average daily number of trucks destined for local stations declined by 2.035 and for foreign stations by 467. At the same time the average daily number of trucks received from abroad declined by 55 and in transit by 2.011.

The following statement illustrates the daily car-loadings ot the different groups of merchandise despatched to local stations (15 ton wagons):

	April 1928	*March 1928*	*April 1927*
coal, coke and briquettes	3.166	3.607	2.463
crude oil and petroleum products	145	179	153
timber	905	1.310	930
agricultural products	772	1.013	792
raw materials and industrial products	1.899	2.302	1.855
various	3.351[1])	3.862[1])	3.097[1])
Total:	10.238	12.273	9.290

It is seen from the above table that compared with the preceding month there was a decline in all classes of goods despatched to local stations. This appears to indicate that in addition to the above mentioned causes, the decrease in the transport of a number of commodities is the result of a diminished purchasing capacity of the agricultural community during the period preceding the harvest.

It is worthy of note that the quantity of coal exported during the period under review was larger than in April of last year which, no doubt, is to be attibuted to the increased industrial activity.

The following Statement gives the average daily number of 15 ton wagons despatched to foreign countries.

	April 1928	*March 1928*	*April 1927*
coal, coke and briquettes	1.909	2.066	1.748
crude oil and petroleum products	45	42	53
timber	560	898	977
agricultural products	39	59	39
various	213	228	242
Total:	2.766	3.233	3.059

[1]) *Together with loadings effected in Danzig.*

[1]) *Together with loadings effected in Danzig*

Compared with the preceding month the average daily number of car loads of coal declined by 157 and that of timber by 348. Other groups showed comparatively less marked variations.

PORT TRAFFIC IN APRIL — The movement of ships in the Polish ports, Danzig and Gdynia, was greater in April than in preceding month as a result of the termination of the winter season.

In Danzig arrivals numbered 576 with 348.404 net reg. tons (in March 311.281), and 540 departures with 318.524 net reg. tons (in March 120.244). In the case of incoming ships, tonnage capacity was utilised to the extent of 17 per cent and in the case of departures the corresponding figure was as much as 88 per cent. Broadly speaking, the movement of ships in the port of Danzig during the past four months was practically the same as in the corresponding period of last year, the total volume of incoming and outgoing ships being 2,461.566 net reg. tons as compared with 2,479.802 net reg. tons a year ago.

The nationality of the ships which called at Danzig in April were as follows:

	Arrivals: ships	*Arrivals:* net reg. tons	*Departures:* ships	*Departures:* net reg. tons
Poland & Danzig	20	12.961	25	11.792
Germany	225	111.000	208	106.105
Finland	6	9.125	6	7.985
Estonia	2	633	1	371
Latvia	19	16.734	17	17.730
Lithuania	1	196	1	196
Switzerland	125	62.055	106	49.951
Norway	27	23.961	29	25.211
Denmark	90	57.739	93	51.555
England	21	34.521	20	32.987
Holland	18	6.521	14	7.373
France	8	9.117	6	5.853
Chile	2	238	2	238
Greece	3	2.502	2	3.062
Turkey	2	48	2	48
Rumania	1	151	1	102
Austria	2	394	2	394
Czechoslovakia	2	498	3	571
Total:	576	348.404	540	318.524

The number of German ships rose as compared with the preceding month; the same remark applies to Swedish flag which ranked second. Of the 19 flags which were represented during the month, Poland occupied the 9 in place.

According to provisional returns the movement of goods in April as compared with March is given below (in tons):

	Imports: April	*Imports:* March	*Exports:* April	*Exports:* March
grain	21.231	4.951	3 087	10.822
sugar	—	—	6.160	9.765
herring	1.200	7.654	—	—
groceries and foodstuffs	3.252	4.585	2.562	3.535
artificial fertilizers and chemicals	21.893	38.831	2.3[illegible]0	7.250
timber	—	—	100.537	97.724
cement	—	—	7.210	9.815
building materials	585	1.900	—	—
coal	140	4.950	393.600	338.070
mineral oils	1.771	3.239	2.306	3.724
ores	7.430	7.600	—	—
scrap iron	52.061	39.881	—	—
iron	2.565	4.767	—	—
various	1.967	766	5.196	4.999
Total:	114.095	119.124	523.018	485.704

It is seen from the above figures that imports in April were maintained at the same level as a month earlier, whereas the volume of exports rose by nearly 40.000 tons. Coal exports showed the largest increase, from 338.000 to 393.000 tons, a marked increase in this respect having been foreseen in our report for the past month. The exports of timber also showed an increase over the preceding month by 3.000 tons; this development, that is, the growth of timber exports has been reported during the past few months and there is every reason to believe that this tendency will be maintained for some time. Nevertheless, the volume of timber exports in April last declined as compared with a year ago, the figures being 100.000 tons and 122.000 tons respectively. All the remaining export articles showed more or less large declines.

On the import side, scrap iron occupies the first place; a large increase was also reported in grain imports but this is a normal feature at this time of the year.

