

THE POLISH ECONOMIST



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






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, PIÑSK) — 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 (WIELICZA, NOWOCZŁAW) — 400 000
-  PETROLEUM (BORYSLAW, JASIOŁ, STANISŁAWÓW) — 800 000
-  ZINC ORE (KATOWICE, SOSNOWIEC) — 400 000
-  POTASSIUM SALTS (STĘBNIK, KALUSZ) — 180 000
-  HEALTH RESORTS

AUGUST was marked by a further development of production, which is so characteristic of Poland's economic life at this time of the year. In view of the comparatively small inflow of foreign capital and the inadequate growth of savings, the development of production created stringent conditions on the money and credit markets. These two factors had a decisive influence on the economic situation of the country though there were also seasonal influences which played a part in the shaping of business conditions in general.

In agriculture the yield from the crops was much better than had been anticipated and according to provisional data it is larger than last year. The shortage of money, however, together with poor yield of fodder, which will unfavourably affect breeding, and a slight downward tendency in the price of grain, darken somewhat the otherwise bright prospects.

In industry brisk activity prevailed and the unemployment figures were the lowest hitherto recorded. In most industries conditions are good, though generally the work is destined for the forthcoming season.

Prices of commodities, in sympathy with the general decline on the world markets, were below the average level of 1927.

The adverse foreign trade balance decreased considerably, due to a decline in imports, especially foodstuffs.

Railway traffic showed an increase over the preceding month which is accounted for by extensive operations in various branches of production, for trade in general was under a slight spell of seasonal depression.

The Treasury recorded an exceptionally large increase of revenue; this enabled it to more than meet the increased disbursements.

On the money market there was big demand for cash, which was responsible for an upward tendency in the discount rates on the open market.



POPULATION of Poland	29,249,000	AREA OF POLAND (in sq. km.)	388,279
DENSITY (per 1 sq. km.)	75.3	area UNDER CULTIVATION (in sq. km.)	183,078
OCCUPATION:		area UNDER FORESTS (in sq. km.)	90,621
agriculture	65 p. c.		
industry	14 p. c.		
commerce	8 p. c.		
various	13 p. c.		

POLAND'S CHIEF TOWNS					
Warszawa (Warsaw)	1,015,420	Lwów	219,388	Katowice	118,870
Łódź	580,000	Kraków	200,332	Lublin	114,042
Poznań	236,265	Wilno	178,215	Bydgoszcz	111,197
				Sosnowiec	103,039
				Częstochowa	95,518
				Białystok	90,200

READ

THE POLISH ECONOMIST

A MONTHLY REVIEW OF TRADE, INDUSTRY AND ECONOMICS IN POLAND

THE CURRENT ISSUE, No. 10/1928, of "The Polish Economist" contains the following articles: Review of the economic situation in Poland in August; The Port of Gdynia; Solidarity between Gdynia and Danzig; The Construction of the Port of Gdynia and Danzig; Gdynia as a Port City. As usual, there are also market reports covering grain, butter, eggs, timber, coal, petroleum, iron, zinc and lead &c., as well as notes on the state of employment, movement of prices, foreign trade, railway, port, aerial traffic, State budget, Stock Exchange, Bank of Poland, &c.

ANNUAL SUBSCRIPTION: 15/-, \$ 300 OR £ 30-
WARSAW, 2, ELEKTORALNA

	UNIT	AUGUST 1927	JULY 1928*	AUGUST 1928
STATE OF EMPLOYMENT:				
UNEMPLOYED		132,952**)	97,976**)	88,593**)
PART-TIME WORKERS		23,290	32,996	25,911
PRODUCTION:				
COAL	thousand tons	3,207—	3,248—	3,413—
OIL		60.5	64.9	65.5
STEEL		114.9	122.3	128.4
IRON		56.6	56.1	58.8
ZINC		13.4	11.5	10.1
AGRICULTURAL INDEXES:				
(crop estimates)				
RYE		5,688		5,910****)
WHEAT	thousand tons	1,476		1,460****)
BARLEY		1,634		1,900****)
OATS		3,390		3,650****)
PRICES:				
WHOLESALE PRICE INDEX	1914=100	120.2	120.6	118.4
INDEX OF COST OF LIVING IN WARSAW		116.3	122.6	122.1
FOREIGN TRADE:				
IMPORTS		223.5	288.2	255.9
including:		418.5	492.1	422.3
foodstuffs (edible fats, fish & herring, coffee, rice, wheat &c.)		31.6	66.6	41.4
		38.1	91.4	59.1
animal products (tanned hides, dried skins &c.)		18.1	24.6	24.4
		3.3	4.7	4.0
ores		9.2	7.3	6.7
		95.4	70.6	62.4
chemicals (vegetable & animal fats, dyes, colours & varnishes, potassium salts &c.)		25.3	23.5	24.6
		78.8	79.6	83.4
metals & metal products		18.7	23.7	19.6
		55.7	61.9	39.1
machinery & apparatus		28.5	35.5	39.5
		6.5	7.3	7.6
paper & paper wares		7.9	8.6	8.4
		7.6	8.4	7.6
textiles & textile products	million	56.6	59.8	59.3
		10.3	10.1	10.0
EXPORTS	£***)	207.8	201.5	196.3
including:		1,891.6	1,697.3	1,911.2
foodstuffs (sugar, meat, eggs, forage, peas & beans, barley, hops &c.)	thousand	35.8	37.5	36.7
		41.0	32.0	31.5
live animals — in thousands of heads	tons	15.8	19.4	16.8
		244.9	250.4	331.3
timber and wood ware (planks, deals & battens, pulpwood, pit props, round wood & logs, veneers &c.)		60.4	53.8	50.8
		644.7	482.8	461.8
plants & seeds		3.3	1.9	1.8
		5.9	4.5	3.0
coal & coke		31.2	29.8	37.0
		1,036.4	1,031.3	1,282.6
petroleum products		8.1	8.1	6.4
		25.2	25.4	21.0
iron & iron products		7.1	7.6	7.9
		15.4	14.0	16.1
zinc		16.0	14.0	10.6
		13.4	12.7	10.1
textiles & textile products		14.4	14.7	11.7
		2.3	1.9	2.1
EXCESS OF EXPORTS (+) OR IMPORTS (-)				
		-15.7	-86.7	-59.6

*) Corrected figures.
**) Registered unemployed.
***) Change in tabulation: the new £ instead of gold fr.
****) Provisional figures.

	UNIT	AUGUST 1927	JULY 1928	AUGUST 1928
TRANSPORTS:				
RAILWAY TRAFFIC	truck loaded	511,593	547,243	567,114
PORT TRAFFIC:	(15 tons)			
Danzig	reg. ton	349,686	352,380	444,513
Gdynia		38,467	101,052	102,431
BUDGET:				
RECEIPTS		192.3	233.9	237.8
including:				
taxes and public levies		94.1	137.6	133.7
monopolies	million £	60.4	70.2	79.8
State undertakings		22.6	8.9	9.1
EXPENDITURE		164.3	224.0	230.6
MONEY CIRCULATION:				
BANK OF POLAND NOTES	million £	793.8	1,159.3	1,206.7
COVER IN GOLD AND FOREIGN CURRENCIES	%	50.34*)	63.73	61.71
TOKEN COINS	million £	397.1	246.0	248.6
CREDIT:				
(Bank of Poland)				
BILLS DISCOUNTED	million £	407.9	591.1	633.3
OFFICIAL DISCOUNT RATE	%	8.0	8.0	8.0
FOREIGN CURRENCIES:				
(Warsaw Stock Exchange average rates)				
U. S. A. DOLLAR		8.93**)	8.90	8.00
POUND STERLING		43.48**)	43.38	43.28
FRENCH FRANC		0.35**)	0.35	0.35
SWISS FRANC		1.72**)	1.72	1.72

SUMMARY OF LAWS, ACTS AND EXECUTIVE DECREE

published in the "Official Journal of Laws of the Republic of Poland"

("Dziennik Ustaw Rzeczypospolitej Polskiej")

during August 1928

Removal of the State Water Supply Company, Upper Silesia, from the State Administration ("Dz. Ust. R. P." No. 74, item 670).

Import prohibition on barley ("Dz. Ust. R. P." No. 74, item 671).

The system for marking airships and the manner in which the signs should be affixed ("Dz. Ust. R. P." No. 74, item 672).

Direct railway goods traffic between Poland, Bulgaria, Rumania, Hungary, Austria and Czechoslovakia, on the one hand, and Greece, on the other. ("Dz. Ust. R. P." No. 76, item 676).

Fees to be charged by the weights and measures control offices ("Dz. Ust. R. P." No. 76, item 677).

Customs duty return when exporting finished textile products, cotton yarns, agricultural machinery and implements, rolled foundry products, certain metal parts, internal combustion engines, cast iron products and artificial silk yarns. ("Dz. Ust. R. P." No. 76, items from 678 to 685).

Records to be kept on aeroplanes and other aircraft. ("Dz. Ust. R. P." No. 77, item 688).

Provisional sugar contingent for the period from October 1, 1928 to September 30, 1929 ("Dz. Ust. R. P." No. 78, item 693).

Import prohibition on wheat and rye flour ("Dz. Ust. R. P." No. 79, item 696).

The destruction of berberis ("Dz. Ust. R. P." No. 79, item 697).

Charges for parcels transported by aerial post ("Dz. Ust. R. P." No. 79, item 698).

Customs duty on artificial silk products ("Dz. Ust. R. P." No. 79, item 699).

The despatch of parcels freed from postal charges ("Dz. Ust. R. P." No. 80, item 702).

*) In relation to bank notes in circulation, sight liabilities not included.
**) % of 1924.

THE POLISH ECONOMIST

A MONTHLY REVIEW OF TRADE, INDUSTRY AND ECONOMICS IN POLAND

WARSAW — LONDON — NEW YORK

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AUGUST was marked by a further development of production which is so characteristic of Poland's economic life at this time of the year. In view of the comparatively small inflow of foreign capital and the inadequate growth of savings, the development of production created stringent conditions on the money and credit markets. These two factors had a decisive influence on the economic situation of the country, though there were also seasonal influences which played a part in the shaping of business conditions in general.

In agriculture, the yield from the crops was much better than had been anticipated and according to provisional data it is larger than last year. The shortage of money, however, together with poor yield of fodder, which will unfavourably affect breeding, and a slight downward tendency in the price of grain, darken somewhat the otherwise bright prospects.

In industry, brisk activity prevailed and the unemployment figures were the lowest hitherto recorded. In most industries conditions are good, though generally the work is destined for the forthcoming season.

Prices of commodities, in sympathy with the general decline on the world markets, were below the average level of 1927.

The adverse foreign trade balance decreased considerably, due to a decline in imports, especially foodstuffs.

Railway traffic showed an increase over the preceding month which is accounted for by extensive operations in various branches of production, for trade in general was under a slight spell of seasonal depression.

The Treasury recorded an exceptionally large increase of revenue; this enabled it to more than meet the increased disbursements.

On the money market there was big demand tendency in the discount rates on the open for cash, which was responsible for an upward market.

REVIEW OF THE GENERAL ECONOMIC SITUATION IN POLAND

AUGUST 1928

	UNIT	AUGUST 1927	JULY 1928*)	AUGUST 1928
STATE OF EMPLOYMENT:				
UNEMPLOYED		156.701	97.976	88.593
PRODUCTION:				
COAL	} thousand tons	3.207	3.248	3.413
OIL		60.5	64.9	65.5
IRON		56.6	56.1	56.8
AGRICULTURAL INDEXES:				
(CROP ESTIMATES)				
RYE	} thousand tons	5.688	.	5.900
WHEAT		1.476	.	1.460
BARLEY		1.634	.	1.900
OATS		3.390	.	3.650
PRICES:				
WHOLESALE PRICE INDEX	} (1914 = 100)	120.2	120.6	118.4
INDEX OF COST OF LIVING IN WAR- SAW		116.3	122.6	122.1
FOREIGN TRADE:				
IMPORTS	} million zł	223.5	288.2	255.9
EXPORTS		207.8	201.5	196.3
EXCESS OF EXPORTS (+) OR IM- PORTS (-)		— 15.7	— 86.7	— 59.6
TRANSPORTS:				
RAILWAY TRAFFIC	} truck loaded (15 tons) reg. ton	511.593	547.243	567.114
PORT TRAFFIC (DANZIG AND GDYNIA)		388.153	453.432	446.944
BUDGET:				
RECEIPTS	} million zł	192.3	233.9	237.8
EXPENDITURE		164.3	224.0	230.6
MONEY CIRCULATION:				
BANK OF POLAND NOTES	million zł	793.8	1.159.3	1.206.7
COVER IN GOLD AND FOREIGN CUR- RENCIES	% %	50.34**)	63.73	61.71
TOKEN COINS	million zł	397.1	246.0	248.6
CREDIT:				
(BANK OF POLAND)				
BILLS DISCOUNTED	million zł	407.9	591.1	633.3
OFFICIAL DISCOUNT RATE	% %	8.0	8.0	8.0
FOREIGN CURRENCIES:				
(WARSAW STOCK EXCHANGE-AVERAGE RATES)				
U. S. A. DOLLAR	} zł	8.93***)	8.90	8.90
POUND STERLING		43.48***)	43.38	43.28

REMARK: — Figures appearing in the above table are intended exclusively to characterise the economic situation in August 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".

THE PORT OF GDYNIA

THE PORT of Gdynia is, no doubt, one of the youngest ports in the world, at least as far as harbours not only of a local but of an international character are concerned.

The special political conditions which were responsible for the commencement, in 1924, of the

construction of the port on an absolutely virgin site, are universally known.