On the other hand, the volume of artificial fertilisers, received from abroad, declined cosiderably but this may be regarded as a usual occurence because the largest imports of this material are always effected in the spring and autum months. Imports of ores were much the same as in March, that is, on a small scale which is explained by certain difficulties being encountered in navigation in the northern part of the Baltic.

Exports of coal (bunker coal not included) according to their destination are given below (in tons):

Switzerland	102.017
Denmark	83 181
Norway	61.630
France	42.003
Latvia	30.697
Italy	17.841
Finland	10.219
Holland	2.166
Lithuania	880
Estonia	735
Germany	7[illegible]0
Total:	358.069

The passenger traffic through Danzig in April was as follows:

	Arrivals persons	*Departures* persons
Libau	46	59
Stockholm	3	1
Copenhagen	129	783
London	95	3.172
Hull	56	801
New York	173	513
Helsingfors	13	—
Pilau	46	—
Gothenburg	3	—
Total:	564	5.329

In Gdynia there arrived in April 77 ships with 73.539 net reg. tons (in March 73 ships with 61.801 net. reg. tons) and 73 departed with 70.704 net. reg. tons (in March 74 ships with 63.668 net reg. tons).

The exports consisted solely of coal, which amounted to 129.933 tons — the highest quantity hitherto despatched through this port. The corresponding figures for March was 118.209, for February 106.774 and for January 103.562 tons. Sales of bunker amounted to 5.390 tons.

Imports into Gdynia totalled 13.480 tons (in March 5.108 tons) and included 12.243 tons of rice and 1.176 tons of artificial manures and 111 tons of various other articles. The nationalities of the ships calling at Gdynia was as follows:

	Arrivals: March	*Arrivals:* April	*Departures:* March	*Departures:* April
Poland	5	9	6	6
Danzig	2	1	2	1
Germany	19	15	19	16
Holland	—	1	—	1
Sweden	22	22	22	21
Norway	6	5	5	5
Denmark	3	8	3	8
Latvia	9	6	11	5
Estonia	—	2	—	2
France	5	4	5	4
England	1	4	—	4

THE ORGANISATION OF THE MERCANTILE MARINE SERVICE.— The Presidential decree of March 22, contains new principles of organisation of the authorities of the mercantile marine; thus, the authorities of the first instance are the Port Capitanates, of the second instance the Marine Department with headquarters at Gdynia, and of the third instance the Ministry of Industry and Commerce. The following matters fall within the provinoe of activities of the Port Capitanates: control of port and navigation police and in particular the watching over the security of vessels, crews, passengers and goods during the time of demurrage, transhipment and loading of goods, and over the traffic of vessels within the port and its radius; the regulation of the traffic and of the demurrage of vessels within the port and its radius; the control of shipping documents and keeping of a register of ships entering and leaving the port; watching against the danger of fire;

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*) *For the rates hitherto in force, see "The Polish Economist" No. 2/1928 page 79.*

the collaboration with other organs of public security. The capitanates are also responsible for the port pilotage, the maintenance of bouys and other navigation signals within the port and its radius, and collaborate with the customs, emigration and railway authorities.

The Minister of Industry and Commerce may entrust other duties to port capitanates. At the present time there are four capitanates on the Polish coast, namely: at Gdynia, Puck, Hel and Tczew.

The capitanates are headed by a captain of the port.

The following question fall within the office of the Marine Department: erection and maintenance of lighthouses, bouys and other navigation signals: pilotage; port and navigation police, technical inspection of mercantile vessels as regards their suitability for sea navigation: erection ane maintanance of Government sea ports, their equipment and protection works; the exploitation of Government sea ports, harbours and their equipment; supervision over the construction, maintenance and exploitation of ports, harbours and port equipment owned by communes and private individuals; construction and maintenance of shore break waters; the dredging and maintenance of sea routes; control of steam boilers of mercantile marine vessels; life saving; compilation of data relating to port traffic; collaboration with other authorities in the matter falling within the province and relating to the mercantile marine and mercantile sea ports; appeals from the decisions of subjected departments and various other questions to be ordered by separate legal regulations.

The Marine Department is headed by a Director. The Director of the Marine

A WATERWAY IN EASTERN POLAND *(PHOT. J. BULHAK)*

Department, in cases not regulated by special orders, will issue instructions relating to the port and navigation police which will be published in the *"Dziennik Urzędowy Województwa Pomorskiego"* (official organ of the Pomeranian Voievodship).

The above mentioned Presidential decree came in force on May 10th, 1928.

AERIAL COMMUNICATION IN APRIL. — There was practically no change in the intensity of aerial communication in Poland in April.

The number of flights (scheluded and extra) amounted to 328 in April as compared with 331 in March, and the distance flown to 107.285 km. as against 109.460 km. in the preceding month. The average daily distance was 327 km. The number of passenger rose from 538 im March to 624 in April.

The transport of mail incresed from 2.202 kg. to 3.090 kg., whereas that of freight declined from 30.468 kg. to 26.013 kg. as compared with a month earlier.

FINANCE AND BANKING

STATE REVENUE AND EXPENDITURE IN APRIL, as compared with the budget estimate were as follows (in millions of Ƶ)

(See next page)

In April the excess of revenue over expenditure amounted to Ƶ 9·3 million; this surplus is smaller than that for March but if it is taken into account that April is practically the beginning of the summer period which, as a rule, is ufavourable to the Tresuary, then it must be recognised that this result is satisfactory. Compared with last year there was a considerable increase in the revenue as it amounted to Ƶ 232·7 million as against Ƶ 202·5 million in April 1927. Revenue from the State Administration amounted to Ƶ 147·7 million as compared with Ƶ 126·7 million a year ago. This revenue consisted mostly of public levies which amounted to Ƶ 192·1 million. The State undertakings brought in Ƶ 6·6 million as compared with Ƶ 15·9 million a year ago. This decline was due to the fact that the two most important State undertakings, the railways and the post and telegraphs dit not transfer their surplus revenue to the Treasury but utilised it for various investments foreseen in their plan of operation. It will be noted that thanks to the improvement of the financial situation in Poland and the resulting budget surpluses, the Government is in a position to undertake investment schemes on a much larger scale than has been the case up to the present.

The State monopolies returned Ƶ 68·1 million as against 60·9 million in April 1927.

State expenditure in April amounted to Ƶ 213·2 million which is much less than a year ago when it amounted to Ƶ 166·1 million. This considerable rise which, however, keeps within the limits of the budget estimates is to be attributed to the expansion of the buget as a result of increased financial resources. This increase is also justified when it is taken into consideration that the first budgets, after the currency reform, were extremely small and did not provide for practically any investments. It is only thanks to the improvemnet in the situation which has taken place in the course of last year that the Government is in a position to take up the investment work. It should be noted that a comparatively large sum (Zł 24·8 million) was devoted to the redemption of State liabilities.

The expenditure made by the State undertakings was on as mall scale as it amounted only Zł 693.000. State monopolies received no grants from the Treasury.

	Revenue		Expenditure	
	actual	estimated for 1928/9	actual	estimated for 1928/9
A) Civil service	147·7	1.512·2	212·5	2,458·5
The President of the Republic. ...	—	0·2	0·2	3·0
The Parliament	—	0·2	0·8	9·2
State Control	—	0·1	0·4	5·0
Council of Ministers	—	—	0·3	2·2
Ministry of Foreign Affairs	0·8	10·9	8·0	52·4
„ „ War.	1·2	3·8	56·5	745·0
„ „ the Interior	1·4	22·1	17·7	223·5
„ „ Finance	126·1	1.329·9	11·5	129·7
„ „ Justice	3·3	36 6	8·0	108·2
„ „ Industry and Commerce	0·6	9·7	2·1	46·4
„ „ Transport	—	0·6	0·3	4.0
„ „ Agriculture	3·7	11·6	1·5	46·8
„ „ Religious Cults and Education	0·7	6·5	31·3	373·0
„ „ Public Works	3·0	39·2	5·5	134·6
„ „ Labour and Social Protection	0·1	0·8	3·9	60·2
„ „ Land Reform..	3·9	3·0	2·8	47·5
„ „ Posts and Telegraphs ...	—	0·4	0·1	2·8
Pensions	2·9	27·1	15·8	103·8
Grants to invalids	—	—	20·8	130·0
State Liabilities	—	9·5	24·8	231·2
B) State enterprises..	6·7	657·1	0·7	189·2
C) Monopolies	68·1	650·9	—	—
Total: *A* + *B* + *C*:	222·5	2.820·2	213·2	2.647·7

TAXES IN APRIL. — The month of April opened the new budgetary year but as regards taxes it did not see any changes of importance. The bills for tax reform have only been presented to Parliament and for this reason they have not been taken into account for in the budget estimates. These projects concern three taxes. In the first place, the Property Tax will be completely reformed. This tax which was assessed as far back as the year 1925 and which bore the a character of a single levy, owing to various difficulties could not be collected and is to be replaced by a permanent tax on property similar to the German "Ergänzung Steur". This tax is to amount to 5 per mille on the net value of the property of the taxpayer. The second tax which will be amended is the Land Tax the rates of which will probably be increased; this step is fully justified not only by the improvement in the position of the agricultural community but also by the large increases in the prices of grain which makes it possible to increase this basic tax. Finally, it is proposed to introduce a tax on real estate situated in the country. Up to the present, this tax has only beon imposed in towns and on certain rural properties These three sources are designed to provide the necessary funds for the solution of the problem of the salaries of the civil service.