Years ago, the whole of the Baltic seacoast from Stettin Königsberg and to Memel was Polish. Poland's western neighbour, Germany, understood

*) Corrected figures.
**) In relation to banknotes in circulation, sight liabilities not included.
***) zł of 1924

earlier than other nations the importance of a seacoast, and their famous economic policy "Drang nach Osten" was in the first place put into operation along the coast. The work of colonisation was carried on actively and the present situation as regards the distribution of the different nationalities in that part of Europe testifies to the strength and foresight of the Germans. There is no doubt that a wide strip of land located on the coast, Polish in bygone days, is lost to Poland

backbone. Consequently, when at Versailles, in 1919, the Polish frontiers were drawn, the coast line 147 km. miles long, together with its gradually widening hinterland, was allotted to Poland almost without discussion. This province which is called Pomerania is one of the most Polish areas of the Republic of Poland*).

Poland's only route to the sea leads through this territory.

As is well known, Poland uses the port of Danzig.



GENERAL VIEW OF THE PORT OF GDYNIA (PHOT. S. PLATER)

irretrievably. The old historical rights are wiped out by the actual facts. The towns such as Stettin, Königsberg and Danzig, which were formerly Polish, are German to-day, and nobody in Poland thinks of claiming them now.

There is, however, a section of the Baltic coast line, west of Danzig, which was not colonised by the Germans. Whether Germany did not attach much importance to this territory or whether this is to be attributed to the resistance on the part of the Poles inhabiting this area against German sway, or whether it was due to the geographical conditions which render this territory difficult of access—it is not easy to say; nevertheless, as already stated, this area remained Polish to the

Some 7 miles west of this port, Polish territory begins, but Danzig itself together with the adjoining areas is German. It is only for this reason that, in 1919, Danzig was not allotted to Poland but owing to the economic needs both of Poland and Danzig which is, no doubt, the natural harbour of Poland (it is the nearest port and is located on the estuary of the main Polish river, the Vistula) - special privileges were granted to Poland in the port of Danzig which, it may be recalled, was made a Free City under the protectorate of the League of Nations. The past 8 years showed that even under these conditions, attached to Poland, Danzig made

*) See "The Polish Economist" No. 9, page 334.



ONE OF THE CRANES AT THE

enormous progress, increasing its traffic by 600 per cent. In this way from a local German port of secondary importance it has become the third largest harbour of an international character on the Baltic.

At the same time the past 8 years revealed all the shortcomings and the dangers resulting to Poland as well as to Danzig from the political situation brought about by the provisions of the Treaty of Versailles. The artificial entity which is the Free City of Danzig complicates enormously all problems affecting the Port of Danzig. Moreover, the chauvinism of a certain section of the German population of Danzig does a great deal of harm, while, apart from these unfavourable factors, even an approximate calculation of the future growth of Polish sea-borne trade, which is still in its infancy, proves conclusively that Danzig will not suffice for Poland in the near future.

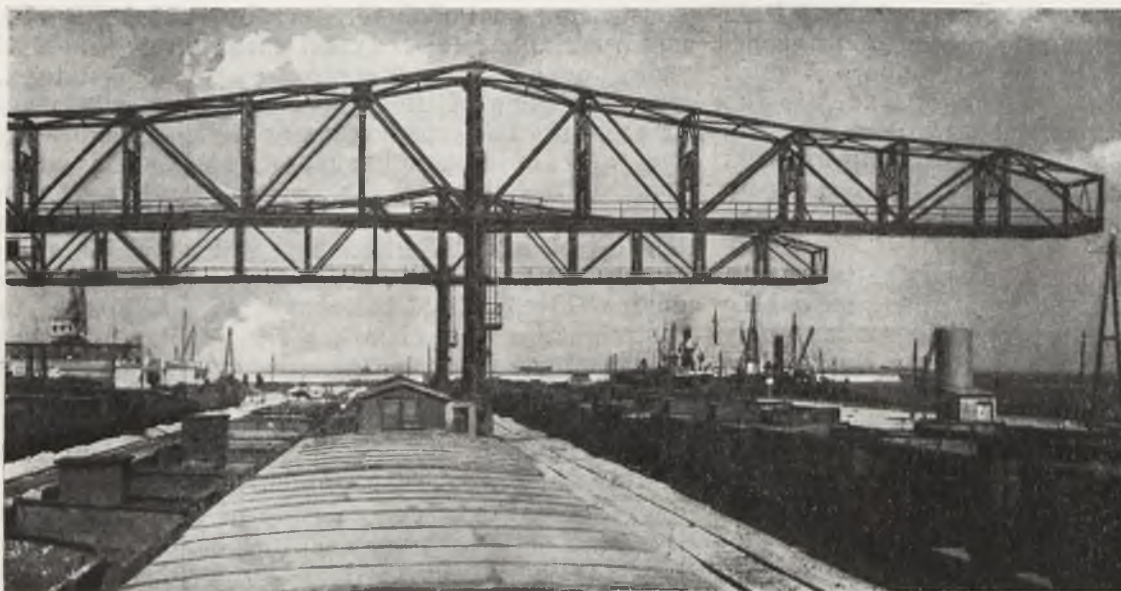
The Polish Government, therefore, decided to search for a suitable site on its own coast. There was only one place on the shore which was found satisfactory for the construction of a port, and it is gratifying to be able to state that the natural conditions of this spot are excellent. This place was a small, hitherto unknown fishing village called Gdynia, which in 1924 possessed 120 inhabitants. This village is situated on the bay formed by the Hel peninsula, so that Gdynia is protected from the sea both to the West and to the North. Moreover, the sea near Gdynia is sufficiently deep even for large vessels. On the shore itself the natural conditions were also most favourable as the village of Gdynia was situated at the end of a peat valley which is surrounded within a radius of half a mile by hills. There was nothing on this site in the way of buildings, and in addition the nature of the ground makes the excavation of the inner basins and other similar works easy. It is seen, therefore, that the natural conditions for the construction of a harbour were excellent and in the opinion of a large number of well known

foreign experts they are ideal. Owing to the virgin state of the site it was possible to plan out the port in a modern manner, and there was nothing to harass the realisation of the scheme. Under these conditions the construction of the port was commenced at the end of 1924. It is being built by the Government and the task is easy from the technical point of view, but it is the reverse from economic standpoint because Gdynia is situated only some eleven miles from Danzig and it was necessary to link up Gdynia by some economic ties with the neighbouring port, in order to bring about co-operation and eliminate competition between the two.

There was still another difficulty. As already stated,*) during a period of some 150 years the Polish community has been systematically kept back from the sea by the alien powers, so that interest in matters connected with the sea and seaborne trade had to be awakened anew, as without interest on the part of the general public no important scheme can be realised. For this reason it was necessary to start the work on a small scale and to plan it in such a way as to permit of its further expansion.

The past 4 years of work have given satisfactory results. From a village with some 120 inhabitants Gdynia has changed into a town with 12,000 inhabitants. As regards the harbour, a large mole is almost entirely completed, so that the outer basin is practically ready for operation. At the same time the two inner basins and a portion of the canal are receiving the finishing touches. A portion of the quays have already been equipped with a number of loading appliances, warehouses, the necessary buildings and installations while at the same time the naval basin and the fishing dock have received due attention and are ready for work. Railway sidings are being constructed

*) See „The Polish Economist” N 5/1926, page 154.



PORT OF GDYNIA (PHOT. S. PLATER)

as a complement of the main railway line which will unite Gdynia with Upper Silesia and which is now in process of construction. The building operations in the port and in the city are being actively pursued; there is an atmosphere of intense activity and progress. The port of Gdynia has been partly open to navigation for some two years and to-day it plays a fairly important rôle in Poland's international trade, its handling capacity being at present about 2,000,000 tons per annum. The port traffic has so far been one-sided and is almost entirely confined to the export of coal (about 150,000 tons per month), a certain amount of timber and cement. On the import side, only trials have been made up to the present, although regular shipments of rice and artificial fertilizers are being handled. Recently a small trial shipment of iron ore was received from Sweden. The emigration traffic has also recently been started. Gradually with the development of Gdynia commercial and industrial circles are beginning to display an increasingly growing interest in the harbour and its future. A rice husking plant has already been erected, while cold storage accommodation is to be provided before the end of this year; coal concerns are installing loading appliances and will operate vessels for their own account.

All this, however, is only the first step, for the results hitherto achieved do not correspond to the economic needs of the country.

It is intended, therefore, to accelerate the pace of progress as regards the construction of the harbour. In this connection new Statutes dealing with the organisation of Gdynia are being prepared and the new authorities with extensive powers based on new lines are to be appointed in the near future.

A new period of intensive work on the Polish seacoast will be opened shortly and it is hoped that the youngest of the modern harbours, Gdynia,

will become one of the largest harbours on the Baltic and that together with its next-door neighbour, Danzig, with which the former is to co-operate, will constitute the most important artery for the movement of goods on the Baltic.

SOLIDARITY BETWEEN GDYNIA AND DANZIG

THANKS to the united efforts of the Polish community and the Polish Government, the Port of Gdynia has been called into being. It may be regarded as a visible sign of Poland's economic independence. For several centuries the port of Danzig has been the base of operations for merchants and shipowners working in this part of Europe and it maintained this character as a Free City. At the time of the restoration of Poland, the fate of the estuary of the river Vistula was of great interest to those engaged in international trade, the reason for this being that this spot is of vital importance to the trading circles in that part of Europe, and it is easy to understand why the care of Danzig was entrusted to Poland and the League of Nations. The Free City of Danzig ensures freedom of access (guaranteed by the League of Nations) quite independent of the relations between the adjoining countries.

The contrast in the political status between Gdynia and Danzig is therefore evident, and would be maintained even if the distribution of nationalities in Danzig had been different to what it now is. On the other hand, the economic interests of Gdynia and Danzig are, without doubt, identical in every respect. This is worthy of special mention as the competitors of the two ports, being alarmed by their steady development, seize every opportu-

ity to make statements to the contrary. It is sufficient to draw attention to the present aspect of Danzig, to the increase in the number of ships calling at the port, to the growth of trade, to the expansion of its commercial relations, to the financial results and to the general improvement in the standard of life of its population — in order to dismiss the fallacious statements made on the subject.

Coal is the chief export article of the two ports. The export effected through Gdynia has reached the high level of 170,000 tons per month. Simultaneously the volume of coal exports through Danzig has grown. The daily average number of trucks despatched through the latter port rose from 542 in 1926, to 753 in 1927 and to well over 1,000 in the current year, whilst for Gdynia the corresponding figure was 350 in the current year. The effort of these two ports to increase their handling capacity will no doubt benefit both of them.

The idea of danger of threatening Danzig through Gdynia must appear as an absurdity to all those who are familiar with Poland's seaborne trade; it is hardly possible to believe that the foreign trade of such a large country as Poland could be dealt with efficiently and economically by a harbour which is still under construction, and that the old harbour at Danzig, lying at the mouth of the main Polish waterway—the Vistula, could be omitted. On the contrary, the rapid development of Gdynia is certainly a guarantee that goods will also pass through Danzig, inward and outward, and that Polish merchants will come there in contact with their business friends from abroad. Although the business transacted at Gdynia tends to reduce the excessive profits made in Danzig in connection with services rendered, yet they are increasing steadily with the growth of the turnover.

The mutual interest of the two ports lies above all in the development of the commercial route and in the growth of business on this route. At the present time, the volume of goods handled reaches about 8 million tons per annum, which represents about one third of Poland's foreign trade. That is why, of the several European routes leading through Poland, the sea route of which Danzig and Gdynia are to-day the main junctions occupies the first place. During the past few years the Polish sea route has played no small part in the trade on the Baltic, as the number of ships calling at the Polish ports comes to about 5,000 with an aggregate tonnage of 5 million tons. Already to-day Polish seaborne trade compares favourably with that of the neighbouring countries (the tonnage of ships calling at all the German ports on the Baltic in 1927 amounted to 8 million tons) and this despite the fact that the Polish ports have only recently started to make progress. The problem for the near future is the maintenance of the rate of progress and an improvement in the matter of profits. To achieve this, it is necessary to increase the means of transport, both waterways and railways, between the centre of the country and the seacoast. The railway lines

constructed on Polish territory by Prussia, Russia and Austria, had for the most part a strategical character or led to the centres of these countries, and only some of them can be economically used at present. The comparatively dense network in the west of Poland makes it possible to adapt some of the lines to the economic needs of the country, though here too, as most of them go in the direction of Berlin, they will only be more closely linked with the coast when the Bydgoszcz-Gdynia line is completed. Although in a straight line the distances are small, and there is no natural obstacle, the present routes are very circuitous, which increases the distance to the sea.

Much less satisfactory are the conditions as regards transport by water. Poland has a natural network of river routes which played a considerable rôle in the economic life of the country in the past and which are destined to play a similar rôle in the future. In the old Republic of Poland the transport of goods was, as a rule, effected by means of river craft and only in cases of absolute necessity were they sent by means of carts, that is, where there were no suitable waterways. It is seen that conditions in this respect are similar to those which prevailed in France in the eighteenth century. In France, the establishment of a system of waterways necessitated the construction of canals which involved large capital outlay, whereas in Poland, thanks to favourable natural conditions, i. e., to the territory being intersected by a number of rivers situated conveniently to each other, it was possible to connect the Oder, Vistula, Niemen and Prypeć at relatively small expense.