Thus, the budgetary year has commenced under the same tax régime which was in existence during the last budgetary year. Despite a certain falling off in the economic life of the country which is usually evident at the end of the agricultural year, revenue from taxes and monopolies amounted to Zł 199·2 million as against Zł 162·6 in the corresponding period of the preceding year, which was very favourable to the Treasury. The decline in revenue as compared with March is usual on account of few taxes falling due during the month. The decreases in the revenue from the customs duties also contributed to this owing to reduced imports. As compared with last year, there was an increase in the revenue from direct taxes which gave Zł 56·7 million (in April 1927 — Zł 44 million). Among the more important direct taxes collected in April should be mentioned: Income Tax — Zł 29·3 (April 1927 — Zł 19·6 million), Industrial Tax — Zł 17·6 (April 1927 — Zł 14·2 million), Land Tax — Zł 4·4 million (April 1927 — Zł 4·0 million). The tax on urban and certain rural estates was mintained at last year's level and amounted to Zł 2·1 million.

Indirect taxes brought in Zł 12·1 million, a slight increase over the corresponding period of last year, which gave Zł 11·0 million. Among the more important taxes may be mentioned: the Sugar Tax which gave Zł 7·8 million, the Mineral Oil Tax—1·8 million, the Yeast Tax — Zł 0·8 million, the Beer Tax — Zł 0·7 million, the Wine Tax — Zł 0·5 million.

Customs duties returned Zł 28 million, a decrease of about Zł 23 million as compared with the corresponding period of last year. This points to the decline in imports for since the middle of March customs duties have been readjusted which should have incresed the revenue of the Treasury without a simultaneous rise in the volume of goods received from abroad. Revenue stamps gave in April Zł 15·3 million as against Zł 13·9 million in the corresponding period of last year. The Property Tax showed a slight decrease compared with last year and amounted to Zł 2·6 million (in April 1927—Zł 2·9 million), whereas the 10 per cent Extraordinary Supplementary Tax, as a result of a general increase in taxes collected, amounted to Zł 9·3 millon as against Zł 6·9 million in April 1927.

Finally, the State Monopolies also showed an increase, the amount returned being Zł 68·2 million; this amount includes the revenus from the tobacco monopoly— Zł 33 million (in April 1927 — 29 million) that from the spirits monopoly—Zł 30·5 million (in April 1927 — 27·6 million): the salt monopoly gave approximately the same amount as in April last year, that is Zł 3·2 million.

Revenue from taxes and monopolies for the month of April of this year and the corresponding period of last year as well as the Budget estimates as drawn up by the Goverment (the Budget has not as yet been passed through the Parliament) is given below (in thousands of Zł):

	Actual revenue: April: 1927	Actual revenue: April: 1928	Actual revenue: March: 1928	1/12th of the yearly budget for 1928/29
Direct taxes	44·0	56·7	62·1	43·4
Indirect taxes	11·0	12·1	15·2	13·3
Customs duties	23·0	28·0	56·5	23·3
Stamp fees	13·9	15·3	18·2	13·7
Total of the ordinary public levies:	91·9	112·1	152·0	93·7
Property tax	2·9	2·6	4·8	4·2
10 per cent extraordinary tax	6·9	9·3	9·3	6·8
Monopolies	60·9	68·1	77·3	69·7
Total of public levies and monopolies:	162·6	192·1	243·4	174·4

STOCK EXCHANGE

FOREIGN CURRENCIES

When comparing the rates of foreign exchange quoted on the Warsaw Stock Exchange at the end of April with those ruling at the end of the previous month, it will be found that the variations were very small and reflected the fluctuations which took place simultaneously on the world stock exchanges — in New York, London a d Zurich.

Drafts on London, Milan, Vienna and Stockholm declined slightly and those on Paris, Zurich and Amsterdam showed a certain increase; the rates of the remaining foreign currencies were maintained at their previous levels. The quotations for drafts on Warsaw, ruling on foreign stock exchanges either did not show any variations at all or moved very slightly. Thus, in London, drafts in Złoty displayed a slight upward tendency, although a slight fall at one time was recorded on the Berlin and Zurich stock exchanges. This, however, was only a passing phase.

During the period under review business in foreign drafts on the Warsaw Stock Exchange increased considerably, the rise amounting to 80 per cent, which translated into Złoty represents a sum of over Zł 45 millions.

The increased demand for foreign drafts was exclusively due to the economic requirements of the country and, of late, the bulk of the business has been purchases of drafts on London, Prague and Stockholm. The turnover in Dollar banknotes experienced a sharp falling off, the sales effected in April representing only about one-fourth of those recorded during the preceding month. This decline is accounted for by the fact that banks, having ample reserves of these notes, refrained from purchasing.

			31.3	2—5.4	10—14.4	16—21.4	23—28.4	30.4	par value
Warsaw Exchange									
London	£	1	43·51	43·52⅛	43·52½	43·53	43·51	43·50	43·38
New York	$	1	8·90	8·90	8·90	8·90	8·90	8·90	8·90
Paris	Fr. Fr.	100	35·08½	35·11	35·11½	35·12	35·11	35·10½	172·00
Brussels	Belg.	100	124·43	124·46½	124·52	124·54½	124·52¼	—	123·95
Zurich	Sw. Fr.	100	171·72	171·78	171·81½	171·86	171·81	171·80	172·00
Milan	Lir.	100	—	47·13	47·08½	47·06½	47·—	—	172·00
Amsterdam	Fl.	100	359·10	359·28	359·40	359·50	359·37	359·48	358·31
Vienna	Sh.	100	125·45	125·43	125·41½	125·44½	125·43	125·44	125·43
Prague	Kcz.	100	26·41½	26·41½	26·41½	26·41½	26·42	26·41½	180·62
Stockholm	Kr.	100	239·39	239·35	239·50	239·42½	239·35	239·20	238·89
Foreign Exchanges									
London	£	1	43·47	43·48	43·49½	43·50½	43·50	43·50	43·38
New York	Zł	100	11·25	11·25	11·25	11·25	11·25	11·25	11·22
Zurich	Zł	100	58·25	58·25	58·21	58·17½	58·18¼	58·20	58·14
Vienna	Zł	100	—	—	—	—	79·62	79·66	79·72
Prague	Zł	100	377·62½	377·75	377·75	377·75	377·70	—	55·36
Berlin	Zł	100	46·92½	46·87	46·86½	46·86	46·87	46·87½	47·09
Danzig	Zł	100	57·46	57·46½	57·46	57·43½	57·45	57·46	57·63

As a result of a falling off in the demand, Dollar notes showed a downward tendency and were obtainable, throughout the month at Zł 0·01½ below par on the Stock Exchange and at Zł 0·02 on the open market.

SHARES

The situation in the share market in April was more favourable than in the preceding month. Transactions were more numerous and business brisk. A general increase in quotations was recorded, particularly so in the middle of the month. The public has shown again an active interest in shares which is evidenced by fairly large purchases made by the banks for their clients. Foreign buyers have also displayed considerable interest in certain shares, such as the Bank of Poland, Ostrowiec, Parowóz and "Siła i Światło". Under these conditions the share market showed a firm tone.

Towards the end of the month, outside brokers began to realize, in order to meet their obligations falling due at the close of the month. For this reason a certain weakening was observed at that time, but the drops, on the whole, were inconsiderable.

Of the bank shares, Bank of Poland, continued to be favoured and rose by a further Zł 10 per share. An upward trend was also shown by the Bank Dyskontowy shares, which were quoted ex dividend for 1927, which amounted to 10 per cent. The shares of this bank appear on the market in small lots as they are in strong hands. It should be mentioned that of the other bank shares, those of the Bank Zachodni appreciated by 20 per cent and those of the Bank Związku Spółek Zarobkowych by zł 2·50.

Among the industrial shares, "Siła i Światło", gained about 20 per cent as compared with the preceding month. Ostrowiec, Cegielski, Modrzejów, and Rudzki moved up from 8 to 10 per cent. Other industrial shares also showed increases but not to the same extent. "Siła i Światło", Ostrowiec and Parowiec were principally bought for foreign account.

Industrial shares	31.3	2—5.4	10—14.4	16—21.4	23—28.4	30.4	Nominal
Bank Polski	149·75	150·30	150·75	153·80	158·95	160·—	zł 100·—
Bank Dyskontowy Warszawski	138·50	128·85	128·50	129·—	129·80	130·—	zł 100·—
Bank Handlowy w Warszawie	123·—	123·—	123·—	123·—	123·—	123·—	zł 100·—
Bank Zachodni	—	31·—	35·95	37·90	37·—	36·—	zł 25·—
Bank Zw. Sp. Zarobkowych	88·—	88·—	89·15	90·50	90·35	90·50	zł 100·—
Warsaw Coal Mining Co.	94·—	93·10	93·40	95·20	96·15	95·25	zł 100·—
Chodorów	151·—	151·—	150·—	151·50	152·—	—	zł 100·—
Cegielski	—	45·50	47·40	50·75	50·85	50·—	zł 50·—
Zieleniewski	—	—	—	165·—	162·—	—	zł 100·—
Norblin, Buch & Werner	—	—	—	197·50	198·50	—	zł 100·—
Starachowice	64·—	63·75	64·65	67·—	65·85	65·25	zł 50·—
Lilpop, Rau & Loewenstein	41·—	41·90	43·35	44·85	43·70	43·50	zł 25·—
Ostrowiec serja *b*	98·—	98·—	104·10	109·35	108·—	110·—	zł 50·—
Modrzejów	47·—	46·35	47·30	49·55	49·80	50·25	zł 50·—
Rudzki	53·—	53·95	54·65	57·40	59·—	57·75	zł 50·—
Warsz. Sp. Akc. Budowy Parowozów	—	—	—	42·40	45·—	—	zł 25·—
Żyrardów	—	—	—	—	—	—	Mk. 540·—Rb. 250
Zawiercie	31·—	31·—	31·20	33·40	34·40	33·50	zł 60·—
Standard Nobel	37·50	37·—	39·05	40·70	40·75	39·—	zł 50·—
Borkowski (Elibor)	19·35	19·25	19·30	19·25	18·90	18·75	zł 25·—
Wysoka	—	—	—	153·—	154·—	—	zł 100·—
Siła i Światło	105·50	—	—	116·—	124·—	—	zł 50·—

STATE, CITY AND LAND LOANS

Similarly as in March, Government securities were much in demand during the period under review, the largest business being done in the 5 per cent Premium Dollar Loan, the quotations for which rose by about zł 5 per bond. The 10 per cent Railway Loan appreciated by 2 per cent. Other securities, despite a brisk demand, remained stationary as compared with the preceding month.