Navigation on the Vistula had no interest either for the Austrian authorities (prior to the war) and was simply neglected. The systems of communication left in Poland by the Russians and Austrians constitute a grave impediment to the unification and consolidation of Poland's productive power. The access to the Baltic sea was, in those days, a matter of complete indifference. It is true that there was navigation on the Vistula, but the river ports were not connected with the railways and there were absolutely no transshipment facilities from river craft to railway trucks and *vice versa*. Under these conditions, navigation on the Vistula was of a local character and was chiefly used for rafting down timber, with the result that the waterways were only utilised to a very small extent.

At the time of the restoration of Poland there were no ships capable of navigating this river and what was worse — there was no personnel to operate them. In addition, the putting into working order of the railway system was one of the most pressing problems in the economic life of the country. Thanks to a well trained and efficient staff the task was soon completed and as the Polish railways reached high standard of development, large quantities of goods, which are transported by water in other countries, are carried in Poland by the railways at cheap rates.

Large quantities of goods reach Poland by sea and not by railways despite the fact that it was

constructed by the former alien Governments for continental trade. It is certain that the transport of mass goods in Poland will be less expensive in the future owing to economy in fuel and in rolling stock for there will be other means of communication. Then the consignments which are transported by the railways will be directed as a rule to Danzig or to other ports on the Vistula, for large ocean going ships will call at Danzig more frequently and the goods traffic will be divided between the two ports, Danzig and Gdynia, according to the nature of imports and exports.

by sea routes will always be large and will increase steadily, but the handling of this mineral is not very profitable and specialisation in it to the detriment of other trade does not lie either in the interest of Danzig or in that of Gdynia. Moreover, the volume of coal exports will be too large to be handled by one of these harbours alone without prejudice to the efficient working of the port. Consequently, there can be no doubt that as regards coal both Polish ports, Danzig and Gdynia, will always work parallelly.

On the other hand, Gdynia will gradually attract



A VIEW FROM THE DECK OF A SHIP IN GDYNIA HARBOUR (PHOT. S. PLATER)

As formerly, Danzig is an important port for timber. Consignments of this material are only occasionally directed to Gdynia where, as is well known, the timber trade has no prospects for development. At the present time Polish timber is meeting with growing competition on the part of Russia, and this factor calls for the concentration of this trade in Danzig, which is adapted to the handling of timber. In addition, Danzig merchants have specialised in the export of Polish timber products to the German ports and in the import of goods from Germany, which reach Poland by sea, and it appears to be certain that the last named trade will be carried on in Danzig for many years to come.

The situation is quite different in the case of coal, which is the chief article of export both of Gdynia and Danzig. The amount of coal despatched

that portion of the seaborne trade for which, as the past few years have shown, Danzig is not suitable. There are already regular services to North and South America and for this reason the emigration movement is beginning to be concentrated in Gdynia. Although at this port, which is still under construction, there are so far only provisional arrangements for the reception of large passenger vessels and passengers, the landing at Gdynia appears to be more convenient both from a technical and commercial point of view. The depth of the "dead" Vistula is inadequate for ocean going ships, but the entrance into the port of Gdynia is for long steamers much easier and much safer than the passage through the windings of the river with the assistance of a tug. The steamers which are engaged in the transport of both passengers and cargo avail themselves more

readily of Gdynia than of Danzig. It is a recognised fact that Danzig merchants did not take advantage of American steamers, nor of the regular direct services with America which have been established in the course of the past few years, and have not come into regular contact with American traders using this route, and it is, therefore, easy to explain the reason for which the traffic which had never existed at Danzig prior to the War is now concentrating at Gdynia. The most important novelty of the present time is the passenger traffic. During the past few years it assumed such large proportions at Danzig that it compared favourably with Hamburg and occupied the first place in the Polish emigration movement. During the period from 1922 to 1927, 267,000 passengers departed from Danzig to foreign countries, the figure for 1927 being 38,000. It was a large traffic compared with other ports but the Danzig circles concerned took no notice of the new possibilities in this field and did not avail themselves of the new opportunities, so that the situation will be turned to advantage by Gdynia and the prospects are attractive thanks to the establishment of quick and regular services with various oversea countries.

These possibilities become more and more promising as Poland's import from America assumes large proportions and imports from oversea countries represent about 30 per cent of the total. When all the interests which draw Poland and oversea countries together, including passengers and goods, are taken into account, the total turnover indicates that the Polish seaborne trade is on a large scale; there is also to be considered the export of Polish goods for which new prospects are in sight, thanks to the establishment of new regular direct steamship services. The organisation of this business is a task requiring prompt attention and in view of the rapid progress made by Gdynia, there is every reason to believe that it will go ahead more rapidly than in the past. The seaborne trade includes chiefly industrial raw materials and foodstuffs which are the principal items of Poland's imports and exports. Foreign products which are indispensable come from overseas or those European countries which are easily reached by sea.

The bulk of the chief export articles go to the neighbouring countries, but in this sphere also important changes are taking place. At the present time, the main export article, coal, is directed via Danzig and Gdynia. In the course of the last few years the main commercial route has adjusted itself to the economic requirements so that the present direction of business cannot be regarded as pursuing a normal course. Of much more interest is the tendency which is apparent when comparing the direction of the trade with the position prevailing two years ago. The different factors of economic life which up till quite recently were only loosely related to each other, are gradually becoming more and more interlocked, and it would be, therefore, dangerous to draw conclusions as to the development of trade in Danzig and Gdynia, on the strength of the present-

day turnover. During the year 1928, direct steamship services between Gdynia and Brazil and the Argentine were opened for passenger and goods traffic and as two foreign companies are about to establish similar services there is an opportunity for Gdynia to develop trade with South America and other parts of the world; naturally new outlets for Polish products will be opened in this way. The latest development is the import of raw rice from the producing countries and its husking at Gdynia, the product being supplied to Polish consumers and to the neighbouring countries. A new development is also the export of farm products and bacon via Gdynia. The chief markets for these articles were formerly Germany and Austria, whereas in the near future the bulk will be destined for England with the result that Gdynia will become then the chief market for these products in Poland.

The export of these four products: that is eggs, butter, meat and pigs amounting to about Z 500 million per annum, will create an important branch of trade at Gdynia, especially when the technical investments which have already been begun, are completed. The economic significance of this export is best illustrated by the following statement covering the first 7 months of 1928 as compared with the corresponding period of 1927 (weights, in thousands of q., value in millions of Z):

	July 1st 1928: weight value		July 1st 1927: weight value	
eggs	350	89	447	104
butter	67	40	40	19
meat	170	39	203	47
pigs*)	767	124	404	86

The first three products are already well known in Polish oversea trade, whereas pigs were almost entirely exported to the continental countries, and for this reason the Polish continental export trade has up to the present been much larger than the overseas trade. There are some indications that the trade in these articles may suddenly form the centre of gravity of Gdynia's commerce and if so Polish oversea trade would assume much larger proportions, but this depends solely upon the exports of foodstuffs being diverted to this route.

The export of coal by sea was commenced in 1925 and that of farm products and meat in 1926; the establishment of direct services not long ago opens new markets. All this testifies that the sea route is still in its initial stage of development both as regards the composition of the export and its extent.

In any case, all this represents the important achievements of the Polish economic policy, which can be gauged by figures and also with sufficient accuracy from the port traffic of Gdynia and Danzig. Increasingly large vessels call at Danzig with cargo and leave the port less and less frequently in balast. The number of flags represented by the ships calling at Danzig is growing steadily and regularly. This proves conclusively that the economic policy which is responsible for the creation of

*) In thousands of head.

the port of Gdynia has also contributed materially to the unprecedented development of the port of Danzig. Favourable conditions for extensive trade have been created at the two ports and the policy which has already yielded good results is being rendered still more efficient by the adoption of new schemes.

The development of the import trade depends to a much larger extent on private initiative than on that of the Government, and certain branches of industry could bring into force considerable changes at the two ports. The details of this programme should be elaborated by the private interests concerned, for the Government has created technical possibilities for direct import.

THE CONSTRUCTION OF THE PORT OF GDYNIA

WHEN DEALING with the Port of Gdynia it is frequently forgotten that the harbour is still under construction and that so far stress has been laid on the building and not on the exploitation of the facilities of the port. It is, therefore, easy to explain a certain lack of conveniences to shipping, which is largely due to the erection of various hydrotechnical constructions and transshipment facilities. One of the main difficulties encountered by the ships calling at Gdynia is the absence of a large town with all the conveniences which are the characteristic features of the existing old-established ports. These shortcomings are, however, being removed at a rapid pace and it is well to recall that not long ago cows were grazing and peat was being dug on the present site of the harbour.

The plan to build a harbour was drafted 8 years ago. It is true that this scheme was taken up without any great delay, but the country's resources proved then inadequate. There was only a small amount of capital available and even the value of this depreciated owing to the inflation of the currency. During the first 3 years the sum spent on the construction of the port amounted to gold Fr. 1,100,000, and at present — gold Fr. 1,500,000 per month. Despite the lack of capital during the first three years a provisional harbour about 7 m. deep, with railway sidings, was completed. If the construction of the port had been continued at the same rate it is certain that the first basin would not be completed before the commencement of the next century. In 1922, after taking over the work from the military authorities, the Ministry of Industry and Commerce legalised the construction of the port by means of a special law and began to search for means in order to realise the scheme at a much more rapid pace. In 1924 the construction of the port was entrusted to a Franco-Polish consortium which granted for this purpose a short-term loan till the year 1935. At the beginning work was pursued at a rapid pace. A whole range of impediments bearing character of *vis major* were responsible for a slackening in the work.

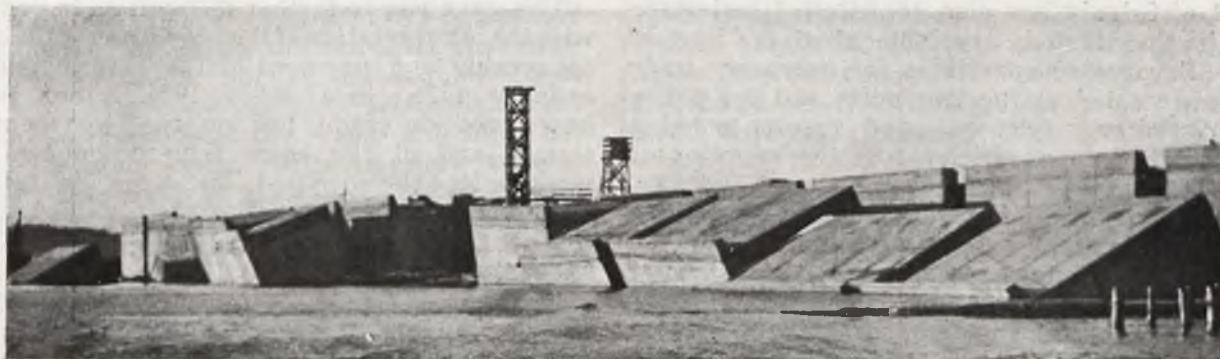
This gave rise to further difficulties in connection with the interpretation of the provisions of the contract concerning the payment of the first instalment in January 1926. In October 1926, a new contract, based not on credit but on cash payments, was signed and at the same time premiums for the work before the specified time were instituted. The signature of this contract marked a third phase in the construction. A sum of gold Zł 6,000,000 was spent during the second phase.

However, it was only in 1927 that the work was speeded up and a sum of over gold Zł 8,000,000 was spent in the course of that year. The remainder of the work, involving an expenditure of gold Zł 20,000,000, is to be carried out in 1928, 1929 and 1930. It is quite probable, however, that towards the middle of 1929 the first portion of the work comprising one outer and one inner basin will be in commission. The Consortium will not interrupt the work for a new contract in respect of a second inner basin to be situated to the South of the Southern portion of the mole and a fishing port and a basin for coastwise traffic; this new contract was signed in August 1928. The second portion of this contract should be completed in 1930 when the third section of the port construction scheme will be terminated. As already stated, this portion will comprise the construction of a second and possibly of a third inner basin, parallel to the first one. Negotiations concerning the construction of this portion of the port are already in progress but it is too early as yet to state when this plan will be realised. After the completion of the six basins, that is 3 outer and 3 inner basins the handling capacity of the harbour will easily reach 12,000,000 tons per annum, which will meet the exigencies of the country for a number of years. During the first 3 years Polish public opinion was rather hostile to this scheme but later on a radical change took place and since 1924, during which year 27 ships took 9,000 tons of coal, private initiative has been backing up the Government.

The Polish community has gradually begun to display an increasingly growing interest in the port; Polish business circles are also taking an active interest in Gdynia, which is evidenced by the growth in the demand for sites, warehouses, factories, &c. No doubt this is attributable to the increase in the cargo handled from 9,000 tons in 1924 to 51,000 tons in 1925, 410,000 tons in 1926 and to 898,199 tons in 1927.

Gdynia is located at 52°E longitude and 53°N latitude, 21 km. West of Danzig and 17 km. from the estuary of the Vistula, and there is ample space for further extension. The area of the port is now about 700 ha while the water surface is 300 ha. Both foreign and Polish experts are agreed that the site selected is most appropriate for the construction of a modern harbour.

The ironical remarks which appeared in the foreign press hostile to Poland at the time when the scheme was embarked upon, have ceased to be made and even words of praise have of late become more and more frequent.



THE CONSTRUCTION OF THE MOLE AT THE PORT OF GDYNIA (PHOT. S. PLATER)

The distance from Gdynia to Warsaw is 411 km., to Poznań 316 km., to Łódź 431 km., to Borysław 930 km., to Katowice 650 km., to Lwów 853 km., to Wilno 840 km., to Prague and Brno (Czechoslovakia) 815 km. and 892 km. respectively, and to the Russian frontier (Stołpce) 882 km.

The Bydgoszcz - Gdynia railway line will be 185 km. long, and the Inowrocław - Herby line 259 km.

Up to the present 400 m. of quay with 8 m. of water in the outer basin and also 200 m. of quays in the Southern part of Southern mole, have been handed over to the Port Authorities for operation. At the present time the Southern mole is 150 m. wide but it will be broadened to 250 m.; in the inner basin 2 quays 200 m. in length with 10 m. of water as well as quays 440 m. in length with 8 m. of water are also already in commission. It will be seen that the total length of quays now being exploited is 900 m. with 8 m. of water. In addition about 1,000 m. of quays with 10 m. of water in the inner basin are nearing completion and will be ready for operation in the spring of next year.

A great drawback during the first years of the operation of the port was its inadequate protection against heavy seas. The 720 m. of the Northern and 550 m. of the Southern mole together with 175 m. of cross breakwater were the sole protection at that time. The year 1927 saw a considerable improvement in this respect owing to the prolongation of the breakwater to a total length of 600 m. In the current year the basin will be closed. Owing to the possibility of breaking up the ice by the tugs specially adapted for this work it appears to be certain that the port will be open during the winter. In the current year the Southern mole with some 800 m. of quays with 8 and 9 m. of water on the Southern side will be completed. But as the installation of loading appliances and the building of railway sidings will require several months, the finishing of this mole and its utilisation for the export of coal will not take place till later in the year; the total length of the quays will be about 1,400 m. which will accommodate 14 ships at a time. In addition, a further 400 m. with 8 m. of water on the Southern side and 4 piers with 9 m. of water for a further 8 ships are also destined

for coal handling. These 400 m. of quays will come into operation in January 1930. At that time it will be possible to load coal or ore on 22 ships at the same time and as the quays will be provided with modern and efficient port appliances the handling capacity may easily reach 600,000 tons per month, provided the railways are in a position to handle the traffic.

A portion of the fishing mole, which is 175 m. wide, will be completed this year so that the construction of a fish hall on the mole will be commenced in the spring of next year. The remainder of the fishing mole as well as the portion of the basin destined for passenger traffic will be ready for service before the end of 1929. Also the passenger pier will be finished towards the middle of next year. The same remark applies to the completion of the inner basin.

Dredging operations are carried out parallel with the construction of the quays. Special attention should be paid to the canal of which the inner basins form branches. This canal is about 1 km. long and about 100 m. wide and 10 m. deep. At the end of the canal space is reserved for ship-building yards. Both banks of this canal may be utilised for the storage of timber and other cargo as long as the second and third inner basins are not constructed. The canal, on the banks of which commercial and industrial undertakings are to be grouped, will run in the same direction. Its construction has not been as yet commenced and there is no likelihood of its being commenced before the 1930.

After the completion of the first section of the scheme including the two outer basins, that is, the fishing and passenger basins, the port of Gdynia will possess over 3,000 m. of quays with 10 m. of water, over 2,600 m. of quays with 9 m. of water and 1,400 m. of quays with 8 m. of water, that is, over 7,000 m. of quays which will provide accommodation for 70 ships at the same time. All the hydrotechnic constructions are carried out to the account of the Treasury. As regards appliances, most of them are installed by the Government although some of them are provided by private firms in connection with long-term concessions. The hydrotechnic works are calculated to amount to gold zł 35,000,000 and the equipment to gold

zł. 15,000,000. It is very probable that these sums will be exceeded for at the time of making the estimates it was impossible to foresee the rapid development of the economic life of Poland which has been observed in the recent years. On the whole, the plans were on too small a scale, although, it is true, it is possible to make extensions. The possibility of expansion has proved of great value already during the initial stages of the construction of the port. For this reason it appears to be superfluous to try to estimate the final cost of the construction of the harbour. Among the facilities effected at the expense of the Government the construction of an iron warehouse of 100 m. by 40 m. for the storage of general cargo, should be mentioned. This warehouse is equipped with two 5 ton cranes. In the course of the current year another warehouse of the same dimensions built of masonry will be erected. The first warehouse is at the entrance to the inner basin and the second will be placed at the side of the same basin. It should be mentioned that there are two cranes of 5 tons each especially constructed for the handling of coal. In the near future two similar cranes for the transshipment of ores will be installed which will allow of a considerable increase in the import of ores. Further, the port is equipped with a water works, port offices, apartment houses for employees, &c. A house for pilots and a hall for 300 workmen are under construction. Within the port there is a building for the Port Authorities, a provisional hotel for emigrants and a building for the railway customs agency.

The equipment of the port includes a number of tugs of from 150 to 350 HP. Two additional tugs will be ordered in the course of the current year.

Electric light and electric energy is supplied by the Gródek electrical power station at rates from 8 gr. to 17 gr. per KWh. The electric power station erected at its own expense a cable of 150 km. in length in return for a concession for the whole port for 60 years. The Government has provided the necessary funds for 8 additional cranes of a capacity of from 1½ to 2½ tons of which two will serve the iron warehouse and two the new warehouse which, as already stated, will be completed in the course of this year, and the remaining four will be placed along the Southern side of this warehouse. In 1929 two travelling cranes will be ordered by the Government.

As the Government outlay on hydrotechnic constructions and on various appliances has already been considerable, it was found expedient to carry out certain works on the principle of long-term concessions. Thus, the rice husking enterprise obtained a site with quays 140 m. in length for a period of 35 years in exchange for erecting a large 6 story mill, and a warehouse of identical dimensions is to be erected within a short time.

In addition, the firm has undertaken to import at least 100,000 tons of rice from India and to supply the population with rice at a reasonable price. After the expiration of the term of 35 years the works together with the warehouses will become Government property. A similar contract

was concluded with the Upper Silesian Coal Concern "Robur" which obtained a lease for 35 years of 400 m. of quays and in a few months it will be granted a further 600 m. of quays with a site of 125 m. of land. The company has undertaken to export coal to an amount of 125,000 tons per month and to operate under Polish flag a number of ships totalling 15,000 tons. Another contract of the same kind has been concluded with the Giesche firm which has undertaken to export 55,000 tons of its products per month. Three further contracts with important concerns are now under consideration: in all the cases with the exception of the rice husking enterprise the concession holders are Upper Silesian Concerns. This part of Poland's industrial area had a tendency to avail itself of the Port of Stettin, but is now closely linked up with Gdynia. The traffic between Gdynia and Upper Silesia will be still more active as soon as the railway uniting the two and reducing the present distance by 70 km. is completed. In accordance with the stipulations of the contract, the "Robur" firm has already installed two 7 ton cranes and has begun to install a new transshipment appliance which will permit of shipping thirty 20 ton trucks of coal per hour. This crane will be completed by November this year. The Giesche firm will probably install a band hoist.

It is also desired to facilitate the erection of warehouses by private firms on the same principle. Two contracts for the erection of warehouses in exchange for a 25 year lease have recently been drafted. According to the provisions of the contract, the firms are to erect the warehouses at their own cost and to pay a small rent in addition to a contribution to the Treasury of zł. 0.15 per ton of goods stored. After a period of 25 years the warehouses together with the equipment will become Government property. Two and possibly three warehouses will be erected in the course of this year. They will be located in the Southern part of the inner basin.

A fourth warehouse which will be constructed by the Government from the credits provided in this year's budget will also be erected in this part of the port.

It should also be stated that the State Land Bank in conjunction with the Ministry of Industry and Commerce will begin shortly the construction of a cold storage warehouse with an aggregate floor area of 18,000 sq. m.

Thus, at the end of 1929, Gdynia will possess 7 warehouses with about 30,000 sq. m. of floor area and 15 cranes. Of course, this does not complete the list of facilities, for it is proposed to order a floating crane, a floating bunker station and to provide more cranes and warehouses. It is possible that a quarantine station will also be constructed to the North of Oksywia and that a port hospital will be erected before the end of this year. As soon as the outer basin is completed, light-houses will be built at the entrance to the port. Gdynia will also possess a signalling station. There is not space in these pages to go into the details of the equipment with which Gdynia will be



■ A STEAMER WAITING TO BE LOADED, GDYNIA
 (PHOT. S. PLATER)

provided in the future but it may be of interest to say that some of the foreign shipping companies intend to erect transit and warehouse; there is also a plan to erect shipbuilding yards and various works which rely on foreign raw materials and which would work for reexport.

GDYNIA AS A PORT CITY

THE SITE for Poland's harbour was selected in the valley of the river Chylonka between two small fishing villages Gdynia and Oksywia. Before the Great War the two villages had about 200 inhabitants. Oksywia possessed a very old church, various historical relics and beautiful surroundings, but even summer visitors were reluctant to go there for holidays owing to the lack of conveniences and comfort which the poor population could not provide; in addition, there were other seaside resorts such as Zoppot and Brösen, which were better situated and better equipped to receive visitors.

The construction of the harbour of Gdynia brought with it the necessity to create a city. The site of the harbour was located in two different administrative districts, namely — Puck and Wejherowo. This anomaly was removed by the establishment of

a separate administrative unit. The building of the port has meant that from a small fishing village, Gdynia has gradually increased its population to 12,000. Land speculation and the lack of a building programme began to be noticeable, and it became obvious that this problem had to be dealt with promptly. It became quite clear that only well thought out Government action could improve conditions and ensure the rational development of a large city on this particular spot. In accordance with the existing legal statute it was decided, at first, to unite Gdynia and Oksywia and a number of other villages into a separate town which would have a population of some 15,000 inhabitants. The municipality, established in this way, was composed partly of elements which were not prepared to deal with the tasks with which they were confronted; also they were devoid of financial means. Therefore, the municipality could not perform the tasks allotted to them, for, having neither valuable land nor property, they were unable to raise money and on the other hand, the number of inhabitants being very small, the financial means could not be obtained by means of taxation.

In the meantime the port traffic was growing more rapidly than the town. Business circles made energetic representations and laid stress on the necessity of making such arrangements as would satisfy the needs of the seaborne trade.

Banks, shipping agencies, brokers' institutions, hotels, a stock exchange and other organisations, which are indispensable to the working of a modern harbour, were necessary and all these could only be established when the employers and the employees of those institutions could find apartments, shops, schools and other institutions ready for them.

Fully realising the need for the creation of a harbour, the Ministry of Public Works drafted out plans for the new town. The Ministry of Industry and Commerce appointed a permanent committee composed of the representatives of the different Ministries (which were concerned with the plan prepared by the Ministry of Public Works) which approved them. In this way the plans of the central parts of the city situated between the harbour, the railways and Kamienna Góra were dealt with. The territory situated on the other side of the railway track together with hills was planned out. Of late the attention of the authorities has been given to Oksywia, while the Southern part of the city in the direction of Radłowo will be dealt with in the near future. The plans of the city cover several thousands of ha and are designed to give accommodation for some 150,000 inhabitants. The Northern part of the town area, which is destined for workmen and industrial plants has not been, as yet, considered. As soon as the plans of the different part of the town were approved, the paving of streets was begun. The plan was based on the existing streets and some of them have been maintained. Furthermore, attention should be given to the necessity of widening the present railway line and of setting aside land for new railway lines, such as the Bydgoszcz-Gdynia line and extensions to the sidings leading to the port.

The permanent committee referred to above not only plays an important part in the planning out of the port but also in the consideration of various problems connected with the development of Gdynia and it frequently adjusts conflicting plans of the Government departments concerned. In this way both the town and the port have been adapted to each other since 1926, which has ensured steady progress.

The Government has not confined its activity to technical assistance alone; it has given financial help which has proved of great value. Acting through the Bank Gospodarstwa Krajowego (The National Economic Bank), the Government has granted a long-term loan to the municipality of Gdynia for investment purposes; the Treasury has also provided a certain sum in the budget of the Ministry of Industry and Commerce as a guarantee for the redemption of the investment loan. Furthermore, the Bank Gospodarstwa Krajowego has granted extensive credits to private interests for the promotion of building. The amount of these credits has exceeded the portion to which Gdynia would have been entitled to had it not received preferential treatment in this respect.

The supervising authority, that is the Pomeranian Voievodship together with the Ministries concerned, examined the investment plan of the municipal

authorities for the period of 5 years from 1927 to 1931 inclusive. This plan was considerably cut down until the disbursements on various improvements amounted to zł 10 million. According to this plan zł 140,000 are to be spent on town triangulation and measurement, zł 4,820,000 million on the construction of streets and zł 300,000 on electric cables and transformers. It should be stated that the town of Gdynia has a contract with the hydro-electric power station of Rutki for the supply of current, whereas the port obtains current energy from the Gródek station. The two stations are located 30 and 150 km. away respectively. For buying up the land, required for the construction of streets and sites for various buildings foreseen in the investment plan, a sum of zł 650,000 was allotted, while provision was also made for the following disbursement: the finishing of a school — zł 215,000, a hospital for infectious diseases — zł 25,000, fire brigade — zł 104,000, a house for the homeless — zł 37,000 and for municipal buildings — zł 168,000. It is seen that the amount devoted in each case is small and in fact inadequate, and for this reason the programme might be regarded as a minimum scheme. Already in the current year, that is one year after its adoption, it has become absolutely out of proportion to the needs. So much so that it was found necessary to draft a new plan on a much larger scale which will be dealt with at the end of this article.