Bonds of private institutions were neglected. The Credit Society of the City of Warsaw 5 per cent bonds were maintained at the same level as at the end of the preceding month. All the other bonds of this description suffered

State, Municipal & Land Loans	31.3	2—5.4	10—14.4	16—21.4	23—28.4	30.4	Nominal
5% Conversion Loan	67·—	66·95	67·—	67·—	67·—	67·—	zł 100·—
6% External Dollar Loan 1920	85·50	85·50	85·50	85·62½	85·50	85·50	$ 100·—
5% Premium Dollar Loan (2nd series)	72·—	74·55	81·70	80·—	78·45	76·75	$ 5·—
10% Railway Loan (1st series)	102·10	103·—	104·—	104·—	104·—	104·—	gold Fr. 100·—
8% Bank Gospodarstwa Krajowego Bonds	94·—	94·—	94·—	94·—	94·—	94·—	gold Fr. 100·—
8% State Agricultural Bank Bonds	94·—	94·—	94·—	94·—	94·—	94·—	gold Fr. 100·—
8% Com. Oblig. of the Bank Gospodarstwa Kraj.	94·—	94·—	94·—	94·—	94·—	94·—	gold Fr. 100·—
8% Land Credit Association Bonds	—	83·—	83·20	83·25	83·25	83·—	zł 100·—
4% Land Credit Association Bonds	—	—	—	—	50·—	—	zł 100·—
4½% Land Credit Association Bonds	56·—	55·15	55·75	55·95	55·45	55·—	zł 100·—
8% Credit Soc. of the City of Warsaw Bonds	78·10	78·30	79·55	79·45	78·65	77·50	zł 100·—
5% Credit Soc. of the City of Warsaw Bonds	60·25	60·50	61·25	60·65	60·05	60·25	zł 100·—
4½% Credit Soc. of the City of Warsaw Bonds	57·25	57·25	57·35	56·80	56·75	56·25	zł 100·—

though slightly, owing th the excess of supply over demand.

BANK OF POLAND

— The adverse foreign trade balances which have been recorded during the past year or so have a damaging effect on the balance of payments. In March last the adverse foreign trade balance was particularly large owing to increased imports in the first half of that month in connection with the recalculation of the customs tariff. Its influence on the balance of payments was already felt in April although it is not out of the question that its full weight will become apparent only in the forthcoming summer months. In addition to the excess of imports, the balance of payments is also affected by the increas'ngly growing service of the foreign loans. In April a number of transfers were made in this connection so that the corresponding item in the balance of payments was not inconsiderable. The two most important and steadily increasing items on the liabilities side of the balance of payments (increased imports and foreign loan service) are compensated for principally by the inflow of foreign capital which is also growing at a rapid pace. The balance of foreign payments thus equilibrated shows nevertheless (owing to the fluctuations noticeable on both sides, within short periods) adverse or favourable balances provoking thereby increases or decreases in the reserves of foreign currencies held by the country and principally in those held by the bank of issue. As already mentioned, in April, the requirements for foreign currencies for the two main purposes were large whereas the inflow of capital including the offerings of foreign currencies were somewhat smaller. In March, there were the proceeds of the City of Warsaw Loan which helped to increase the gross reserves in bullion and foreign currencies at the Bank of Poland, from zł 1.380·9 millions to zł 1.399·7 million, while in April, there was a decrease of zł 53·6 million. Thus the bullion and foreign currency reserve included in the cover for the banknotes in circulation and sight liabilities, declined in April from zł 1.188·4 million to zł 1.133·8 million and the reserves of foreign currencies and drafts (gross) not included in the cover increased from zł 211·3 million to million.

Purchases of foreign curencies and drafts by the Bank of Poland amounted in April to zł 89·8 million as against zł 151·1 million in the preceding month, whereas sales during the same period amounted to zł 163·8 million (zł 112·6 million in March) of which sales to Government Departments — mainly for the service of foreign loans — were zł 40·0 million (in March zł 54·6 million) and to private interests zł 123·3 million (in March zł 54·2). Purchases of gold effected abroad during the month under review amounted to zł 8·7 million. Foreign currency reserves included in the cover declined from zł 632·1 million to zł 568·5 million, whereas those not included in the cover rose, as already mentioned, by