Bricks command high prices at Gdynia, reaching zł 120 per 1,000, and as the demand is large and the necessary raw material, clay, is available on the spot, there is scope for capital and enterprise. In view of the large number of buildings being erected both in the port and in the town, brick manufacture would certainly prove a success, especially when it is considered that at present they have to be brought from Toruń. The Government has erected a large number of buildings within the port area, while building operations have also been carried out on a large scale within the city boundaries. Amongst others there is the railway station which, although large, no longer satisfies the needs of the town. Despite a large margin, the actual requirements have gone much further. The buildings of the Central Post Office and those in the port and near the station, of the Bank of Poland, Bank Gospodarstwa Krajowego, the State Shipping Company, the State Meteorological Institute and the premises of the Port Construction Company of Gdynia — are nearing completion and a primary school and workmen's hostel for 300 persons, are already in commission. Seen special schools including the Marine Technical School, Commercial School and others, are under construction. Within a short time the following buildings will be erected: law courts, prisons, Treasury offices and offices of the State Spirit and Tobacco Monopolies.

Thanks to the credits granted by the Bank Gospodarstwa Krajowego, private building operations have assumed large proportions. In 1926, the total amount of loans for building purposes amounted to zł 2 million and the number of buildings



A VIEW OF THE TOWN OF GDYNIA (PHOT. S. PLATER)

commenced reached 70. In the current year the number of houses rose to 200 and advances to $\text{Z} 5$ million. As this year's quota has already been exhausted, an additional credit of $\text{Z} 2$ million on account of next year's contingent has been opened. Although the building operations are large, yet compared with the requirements resulting from a steady increase in the port traffic, they are still unsatisfactory. The building movement is hampered by the high price of land but, on the other hand, rent is high and as there is a big demand for all kinds of apartments, the capital invested brings in a good return. As in the course of the year 1928 the first basin will be completed, it is to be anticipated that building will assume large proportions. If Gdynia is to perform its functions, its population should increase to from 50,000 to 75,000 within the next few years. There are big possibilities for foreign capital, initiative and experience.

On the strength of a special Presidential decree, facilities are granted to the tax payers, and in accordance with the decision taken by the Council of Ministers, industrial and commercial enterprises may be freed from the turnover and other taxes for a period of 15 years. Some of the undertakings have already been exempted from the payment of certain taxes.

It is certain that a locality with 15,000 inhabitants cannot be expected to elect a local Government board capable of efficiently handling the complicated affairs of a modern port which is called upon

to play an exceedingly important rôle in the economic life of a country of over 30 million inhabitants, and for this reason the attempt made during the initial stages proved a failure. The authorities could not cope with the tasks entrusted to them, and consequently it has recently been proposed that the town authorities should be nominated by the Government. These authorities, according to the plan, would be assisted by representatives of Government Departments and social institutions and also private persons with special qualifications. There is good reason to believe that the problem of the administration of the city and of the port will be definitely settled in the near future.

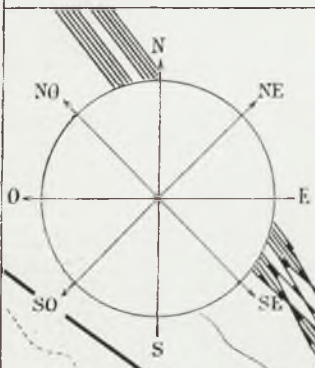
Together with the changes in the administrative authorities there arises the necessity for a revision of the investment plan for the next few years. This programme has already been drafted, but so far it has not been approved. The investment scheme planned by the municipality for the period 1927 to 1932 provides for the expenditure of $\text{Z} 75$ million. This sum includes $\text{Z} 11,290,000$ for the construction of streets, $\text{Z} 19.1$ million for ground purchases, $\text{Z} 13.5$ million for sewers and water works, $\text{Z} 2.8$ million for electric power stations, $\text{Z} 2.8$ million for gas works, $\text{Z} 1.2$ million for sport grounds, $\text{Z} 3.1$ million for municipal hospital, $\text{Z} 1.8$ million for the construction of a theatre, $\text{Z} 2.8$ million for the erection of a town hall, $\text{Z} 1.8$ million for a secondary school, $\text{Z} 3.3$ million

THE PORT OF GDYNIA

PRESENT AND FUTURE

THE POLISH ECONOMIST

1928



Reference

- Completed portion of the Port
- Portion of the Port which will be ready in the year 1929
- Streets of the town of Gdynia after completion
- Present streets and roads
- Railway lines
- ⑥ ⑪ Soundings
- Hills

Scale 1:16,000



for a workmen's colony and the rest for various other investments such as schools, fire brigades, a slaughter house, parks, market halls, museums & c.

It is seen that the investment programme is extensive and the best way to realise it would be by means of a foreign loan which the new authorities could more easily obtain, especially when the Government would transfer a large area of land to the municipality: this would constitute a guarantee for the redemption of such a loan. It is possible that some items, such as museums, will be eliminated, whereas others such as a slaughter house, market hall and gasworks — could be handed over to private interests in the form of a concession. In this way the investment programme and the amount of money necessary for its realisation would be considerably reduced.

In accordance with the plan drafted by the Ministry of Public Works, sites for the Government and local board offices have been selected. The land on which the law courts, prisons, Treasury offices, town hall, hospitals, schools and public utility works will stand, has already been found.

In summing up, it should be stated that the construction of the harbour goes at a much more rapid pace than that of the town, which unfavourably affects the development of the seaborne trade at Gdynia.

Efforts also should be made to assist builders of dwelling houses for there is a great lack of apartments, offices, warehouses, &c., the shortage of which has a damaging effect on the development of Gdynia.

SUMMARY OF LAWS, ACTS AND EXECUTIVE DECREES

published in the "Official Journal of Laws of the Republic of Poland" ("Dziennik Ustaw Rzeczypospolitej Polskiej") from August 15th to September 15th, 1928

Direct railway goods traffic between Poland, Bulgaria, Rumania, Hungary, Austria and Czechoslovakia, on the one hand, and Greece, on the other ("Dz. Ust. R. P." No. 76, item 676).

Fees to be charged by the Weights and Measures Control Offices ("Dz. Ust. R. P." No. 76, item 677).

Customs duty return when exporting finished textile products, cotton yarns, agricultural machinery and implements, rolled foundry products, certain metal

parts, internal combustion engines, cast iron products and artificial silk yarns ("Dz. Ust. R. P." No. 76, item from 678 to 685).

Records to be kept on aeroplanes and other aircraft ("Dz. Ust. R. P." No. 77, item 688).

Provisional sugar contingent for the period from October 1, 1928 to September 30, 1929 ("Dz. Ust. R. P." No. 78, item 693).

Import prohibition on wheat and rye flour ("Dz. Ust. R. P." No. 79, item 696).

The destruction of berberis ("Dz. Ust. R. P." No. 79, item 697).

Charges for parcels transported by aerial post ("Dz. Ust. R. P." No. 79, item 698).

Customs duty on artificial silk products ("Dz. Ust. R. P." No. 79, item 699).

The despatch of parcels freed from postal charges ("Dz. Ust. R. P." No. 80, item 702).

Customs officers ("Dz. Ust. R. P." No. 81, item 715).

Executive decree concerning port charges ("Dz. Ust. R. P." No. 81, item 716).

PRODUCTION AND TRADE

STATE OF EMPLOYMENT. — August saw further improvement on the labour market: the number of employed increased and consequently the number of unemployed and partly employed workers declined, while wages showed a further upward tendency.

The number of unemployed registered at the State Labour Exchange decreased from 97,976 at the beginning of August to 88,593 at the beginning of September, a decline of 9.6 per cent. This was the lowest level since the introduction of the gold currency and was much lower than in the corresponding period of the past few years, which is apparent from the figures given below (at the beginning of each month):

	1926	1927	1928
January	251,326	190,140	165,268
February	301,457	208,536	179,602
March	302,179	213,592	178,403
April	295,529	205,770	167,022
May	272,414	190,578	154,656
June	256,934	174,349	132,453
July	243,302	159,365	116,719
August	223,474	147,713	97,976
September	205,393	132,952	88,493

Similarly as in the past few months the decline in unemployment in August was brought about by two different causes. On the one hand, there were factors of a more permanent character connected with a steady development of production, and on the other — there were seasonal influences for, as is well known, there is an increased demand for labour at the beginning of the autumn on the part of several branches

of the foodstuff industry, the building trade and the agricultural industry. It should be stated that in contrast with the past few months, the number of part-time workers declined in August, which is apparent from the following statement (at the beginning of each month):

January	33,190
February	31,465
March	25,565
April	48,878
May	54,385
June	27,461
July	28,728
August	32,996
September	25,911

Of the total number of 25,911 part-time workers, 70 persons worked one day per week, 254 two days, 1,933 three days, 6,459 four days and 17,195 five days



INTERIOR OF THE PHIAL MANUFACTURING DEPARTMENT AT MESSRS. LUDWIK SPIESS I SYN, S. A., MANUFACTURING CHEMISTS AND DRUGGISTS (PHOT. J. MALARSKI)

per week. Thus, the average time worked per week by the part-time workers was 4.6 days in August, as compared with 4.5 days in July.

The following statement shows the number of unemployed according to trades (at the beginning of the months):

	August	September	+ Increase - decrease
mining	16,542	14,368	- 1,174
foundries	2,239	1,302	- 937
metal	6,607	6,489	- 118
textile	12,642	11,352	- 1,290
building	4,537	3,866	- 671
clerical	13,452	12,245	- 1,207

The decline in the number of miners is due principally to the general improvement in conditions in coalmining, for owing to the approach of the winter season there was an increase in local sale while at the same time exports also rose, which in turn necessitated an increase in output. The number of workers at the mines rose from 111,641 in July to 112,172 in August. In the petroleum industry the situation was unchanged. At the iron ore mines the number of workmen declined slightly from 6,459 in July to 6,261 in August, which was partly due to the shortage of labour affecting this branch of production. There was no change in the zinc ore mining industry. Unemployed miners

represented about 10 per cent of those at work.

In the iron founding industry the position continued to be good. The output rose, particularly that of steel and rolled products. There was a slight decline in the output of pipes. Although the inflow of orders in August was smaller than in July, especially as regards profiles, which is closely linked up with the approaching end of the building season, yet the prospects are not bad owing to the fairly good crop yields. The number of employed at iron foundries rose from 51,273 to 52,221. There is no change in the zinc and lead smelting industry to report. The output was maintained at practically the same level as in the past few months. The same remark applies to the number of employed in this industry. The unemployed foundry workers were 2 per cent of those at work.

In the metal industry, the situation was, on the whole, favourable, intensive work being recorded in the section of agricultural machinery. There was a particularly large demand for cutting, threshing machinery and ploughs. There was also an increase in the sales of steam engines. Unemployed in the metal and engineering industry

represented about 7 per cent of those at work.

There was some improvement in the textile industry. In the 45 large cotton mills in the Łódź area the number of operatives rose from 63,815 at the end of July to 65,777 at the end of August. At the same time in the 34 large woolen mills in the same area the number of operatives increased from 19,248 to 19,865. The demand, particularly for winter woolen piece goods, gained in strength. In the Bielsk woolen industry active operations were pursued in connection with the sales of goods for the winter season. Influenced by the prices for wool and by the threat of a strike at the Bielsk factories the manufacturers endeavoured to get rid of their stocks and, at the same time, work their finishing department at full capacity in order to get ready for the forthcoming winter season. In the Białystok area very active operations were carried on by the woolen factories and even then they were unable to cope with the orders. In the hosiery and knitted ware departments work reached the highest level in the current season. The clothing industry worked at full capacity; the hat industry is also carrying on under exceptionally good conditions. The jute industry is

doing well, but owing to competition between the producers, prices show a decrease. Unemployed textile operatives were 75 per cent of those at work.

In the building trade there was little improvement in August. Most of the building taken up in Poland is in the hands of the Government and the municipalities. Fairly large building operations were recorded in Upper Silesia and at Gdynia. Apart from this, a great deal of repair work and renovations have been carried out, which brought about a further improvement in the situation of the workers. In the ceramic industry, the position, on the whole, is good, with the exception of those districts where building is on a small scale. The general increase in production and the anticipated good business in the autumn season are responsible for the fall in the number of unemployed clerical workers.

In connection with the improvement in the state of employment throughout the country, wages showed an upward trend. This applies in particular to the wages in the iron founding industry in the Dąbrowa area where a protracted strike was terminated by an increase in wages by 5 per cent.

As a result of lengthy negotiations, the wages of mechanics and operatives at footwear factories were raised by 7 per cent. In the textile industry the union of textile workers gave notice as regards the collective agreement and asked for an increase of 20 per cent.

GRAIN

— The fine sunny weather which prevailed in July throughout Poland favourably affected the growth of the spring sowings. The grain gained in weight and quality; such a weight for barley as this year's has not been noted for many years. The harvest operations were carried out under favourable weather conditions. According to the provisional data of the Chief Statistical Office, this year's crops will be as follows (in tons):

wheat	1,460,000
rye	5,900,000
barley	1,900,000
oats	3,650,000

These quantities, as compared with the average returns for the period from 1922 to 1927, represent: for wheat — 111 per cent, rye — 110 per cent, barley — 123 per cent and oats 116 per cent. In percentages of the quantities obtained last year the figures are: for wheat — 99 per cent, rye — 104 per cent, barley —

117 per cent and oats — 108 per cent. The above figures indicate that despite the bad prospects in the spring the yields of grain are above the average. Considering that the average consumption of grain during the past few years per capita were: wheat about 45 kg., rye — 153 kg., barley — 42 kg., and oats 91 kg., the amount of grain available, with the exception of wheat which is smaller, should entirely cover local requirements, leaving a certain surplus for export. It should be borne in mind, however, that the above mentioned data are only provisional and that they may be subject to some modifications when the final calculations, after the grain is threshed out, are made. Owing to larger yields of the crops which became apparent at the time of harvesting, prices of grain showed a decrease

on the local market. The decline continued throughout the period under review, and in the middle of September, as compared with the beginning of August, was as follows: for wheat — 12 per cent, for rye — 10 per cent, for barley — 15 per cent, for brewing barley — on the Poznań Corn Exchange — 4 per cent and on the Lwów Corn Exchange — 18 per cent, and for oats — 28 per cent. The considerable decline in the prices of oats is to be attributed to smaller purchases by the army which in turn is explained by the fact that oats at this time of the year are not as yet well conditioned.