	MARCH 31st		APRIL 10th		APRIL 20th		APRIL 30th	
Assets:								
Bullion:								
gold in vaults	353,319.642·76		380,096.229·71		380,147.369·53		380,206.238·89	
„ abroad	200,042.115·21		173,299.882·73		173,299.882·73		182,021.005·64	
silver (gold value)	2,961.652·68		3,028.319·02		3,062.067·58		3,083.931·67	
	556,323.410·65		556,424.431·46		556,509.319·84		565,311.176·20	
Foreign c rrency, drafts and assets	632,099.198·61	1„188.422.609·26	620,202.311·15	1„176,626.742·61	594,467.425·19	1„150,976.745·03	568,487.294·32	1„133,798.470·52
Foreign currency, drafts and assets not included in the cover		211,339.074·43		215,009.441·84		212,720.589·41		212,250.543·99
Silver and token coins		861.027·21		6,484.504·40		8,352.342·23		8,600.224·27
Bills of exchange		495,791.257·26		482,427.166·21		490,252.070·20		499,014.006·73
Loans against securiti s		48,681.575·07		47,197.806·80		46,782.131·79		51,362.160·95
Own interest-bearing securities		6,143.282·40		5,681.434·87		5,871.057·25		5,517.739·54
Reserve funds invested in the securities		55,934.078·67		55,963.543·04		55,963.543·04		55,959·826·38
Loans to Government		25,000.000·—		25,000.000·—		25,000.000·—		25,000.000·—
Property and fittings		20,000.000·—		20,000.000·—		20,000.000·—		20,000.000·—
Other assets		56,329.920·05		56,936.510·60		36,723.135·29		40,162.342·92
		2„108,502.824·35		2„091,327.150·37		2„052,641.614·24		2„051,665.315·30
Liabilities:								
Capital		150,000.000·—		150,000.000·—		150,000.000·—		150,000.000·—
Reserve fund		94,434.640·—		94,434.640·—		94,434.640·—		94,434.640·—
Sight liab lities:								
current accounts of State institutions	238,305.991·70		248,575.957·51		264,728.720·21		249,219.941.73	
outstanding current accounts	175,463.443·30		207,958.892·51		182,676.158·66		104,665.215·71	
silver purchases a/c	90,000.000·—		90,000.000·—		90,000.000·—		90,000.000·—	
State credit fund a/c	94,589.276·21		94,082.553·74		93,415.358·64		93,203.150·72	
various accounts	10,451.791·63		8,608.774·34		8,492.053·96		10,044.216·66	
	608,810.502·84		649,226.178·10		639,312.291·47		547,132.524·82	
Notes in circulation	1„127,593.380·—	1„736,403.882·84	1„065,273.980·—	1,714,500.158·10	1„036,561.460·—	1„675,873.751·47	1„126.021.250·—	1„673,153.774·82
Special account of the Treasury		75,000.000·—		75,000.000·—		75,000.000·—		75,000.000·—
Other liabilities		52,664.301·51		57,392.352·27		57,333.222·77		59,076.900·48
		2„108,502.824·35		2„091,327.150·37		2„052,641.614·24		2„051,665.315·30

zł 1 million. Thanks to the new purchases of gold made abroad and local purchases of gold (zł 0·14 million) and silver (zł 0·06 million) made through the provincial branches of the Bank, the bullion reserves rose during April from zł 556·3 million to zł 565·3 million. Gold reserves held abroad declined from zł 200 million to 182 million, due to transfers to the vaults of the Bank in the course of the first 10 day period of April. The amount of gold in the vaults of the Bank rose from zł 353·3 million to zł 380·2 million; finally, the stocks of silver (gold value) rose from zł 3 million to zł 3·1 million. The changes in the bullion and foreign currency reserves (representing the cover) which have taken place in April and during this year, are illustrated by the following statement: (in millions of zł):

	January 1st	*March 31st*	*April 30th*
gold	517·3	553·4	562·2
silver	2·6	3·0	3·1
foreign currencies, and liabilities	687·5	632·1	568·5
Total:	1.207·4	1.188·4	1.133·8

In relation to the bank notes in circulation and sight liabilities of the Bank, the bullion and foreign currency cover was, on January 1st 72·61 per cent, on April 1st 68·44 per cent and on April 30th — 67·76 per cent. A comparatively slight decline in the percentage of the cover despite a considerable decline in the amount of the cover, is explained by a simultaneous decline in the total amount of notes in circulation and sight liabilities, from zł 1.736·4 million to zł 1.673·2 million. Almost the whole of this decline falls to sight liabilities for the notes in circulation only declined during April from zł 1.127·6 million to zł 1.126·0 million.

The fall in the amount of sight liabilities from zł 608·8 million to zł 547·1 million was caused by a decrease in the balances of private current accounts from zł 175·5 million to zł 104·7 million, whereas the balances of Government accounts rose from zł 238·3 million to zł 249·2 million; other items did not show any great changes.

Such greatly reduced balances on current accounts at the Bank of Poland have not been recorded for some time and this is to be attributed to the increased seasonal requirements for cash on the part of industry and agriculture as well as to the payments made abroad for the import of goods. This decline in the balances of current accounts did not cause an increase in the notes in circulation as the latter was adversely influenced by the decline

A CORNER OF THE ŻYRARDÓW WEAWING SCHOOL
(PHOT. MALARSKI)

in the bullion and foreign currency reserves.

Credit activity did not exercise any influence on the amount of notes in circulation as the volume of credits which increased in March only showed a slight rise during the period under review. The amount of discount credits utilised rose during April from zł 495·8 million to zł 499·0 million, while at the same time the amount of discount credit granted by the Bank rose from zł 760 million to zł 767 million.

In this way the ratio of credit employed to that granted, remained unchanged and was 65 per cent at the end of April as against 65·5 per cent at the end of March. The amount of loans against securities rose during the month from zł 48·7 million to zł 51·4 million.

As regards the other items of bank cover and liabilities, it is worthy of note, that the reserves of silver and token coins acquired by the Bank rose from zł 0·9 million to 8·6 million. The amount of interest-bearing securities held by the Bank declined from zł 6·1 million to zł 5·5 million.

The changes in the bank cover which have taken place during April and since the beginning of the year, are illustrated in the following table (in millions of zł):

	January 1st	*March 31st*	*April 30th*
bills	460·7	495·8	499·0
Polish silver coins and token money	17·0	0·9	8·6
loans against securities	41·5	48·7	51·4
own interest-bearing securities	5·8	6·1	5·5
liability of the Treasury	25·0	25·0	25·0
Total:	550·0	576·5	589·5

The comparatively large increase under the heading "other assets" in March (from zł 33·7 million to zł 56·3 million) declined in April to zł 16·2 million.

THE CENTENARY OF THE BANK OF POLAND. — The present Bank of Poland is the heir of the first Polish bank of issue founded on May 6,1828.

The Bank was founded by Prince Lubecki the then Minister of Finance and in this way was an essentially State undertaking. Originally the share capital amounted to Złoty 18·1 million but by 1841 it had reached the amount of Rbs. 8 million or Złoty 53·3 million. Initially the banknote issue was limited by the amount of the share capital and it was only in 1841 that the Bank was compelled to maintain a banknote cover to the extent of at least 14·2 per cent. In addition to the privilege of issuing banknotes, the Bank was granted another right which ensured a constant inflow of money, namely: all public banking institutions were legally obliged to keep at tha Bank of Poland their cash reserves exceeding 200 Zloty. The Treasury of Congress Poland and the numerous municipal savings banks also kept their liquid funds at the Bank. Thanks to these deposits the Bank of Poland was in a position to supply long term credit to industry and commerce as well as to finance various branches of production apart from the usual activities undertaken by banks of issue. The Bank conducted various other operations such as opening accounts, granting loans against securities and even jewels, as well as floating industrial and mortgage bonds and rendering assistance to the agricultural industry. The achievements of the Bank of Poland in the economic development of the country is best illustrated in the part it took in construction of roads and highways, the railway line Warsaw—Vienna, the organisation of the mining industry and the establishment of a whole range of industrial undertakiugs such as iron foundries, engineering works, salt evaporating plants, textile and paper mills &c. The privilege to issue banknotes was withdrawn by the Russian Government in 1880, and 15 years later the Bank was liquidated compulsorily by the Russian authorities, despite the fact that the plans for its reorganisation and adaptation to the modern requirements had already been drafted.

Some 30 years later, in 1924, the Bank of Poland was re-established as the Bank of Issue of the restored and independent country.

EMIGRANTS' SAVINGS DEPOSITS AT THE POSTAL SAVINGS BANK.— At the beginning of the year the Postal Savings Bank made special arrangements for emigrants' savings. The deposits are calculated in gold and receive interest at the rate of 5 per cent per annum. These facilities are only accorded to persons residing abroad. The regulations governing the acceptance of these deposits are drafted in such a manner as to afford the greatest possible number of facilities to the depositors and to eliminate all risks of abuse.

In this way the Postal Savings Bank has successfully solved the problem of the savings of Polish emigrants. The object of these arrangements is the protection of the savings of the emigrants as well as the establishment of a closer contact between the latter and their country.

PART OF A CERAMIC WORKS, NEAR WARSAW *(PHOT. S. PLATER)*

LATEST NEWS

WARSAW EXCHANGE:

	10.5.28	20.5.28
$ 1 =	zł 8·90	zł 8·90
£ 1 =	„ 43·51	„ 43·53

BANK OF POLAND:

		10.5.28		20.5.28
ASSETS:				
Gold and silver reserve .	zł	568,371.577·57	zł	568,516.348·82
Foreign balances ...	„	558,242.203·68	„	547,709.378·15
„ „ (not included in the cover)	„	218,183.318·11	„	214,267.245·03
Bills of exchange ...	„	519,290.207·74	„	545,448.113·88
Loans against securities	„	63,875.571·54	„	55,782 279.76
LIABILITIES:				
Notes in circulation ...	„	1„094,234.300·—	„	1„086,944.130·—
Current accounts ...	„	411,552.118·32	„	422,482.437.72
Other sight liabilities ...	„	189,447.859·51	„	188,013.301·51
BANK NOTES COVER (bullion & foreign currencies)		66·46%		65.67%

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LUDWIK F. GARDOWSKI
Graphic superintendent