The movement of prices on the local corn exchanges as compared with the quotations noted in Berlin and Chicago during the period under review is given below:

	HOME EXCHANGES								Berlin \$	Chicago \$
	Warsaw		Poznań		Lwów		Av. of 3 exch.			
	z	\$	z	\$	z	\$	z	\$		
W H E A T										
August 1—8	55'50	6'23	50'—	5'61	48'45	5'44	51'32	5'76	5'70	4'30
" 9—15	55'50	6'23	50'—	5'61	49'72	5'57	51'74	5'81	5'58	4'11
" 16—22	51'50	5'78	43'—	4'83	49'75	5'58	48'08	5'40	5'38	4'10
" 23—31	49'58	5'57	44'55	5'—	—	—	—	—	5'26	4'07
Sept. 1—8	49'25	5'53	44'50	5'—	—	—	—	—	5'15	4'10
" 9—15	47'35	5'32	42'91	4'82	44'83	5'03	45'03	5'05	4'87	4'08
R Y E										
August 1—8	42'55	4'78	38'75	4'35	37'58	4'22	39'63	4'45	5'69	—
" 9—15	41'25	4'63	—	—	37'83	4'12	—	—	5'46	—
" 16—22	38'75	4'35	34'37	3'86	35'—	3'93	36'04	4'04	5'26	—
" 23—31	—	—	35'67	4'00	34'75	3'90	—	—	5'22	3'85
Sept. 1—8	—	—	36'50	4'10	—	—	—	—	5'18	3'81
" 9—15	37'57	4'22	35'36	3'97	34'25	3'84	35'73	4'01	4'95	3'59
B A R L E Y (feeding)										
August 1—8	44'80	5'03	38'66	4'34	—	—	—	—	—	—
" 9—15	42'42	4'76	38'12	4'28	—	—	—	—	6'13	—
" 16—22	40'40	4'54	37'50	4'21	35'50	3'98	37'80	4'24	5'91	—
" 23—31	38'08	4'27	37'10	4'16	—	—	—	—	5'78	—
Sept. 1—8	36'66	4'11	37'—	4'15	36'50	4'10	36'72	4'12	5'80	—
" 9—15	36'65	4'11	37'—	4'15	36'50	4'10	36'72	4'12	5'76	—
B A R L E Y (brewing)										
August 1—8	42'10	4'73	35'—	3'93	36'37	4'08	37'82	4'24	—	3'16
" 9—15	40'92	4'59	—	—	35'—	3'93	—	—	—	3'02
" 16—22	38'08	4'27	33'87	3'80	31'50	3'53	34'48	3'87	—	2'95
" 23—31	35'79	4'02	33'60	3'77	29'66	3'33	33'01	3'70	—	2'90
Sept. 1—8	34'75	3'90	33'60	3'77	28'50	3'20	32'28	3'62	—	2'94
" 9—15	34'05	3'82	34'—	3'82	28'55	3'17	32'10	3'60	—	2'96
O A T S										
August 1—8	50'00	5'61	43'68	4'90	43'25	4'85	45'64	5'12	6'04	4'37
" 9—15	48'75	5'47	—	—	37'37	4'19	—	—	5'95	4'20
" 16—22	40'37	4'54	33'75	3'79	30'75	3'45	—	—	5'03	3'99
" 23—31	37'62	4'22	32'68	3'67	—	—	—	—	4'94	4'16
Sept. 1—8	—	—	32'50	3'65	—	—	—	—	4'76	4'22
" 9—15	36'75	4'12	32'20	3'65	30'25	3'40	33'07	3'71	4'49	4'30

The existence of large stocks, owing to excessive imports during the last agricultural year, also contributed towards the decline in prices. The grain balance sheet for the year 1927/28 was closed with an adverse balance of zł 145,589,000. An excess of exports over imports was shown by barley and amounted to 64,699 tons. The remaining varieties of grain showed adverse balances which were for wheat 224,006 tons, for rye 96,531 tons and for oats 14,159 tons.

The grain movement in the year 1927/28 as compared with 1926/27 is given below (in tons):

	Imports:		Exports:	
	1927/28	1926/27	1927/28	1926/27
wheat	229,498	227,044	5,492	17,018
rye	105,209	123,982	8,678	81,650
barley	2,765	3,095	67,464	93,370
oats	23,682	44,495	9,523	8,485

	Excess of imports (—) or exports (+):	
	1927/28	1926/27
wheat	— 224,006	— 210,026
rye	— 96,531	— 42,332
barley	+ 64,699	+ 90,285
oats	— 14,159	— 36,010

The movement of grain in August compared with July and August 1927 is given below (in tons):

	Imports:		
	July 1928	August 1928	August 1927
wheat	38,386	14,495	3,219
rye	2,297	7,264	10,165
barley	425	174	86
oats	5,327	3,498	401

	Exports:		
	July 1928	August 1928	August 1927
wheat	145	104	2,074
rye	97	15	228
barley	565	3,180	1,402
oats	280	270	1,150

Imports of grain amounted to zł 12,528,000. Wheat came from Germany (43 per cent), Hungary (19.5 per cent), the United States of America (15 per cent), Canada (9 per cent), rye — from Hungary (46 per cent) and the United States (35 per cent), whereas barley was imported from Rumania (98 per cent), and oats from Germany (72 per cent).

Grain exports were valued at zł 1,535,000. Exports of barley assumed large proportions, important quantities being directed to Germany (72 per cent) and also to Belgium, Latvia and Estonia.

BUTTER

— The end of August was marked by a slight increase in the supplies of butter, which resulted in a downward tendency of prices. On the other hand, the simultaneous slight improvement in the situation in the butter importing countries was responsible for a rapid rise in prices to their previous level.



PEDIGREE CATTLE AT THE GÓRA ESTATE, POMERANIA

Prices of first grade butter during the period under review were as follows (in zł per kg.):

	August 15th-31st	September 1st-15th
Bydgoszcz	6'80—	6'80—7'—
Katowice	6'60—6'80	6'80—
Lublin	5'60—	5'90—6'30
Lwów	5'80—5'60	5'80—6'20
Poznań	6'40—6'80	6'60—6'80
Warsaw	5'90—6'30	5'90—6'30

The unfavourable position observed on the world butter market in August was responsible to a certain degree for a fall in the volume of butter exports which amounted to 1,345 tons valued at zł 7,979,000 as against 1,969 tons in July. Germany absorbed 84 per cent of the exports and England 12 per cent., smaller quantities being forwarded to Austria and Czechoslovakia. Compared with 1927, exports of butter increased considerably (from 788 to 1,345 tons).

EGGS

— After the increase in prices which took place at the beginning of August, the local market became quiet. It was only towards the end of the month that a marked weakening was noticeable due to the reserves accumulated by the exporters being used, as in anticipation of a decline in prices they refrained from buying. The supplies continued to be limited.

Prices of eggs during the period under review were as follows (per case of 1.440 eggs):

	August 15th-31st	September 1st-15th
Bochnia	253'6—258	244'5—249
Lublin	—	200—225
Tarnopol	227	222'5
Warsaw	220—235	200—235

Exports in August rose slightly compared with the preceding month and amounted to 5,778 tons valued at

zł 14,996,000. Large quantities were taken by Germany (52.8 per cent), England (14 per cent), Italy (11 per cent), Austria (9 per cent) and Czechoslovakia (8 per cent).

TIMBER

— As is usually the case at the end of the season, the decline in prices, with a few exceptions of a local character, continued to be apparent throughout the month. Little interest was displayed in the forthcoming season though, it may be recalled, the reverse was the case at this time last year. The chief point of interest at present is the sales possibilities for sawn material in the forthcoming autumn season, as from the financial results achieved by sawyers depends their ability to make new purchases of raw materials.

On the whole, the situation in this respect has changed for the better due principally to increased business with Germany.

In July, the volume of exports of sawn material to Germany exceeded the average previous level by 50 per cent, and in August this situation was fully maintained.

It is also interesting to note a certain increase in the prices of sawn material. This means a return to the normal level of prices after the decline which took place in the spring and which was caused by excessive supplies put on the market by the sawmillers who were desirous of getting rid of their stocks.

Exports to England are much smaller than those to Germany, but owing to the fact that the stocks of timber in England are getting low and that smaller quantities were imported in the current

season, it appears to be certain that the forthcoming winter season will bring with it an increased demand which in turn will result in prices for English specifications going up. If this forecast materialises, the prospects for the maintenance of this market by the Polish timber trade will be much easier than at present.

The tendency on the local market is rather irregular; in some parts of the country there is a lull; in others the sales of timber are fairly large. In any case, the situation on the home market is much better than a year ago which, of course, exercises an influence on prices.

In August there was a further increase in the export of sawn wood at the expense of round wood. Only the volume of pulpwood rose on an unprecedented scale. The consumption of pulpwood by the local paper mills is also increasing enormously; so much so that makers of cellulose in Poland are alarmed and efforts are being made to induce the Government to put a stop to what is generally regarded as excessive exports. Exports of timber products in August as compared with July are given below (in tons):

	July	August
pulpwood	154,926	170,133
pit props	63,623	50,803
logs, beams	69,902	62,005
telegraph poles	5,982	4,509
deals, boards, battens	133,170	132,747
railway sleepers	22,261	12,257
coopers' wares	2,580	2,536

The total value of timber products exported in August showed a slight decrease, from $\text{Z} 54$ million in July to $\text{Z} 51$ million in August.

The average prices in July and August for the different classes of timber obtained by the Directorates of the State Forests f. o. r. loading stations were as follows (in Z per cub. m.):

	July	August
pine logs for saw mills		
(per cubic m.)		
Warsaw	68.—	70.—
Radom	58.—	53.—
Siedlce	50.75	50.—
Wilno	40.—	40.—
Białowieża	50.—	46.—
Poznań	58.50 ¹⁾	54.10
Bydgoszcz	47.—	48.50
Toruń	65.—	65.—
pine logs for building purposes		
(per cub. m.)		
Siedlce	46.75	46.—
Białowieża	50.—	38.—
Wilno	40.—	32.—
pine pit props		
(per cubic m.)		
Warsaw	37.—	37.—
Radom	37.—	37.—
Siedlce	29.50	29.50
Poznań	28.—	26.90
Bydgoszcz	28.—	30.—
Toruń	27.—	27.—
spruce logs for saw mills		
(per cub. m.)		
Siedlce	40.05	40.—
Lwów	43.—	—

¹⁾ Affected by the "Panolis Flammea".

	1925	1926	1927	1928
oak logs for joinery (per cub. m.)				
Białowieża Łuck	110.—	90.—		
155.—	155.—			
pulpwood (per stacked cub. m.)				
Siedlce	29.50	29.50		
Wilno	27.50	27.50		
Białowieża	29.—	28.—		
pine fire wood (per stacked cub. m.)				
Warsaw	16.—	16.—		
Radom	16.—	16.—		
Siedlce	13.—	13.—		
Wilno	7.50	7.50		
Białowieża	16.50	16.—		
Poznań	11.80 ¹⁾	12.—		
Bydgoszcz	14.50	14.50		
Toruń	16.—	16.—		
spruce fire wood (per stacked cub. m.)				
Lwów	11.50	—		
beech fire wood (per stacked cub. m.)				
Lwów	16.50	—		

COAL

The coal industry in Poland showed signs of greater activity with the ending of the summer. This is caused by stocks being accumulated for the winter and orders coming in from industry and especially from the sugar factories. Therefore there was a demand for cobbles, nuts II, small and specially slack which could not be satisfied by the collieries.

Simultaneously exports rose due to increased shipments to the Northern markets and the "Succession States" (Austria, Hungary, Czechoslovakia).

The state of the coal industry in August, as compared with July is given in the following statement (in tons):

Coal mining districts	Extraction	Home consumption	Exports	Stocks at pit-heads ¹⁾
Upper Silesia	2,560,000	1,342,000	1,067,000	847,000
Dąbrowa	648,000	383,000	192,000	424,000
Kraków	205,000	177,000	1,000	63,000
Total:	3,413,000	1,902,000	1,260,000	1,334,000
June ²⁾ :	3,248,000	1,766,000	1,089,000	1,375,000
± in relation to June	+165,000	+136,000	+171,000	-41,000

From the above it is seen that the total extraction of coal, 2,413,000 tons, rose as compared with July by 165,000 tons or 5.08 per cent.

The total sales were 3,162,000 tons or 307,000 tons (10.76 per cent) greater: the home sales were 1,902,000 tons or 136,000 (1.7 per cent) greater and export was 1,260,000 tons or 171,000 tons (15.70 per cent) more.

The stock at pit heads, by reason of the increased demand, decreased in comparison with July to 1,334,000 tons, that is, by 41,000 tons or 2.93 per cent.

Coal was exported to the following countries (in tons):

Destination	1925				1926				1927				1928			
	first semester ¹⁾				first semester ¹⁾				first semester ¹⁾				first semester ¹⁾			
	(monthly averages)				(monthly averages)				(monthly averages)				(monthly averages)			
	July ²⁾				July ²⁾				July ²⁾				August			
Austria	194	214	192	174	230	36	42	48	57	68	—	144	202	274	269	
Hungary	36	42	48	57	68	—	—	—	—	—	2	72	97	145	152	
Sweden	—	—	—	—	—	—	—	—	—	—	47	41	47	77	44	
Denmark	2	72	97	145	152	1	18	29	39	51	8	14	22	37	41	
Czechoslovakia	47	41	47	77	44	1	18	29	39	51	2	10	19	12	10	
Latvia	1	18	29	39	51	8	14	22	37	41	1	49	126	45	42	
Yugoslavia	8	14	22	37	41	6	8	10	15	17	1	3	6	12	14	
Switzerland	2	10	19	12	10	1	3	2	7	10	—	1	—	9	4	
Italy	1	49	126	45	42	—	—	—	—	—	—	9	9	41	62	
Rumania	6	8	10	15	17	—	—	—	—	—	—	23	16	21	31	
Lithuania	1	3	6	12	14	—	—	—	—	—	—	7	15	31	61	
Memel	1	3	2	7	10	—	—	—	—	—	—	37	—	—	—	
Holland	—	1	—	9	4	—	—	—	—	—	—	1	1	—	—	
Finland	—	9	9	41	62	—	—	—	—	—	—	—	—	—	—	
France	—	23	16	21	31	—	—	—	—	—	—	—	—	—	—	
Norway	—	7	15	31	61	—	—	—	—	—	—	—	—	—	—	
England	—	37	—	—	—	—	—	—	—	—	—	—	—	—	—	
Germany	451	1	1	—	—	—	—	—	—	—	—	—	—	—	—	
Belgium	—	—	12	1	16	—	—	—	—	—	—	—	—	—	—	
Russia	—	—	6	—	—	—	—	—	—	—	—	—	—	—	—	
Other countries	—	1	6	—	8	—	—	—	—	—	—	—	—	—	—	
Total:	750	697	865	993	1,130	26	37	27	28	83	—	38	15	64	47	
Danzig	26	37	27	28	83	—	—	—	—	—	—	—	—	—	—	
Bunker coal	—	38	15	64	47	—	—	—	—	—	—	—	—	—	—	
Total:	776	772	907	1,089	1,260	—	—	—	—	—	—	—	—	—	—	
Export, Germany not included	325	771	906	1,089	1,260	—	—	—	—	—	—	—	—	—	—	
Shipped through:						29	225	314	496	503	—	30	54	171	169	
Danzig	29	225	314	496	503	—	—	—	—	—	—	—	—	—	—	
Gdynia	—	30	54	171	169	—	—	—	—	—	—	—	—	—	—	
Tczew	—	5 ³⁾	11	—	1	—	—	—	—	—	—	—	—	—	—	

The greatest increase was in respect of the Northern markets which took 663,000 tons, or 86,000 tons (14.90 per cent) more than in July. In particular the export to Norway rose by 30,000 tons, to Finland by 21,000 tons, to Danzig by 16,000 tons, to Latvia by 12,000 tons and in a lesser degree to Denmark, by 7,000 tons, and to Memel and Lithuania by 5,000 tons. Export to Sweden decreased by 5,000 tons. The exports to the Succession States also increased to 381,000 tons or by 73,000 tons or 23.70 per cent (to Austria by 56,000 tons, Hungary by 11,000 tons and Czechoslovakia by 6,000 tons).

To the remaining countries 216,000 tons were exported in August, i. e., 12,000 tons or 5.91 per cent more than in July. The export to Belgium increased by 15,000 tons (from 1,000 tons to 16,000 tons), to France by 10,000 tons, to Yugoslavia by 4,000 tons. A small quantity (5,000 tons) was exported to Algeria; the shipments to Holland were in total less by 5,000 tons, to Italy by 3,000 tons and to Switzerland by 2,000 tons than in July.

¹⁾ 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.

²⁾ Corrected figures.

³⁾ Average quantity for 6 months; this figure has been calculated as explained in note No. 1; exports via Tczew lasted only 4 months.

¹⁾ Affected by the "Panolis Flammea".

²⁾ After deduction of the coal utilised by the mines themselves and for workmen, and after correcting the stock on hand.

³⁾ Corrected figures.



COAL TRUCKS AT THE PORT OF GDYNIA READY FOR THE COAL TO BE LOADED INTO STEAMERS (PHOT. S. PLATER)

The sales of bunker coal also diminished during August (by 17,000 tons).

The export in percentages to the above mentioned countries is given in the following statement:

	July	August
Northern European countries	52.99	52.62
Succession States	28.28	30.24
Other countries	18.73	17.14
Total:	100.00	100.00

The average daily export of Polish coal was 48,462 tons, or 6.58 per cent more than in July.

Of the total export, 587,000 tons (46.59 per cent) were shipped by land, and 673,000 tons (53.41 per cent) by sea. Shipment through Danzig increased by 7,000 tons, and through Gdynia decreased by 2,000 tons. A new departure was the shipment of 1,000 tons of coal through the river port of Tczew, which for some time had handled no coal.

The number of unemployed miners registered on September 1, 1928, was 14,368 or 1,393 less than on July 28. The output per workman per day rose in August to 1.274 kg. or by 36 kg.

In comparison with 1913 when the 10-hour day was in force, present output (8-hour day) is greater by 11.46 per cent (the average gain in Silesia being 12.73 per cent).

Wages, by decree of the Extraordinary Tribunal of Arbitration, were increased from September 1st by 4 per cent for piece workers, 6 per cent for piece workers under 24 years of age, and 9 per cent for time workers above that age.

The average daily wages in the Upper Silesian area rose from zł 8.58 in June to zł 8.60 in July.

The prices of coal on the home market and for export to the Succession States were without change during August. The prices f. o. b. Danzig and Gdynia also showed no serious fluctuations in comparison with the preceding month.

Railway tariffs remained stable. By an agreement concluded with the Czechoslovakian railways on August 1st, a reduced tariff was introduced for Polish coal transported to Rumanian ports via Bratislava and Komorno, which are Czechoslovakian ports on the Danube.

Rates to Northern ports from Danzig and Gdynia were higher, owing to lack of tonnage as a result of a dockers' strike.

A further factor which will be material in the development of Gdynia, was the signing of agreements on August 16 and 29 with Messrs. "Giesche" and Messrs.

"Progress", the Upper Silesian collieries. By the agreement, "Giesche" received a 100 m. strip of land on the shore on condition that they export 15 thousand tons of coal per month during the first 15 months and henceforth 55 thousand tons per month; "Progress" received 220 m. of land on condition that they export 15 thousand tons per month during the first 15 months and 100 thousand tons per month thereafter.

Coke production in August was 140,993 tons or 868 tons more than in July. Home sales were 122,985 tons or 4,496 tons more, while exports were 22,857 tons or 2,681 tons more. Stocks of coke at the coke works were reduced to 37,800 tons, or by 4,998 tons. The number of workmen employed was about 2,750.

Briquette production was 19,082 tons or 2,506 tons less than in July. Home sales were 17,352 tons, or 1,098 tons less, export 1,120 tons or 313 tons more. Stocks were 5,500 tons or 603 tons less. The number of workmen employed was about 140.

Brown coal production amounted in August to 5,874 tons, or 238 tons more than in July. Sales were 5,709 tons, or 17 tons more. The workers employed numbered about 315.

PETROLEUM

— The output of crude oil in July, according to provisional data, was as follows (in tons):

Drohobycz district	{ Boryslaw basin	48.630
	other basins	6.850
Jasło		6.500
Stanisławów		3.490
Total:		65.470

The extraction of crude oil in the most important Polish basins, Boryslaw, Tu-stanowice and Mrażnica, amounted to 48.600 tons, as compared with 48.240 tons in July and 45.921 tons in August 1927. The average daily output in the Boryslaw area amounted in August to about 1.565 tons compared with 1.550 tons in July and 1.490 tons in June. The increase in output which has of late been noticeable is to be attributed to the completion of new wells.

Workmen's wages were maintained at the same level as in the preceding month; the same remark applies to prices of petroleum products. The conditions prevailing in the industry in July continued to be good, and the average daily output in the Boryslaw basin rose considerably. The throughput of crude oil at the refineries rose by 5.000 tons and the consumption of petroleum products on the home market, as compared with June, rose by 3.500 tons, the largest increases being recorded in the sales of benzine, kerosene and lubricating oils.

The export of petroleum products rose from 18.647 tons in June to 21.209 tons in July, the corresponding figures for July 1927 being 19.928 tons. The export of kerosene and lubricating oils showed an increase, whereas that of paraffine declined.

The output of crude oil in July is given below (in tons):

Drohobycz district	{ Boryslaw basin	48.240
	other basins	6.840
Jasło		6.400
Stanisławów		3.355
Total:		64.835

Compared with May, the total output rose by 3.500 tons. The average daily production in the Boryslaw area was 1.550 tons in July as compared with 1.490 tons in June and 1.470 tons in May.

The drilling and prospecting activity is intense, particularly in the Western and Southern parts of Mrażnica.

The stocks of crude oil held by the storage companies and at the wells on July 31, were as follows (in tons):

Drohobycz district	41.795
Jasło	4.111
Stanisławów	3.488
Total:	49.394

It is seen that compared with the figures at the end of June (48.562 tons) there was a slight increase. The above figure includes the stocks of the Boryslaw standard crude amounting to 30.003 tons, an increase of 3.686 tons over the June figure.

The number of workmen employed at the wells together with those employed at the auxiliary services such as mechanical workshops, electric power stations, gas works, &c., was 11.388 at the end of July or 97 less than in June. This figure includes 7.808 workmen engaged in the Drohobycz area.

The gasoline industry made further progress, which is confirmed by the following figures:

output of gas (in thous. of cub. m.)	32.444
throughput of gas (in thous. of cub. m.)	22.260
output of gasoline (in tons)	2.630
home consumption	2.474
exports	93
number of workmen employed	175

In July 100 cub. m. of natural gas yielded 11.8 kg. gasoline, the corresponding figures for June and May being 12.1 kg. and 11.8 kg. respectively. The situation in this industry was on the whole favourable, prices being maintained at the June level. There were 18 gasoline works in operation of which 14 are located at Boryslaw, 2 at Bitków, 1 at Schodnica and 1 at Drohobycz.

The production of ozokerite at the two mines (at Boryslaw and Dżwiniacz) amounted to 76 tons; exports to Germany and Italy totalled 37 and 10 tons respectively and the stocks on hand at the end of the month — 100 tons.

The number of workmen engaged in this industry was 483.

The state of the refining industry in July is illustrated by the following figures (in tons):

throughput of crude oil	59.843
output of petroleum products	54.862
home consumption	24.704
exports	21.209
stocks in refineries on August 1st	235.808
number of workmen employed	4.657

The total throughput of crude oil as compared with June was larger by 3.043 tons than the average monthly for 1927 (56 800 tons).

The consumption of petroleum products was larger in July than in June (21.293 tons) and showed an increase over July 1927 when it amounted to 23.333 tons. The consumption of the different products was as follows: benzine — 6.032 tons, (4.720 tons in July 1927), kerosene — 6.514 tons, gas oil — 4.108 tons, lubricating oils — 5.854 tons and paraffine wax — 505 tons.

Exports of petroleum products are given below (in tons):

benzine	4.909
kerosene	3.410
gas oil	5.355
lubricating oil	3.188
paraffine wax	2.032
other products	2.315
Total:	21.209

The distribution of exports was as follows (in tons):

Czechoslovakia	6.989
Austria	2.900
Switzerland	1.778
Germany	1.448
other countries	2.972
Danzig	5.122
Total:	21.209

IRON

— The situation in the iron industry during August did not change materially, though improvement was noticeable in the foundries. Prices on foreign markets went up, thus affording greater sales possibilities.

The output in the founding industry is shown in the following statement which gives the relation between orders in August and the monthly average during 1913 (in per cents):

	June	July	August
blast furnaces	62.9	65.7	66.2
steel works	84.8	88.0	92.6
rolling mills	88.5	87.6	89.5

Iron ore mining though closely bound up with the fortunes of the Polish foundries is yet to a certain degree dependent on the demand from the neighbouring German and Czechoslovakian foundries. The close of the strike in Sweden made the supply of rich ore easier, and this factor influenced the home ore extraction, which decreased. The extraction, imports and exports of ore were as follows (in tons):

	Extraction	Imports	Exports
Monthly av. for 1927	44.947	59.129	7.538
Monthly av. for I quarter of 1928	63.353	37.999	9.631
for II quarter of 1928	52.411	44.959	10.142
July	63.752 ¹⁾	44.141	11.327
August	61.154 ²⁾	39.281	10.000
1927	45.620	71.147	9.903

Thus it is seen that the extraction fell off by 2.691 tons or 4.2 per cent, but it was, nevertheless, greater than the monthly average for 1927 by 36.2 per cent. The import of ore decreased during August by 4.860 tons or 11 per cent and export by about 10 per cent. The import compared with August 1927 was less by 44.7 per cent; in view of the increase in pig iron production in

¹⁾ Corrected figure.

²⁾ Provisional figure.

1928, it is evident that home ore has been utilised to a much larger extent.

The foundries have also been importing manganese ore, 6,600 tons of which entered during August, as against 7,784 tons in July. During the 8 months of 1928 the amount of manganese ore imported was 26,590 tons.

The number of mines operated during the month was 29, of which 28 were producing. The corresponding numbers for July were 30 and 28. The number of workmen employed at the mines was 6,261 and thus was reduced, in comparison with July, by 3.1 per cent.

Ore prices remained unchanged, being £0.80 per 1 per cent iron contents per ton of smelted ore containing about 40 per cent metal, and £0.60 per 1 per cent iron contents per ton of natural ore containing about 28 per cent metal.

The state of employment in the foundries was satisfactory and improved during July. The output of the foundries and number of workmen employed is given in the following statement (in tons):

	Pig iron	Steel ingots	Rolled products	Pipes	Number of workmen employed
Monthly av. for 1927	51,515	103,684	76,765	7,712	43,971
Monthly av. for I quarter 1928	57,201	108,288	84,068	8,257	47,215
Monthly av. for II quarter 1928	54,426 ¹⁾	112,413	83,109	8,883	49,480
July	56,089 ¹⁾	122,255	90,350	10,310	51,273 ²⁾
August	56,834 ²⁾	128,350	92,561	9,288	52,221
" 1927	56,608	114,906	80,587	8,131	45,925

Thus, the output of the foundries increased in every division with the exception of that of iron pipes. Pig iron production increased by 745 tons or 1.3 per cent; in comparison with August 1927, it was greater by 0.4 per

cent, while compared with the average monthly for that year it was 10.3 per cent.

16 blast furnaces were in operation, 10 being in Upper Silesia and 6 in Central Poland. In July there were 15 blast furnaces in action. The production of steel foundries rose by 6,095 tons or 5 per cent; compared with August 1927 it was greater by 11.7 per cent, and with the monthly average for that year—by 23.8 per cent. 17 foundries produced steel, of which 2 were exclusively engaged in casting. Of these 17 foundries, 9 are in Upper Silesia, 7 in Central Poland and 1 in Southern Poland.

The rolling mills gave 2,211 tons of finished products, which was 2.5 per cent more than in July. In comparison with August 1927 it was greater by 14.9 per cent and with the monthly average of that year, by 20.5 per cent. 18 rolling mills were in action of which 8 are in Upper Silesia, 9 in Central Poland and 1 in Southern Poland.

The proportion of production in the different parts of the country is as follows: for pig iron—Upper Silesia 67.8 per cent, Central Poland 32.2 per cent; for steel—Upper Silesia 67.1 per cent, Central Poland 31.8 per cent and Southern Poland 1.1 per cent; for rolled products—Upper Silesia 68.9 per cent, Central Poland 30.1 per cent and Southern Poland 1 per cent.

The number of workmen changed chiefly during the month, rising by 1.8 per cent, as compared with July; however, in comparison with 1927 it increased by 13.7 per cent.

The demand was good, though a little smaller than in July. According to the data from the Syndicate of Polish Iron

Foundries, which did not include pig iron and pipes, the total of home orders was 67,542 tons, as against 75,934 tons in July, or a decrease by 11 per cent. Government orders amounted to 11,048 tons (5,403 tons in July), and private orders to 56,494 tons (10,522).

Trade improved while exports rose by 20.7 per cent and imports were the same as in July, as may be seen from the following statement (in tons):

	Exports:			Imports:		
	July 1928	August: 1928	1927	July 1928	August: 1928	1927
pig iron	110	250	1,123	432	424	615
rails, iron and steel articles	3,724	6,517	3,926	1,049	1,407	725
iron and steel sheets	2,457	2,396	4,561	1,412	992	849
pipes	5,879	5,527	4,130	139	100	353

Thus, the gain in exports was due mainly to rails and commercial iron. The value of exports amounted to £ 6,850,000, or 11.6 per cent more than in July.

ZINC AND LEAD

— The situation on the world zinc and lead markets was better in August than in the preceding month. Prices advanced: zinc went up by only 5 sh., but lead gained £ 1³/₈, and affected the production of the foundries.

Ore mines produced at approximately the same rate as in 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. for 1927	86,780	31,441	16,388	1,362
Monthly av. for I quarter of 1928	94,206	32,500	15,382	1,352
Monthly av. for II quarter of 1928	84,406	29,100	16,653	1,209
July	92,836 ¹⁾	32,400 ¹⁾	14,903	1,304
August	93,953 ²⁾	32,800 ²⁾	14,343	1,739
" 1927	91,995	32,200	20,893	1,487

Ore extraction, it is seen, increased by 1,117 tons, or 1.2 per cent. Compared with August of last year, this is a gain of 2.1 per cent, while it is 8.3 per cent more than the average monthly for 1927. The output of zinc ore decreased by 560 tons or 3.8 per cent, while that of lead ore rose by 435 tons or 33.4 per cent.

11 mines were at work of which 10 were producing. Of these mines, 5 are



A VIEW OF THE UPPER SILESIA INDUSTRIAL DISTRICT
(PHOT. S. PLATER)

¹⁾ Corrected figure.

²⁾ Provisional figure.

in Upper Silesia and 4 in Central Poland. Of these latter one mine was subject to special geological tests and large beds were found, containing about 5 per cent of lead. This lead reserve is important as in case of necessity imports from abroad may be done without. The proportion of output in the mines situated in various parts of the country was as follows: Upper Silesia 88.5 per cent (in July 92.8 per cent), Central Poland 4.1 per cent (5.0 per cent), Southern Poland 7.4 per cent (2.2 per cent).

The number of workmen employed at the mines including those engaged in the enrichment of ore was 7.217 as against 7.368 in July, or 2.0 per cent lower. The output per workman during the month was 13.2 tons in August, 12.7 in July, 12.1 in June and 11.8 in May.

The enrichment of ores by means of their conversion into zinc oxide was carried on at two establishments. Messrs. Giesecke have not yet put into operation their new installation for this process, though trials have already been finished. The output of zinc oxide amounted to about 900 tons, as against 950 tons in July and 758 tons in June.

Zinc and lead foundries gave about the same output as in July. The same establishments were in operation, i. e., 10 zinc foundries in Upper Silesia, with 8 smelting plants and 3 rolling mills, in Southern Poland 1 foundry with smelting works and rolling mills, and two zinc foundries in Central Poland.

The output of zinc, lead, zinc sheets and sulphuric acid was as follows (in tons):

	Sulphuric acid 50° Bé	Raw zinc	Zinc sheets	Raw lead	Number of workmen
Monthly av. for 1927	22.246	12.532	1.924	2.405	12.727
Monthly av. for I quarter 1928	24.421	13.014	1.328	2.253	12.855
Monthly av. for II quarter 1928	25.122	13.240	1.342	3.012	12.928
July 1928	24.798 ⁽¹⁾	13.739 ⁽¹⁾	1.743	3.568	13.113
August "	24.049 ⁽²⁾	13.669 ⁽²⁾	1.481	3.850	13.149
" 1927	22.821	12.907	1.514	2.368	13.049

Thus, the production of zinc remained practically without change (decrease by 0.5 per cent), while compared with August of 1927 it was greater by 5.9 per cent. The production of zinc sheets fell to a greater degree, by 262 tons or

15.2 per cent, and in comparison with 1927—by 2.2 per cent.

Production of lead was greater by 282 tons or 7.9 per cent. In comparison with August 1927, it increased by 62.5 per cent. The proportion of production throughout the country was as follows: in zinc, Upper Silesia gave 86.0 per cent (in July 86.2 per cent). Southern Poland 10.4 per cent (10.1 per cent) and Central Poland 3.6 per cent (3.7 per cent); in zinc sheets, Upper Silesia gave 85.8 per cent (78.4 per cent in July), and Southern Poland 14.2 per cent (21.6 per cent). Lead was produced exclusively in Upper Silesia.

The number of workmen in zinc and lead foundries increased by 36, or 0.3 per cent.

The export of zinc and zinc sheets fell off during August, while that of lead rose, as can be seen from the following statement (in tons):

	Raw zinc dust incl.	Zinc sheets	Refined lead	Value of exports (in thous. of £)
May 1928	10.763	1.014	992	14.160
June "	10.264	794	1.117	13.680
July "	11.542	1.013	917	15.200
August "	10.141	852	1.875	14.030
" 1927	13.434	1.026	911	19.484

VARIOUS

PRODUCTION OF FEATHERS AND DOWN IN POLAND.—The production of feathers and down in Poland is based upon purely local practices. These products in Western European countries are exclusively by-products of the slaughter of poultry whilst in Poland the practice exists of partially plucking geese during the period of breeding. This takes place three times yearly, in June, August and towards the end of September, although in some cases only twice yearly. The villagers pluck the geese partially before they lose their feathers during the natural change of plumage.

As a result of this practice, considerable quantities of these products are produced yearly (100 grammes and more per head of poultry); a portion of the supply thus received is shredded during the long winter evenings and is for the most part retained for the private use of the owners for their bedquilts, whilst the rest is sold, either unshredded or only partly so. It is worthy of note that the average Polish small-holding farmer prizes his stocks of feathers very highly and likes to possess many feather and eiderdown quilts, pillows &c. This custom is for that matter a common one not only in Poland but also in Czechoslovakia and in Germany. For this reason the Polish small-holder is on the whole rather unwilling to dispose of his stocks and mostly does so only when he feels the lack of ready money. In such cases it

is the general rule for him to dispose of his old stocks, retaining the fresher ones for himself.

The purchase of feathers in Poland is mostly conducted by house-to-house canvass. Merchants, trading in feathers, complain that during the autumn months the price of feathers goes up, as the producer sells unwillingly at that time and only sells if tempted to do so by high prices. It is true that the autumn stocks of feathers are of a very high grade, but foreign buyers are not usually in the market for first-class material, and their inquiries are on the whole for cheaper grades, i. e., mixed types.

Germany and Czechoslovakia are the chief buyers of Polish feathers, the less important customers being France, America and England. German buyers consume most of the feathers bought in Poland for domestic use, and only inconsiderable quantities are re-exported, mostly to the Scandinavian countries.

The most important middleman in the foreign trade in Polish feathers is Czechoslovakia, the centre of this trade being in Prague. Numerous wholesalers operate in that city, who, after mixing Polish feathers with those of the better quality Czech origin, export them to Germany, America, France and Denmark. France buys down and whole feathers from Poland mostly direct. America and England have entered the feather market only in recent years and make their purchases partially from Poland, but mostly from foreign middlemen.

Polish exporters had, up to recently, only to face the competition of Czechoslovakia, Hungary and Rumania, but since 1926 a new competitor in the shape of Russia has grown up, whose competition is more dangerous to Poland in this branch of international trade.

Russia used to play an important rôle in this branch of trade before the war, as it was a country which could keep three-quarters of Europe supplied with feathers and down.

Russia's competitive ability has remained in spite of the revolution and its results, and the Soviet Trade Missions are now using stocks of feathers as a means of barter.

Poland's foreign trade turnover in feathers and during the last few years is illustrated by the following table

Year	Exports:		Imports:	
	quintals	thous. £	quintals	thous. £
1925	19.120	4.748	635	341
1926	18.655	5.053	616	267
1927	22.603	7.465	749	428

The above table indicates a gradual increase in export, and a slight increase also as regards import, which, although irregular, should be duly noted. It should be borne in mind, however, that the official figures of export and import of feathers and down cannot sufficiently depict the actual position, as considerable quantities of this comparatively light article are transmitted by parcel post.

A conference was held at the State Export Institute on August 14, at which were present the representatives of producers' organisations and of com-

(¹) Corrected figures.
(²) Provisional figures.

mercial undertakings and it was decided to create a Feather and Down Exporters' Association in order to improve conditions in this branch of trade.

The greater part of the feathers exported by Poland is sent in a raw state, and this, it is realised, is an unsatisfactory state of affairs. Polish merchants are investigating this aspect of their business and it is expected to improve conditions.

A valuable bye-product of the working up of feathers is the stem which forms an excellent fertilizer, and which, in the opinion of competent circles, although it does not meet with a sufficient demand at home, is freely bought by German merchants in spite of high transport charges.

With regard to feathers for decorative purposes, the Polish foreign trade turnover is shown in the following table:

Year	Exports:		Imports:	
	quintals	thous. %	quintals	thous. %
1925	1,006	278	1.6	1.0
1926	2,431	526	0.2	0.1
1927	798	221	15.0	3.2

As will be observed, Polish exports of raw feathers for decorative purposes are many times greater than the corresponding imports, the reason for this being that the manufacture of articles from feather is still very little developed.

MOVEMENT OF PRICES IN AUGUST.

— The home trade was less favourable in August than in July; only certain branches, especially agricultural implements and some textile articles, showed an increased turnover. There was an increase in the number of protested bills of exchange. Also payment by bills of exchange was larger in proportion to cash payments. The stringency of money continued to be felt, while the demand was large. In this respect a discrepancy is becoming apparent: the development of industrial production in Poland is gaining at a faster rate than capitalisation, or in other words, the demand for capital is increasing faster than the supply.

The situation in August was especially trying by reason of outflow of money from city to farm. Soon, however, improvement will be apparent, when the farmer begins to sell part of his crop and repay his obligations. At the same time the farmer will commence buying industrial products, and trade will pick up, while the money market will begin to get easier.

Prices during the period under review indicate a general drop; as usual after the harvest, agricultural products became cheaper, and this was the deciding factor. Harvest products were markedly lower in view of the fact that the crops were better than was expected from the state of the sowings.

The following table gives the movement of price indexes (1914 = 100):

	Wholesale price index.	Retail price index.	Cost of living index.
November 1927	120.7	151.5	121.8
December "	120.0	151.2	121.0
January 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
May "	122.5	153.7	121.3
June "	121.4	155.4	121.8
July "	120.6	156.1	122.6
August "	118.4	154.0	122.1

The index of wholesale prices fell by 2.0 per cent, of retail prices by 3 per

cent and of the cost of living by 0.4 per cent.

The wholesale index dropped as a result of the decrease in price of harvest products by 3.8 per cent and the drop in industrial products by 0.6 per cent. In particular in the agricultural group, vegetable products were lower by 9.3 per cent, due to the better crops, while animal products rose by 4.1 per cent, caused chiefly by the rise in eggs and butter and a smaller rise in meat.

In the industrial group, the largest fall, i. e., 2.2 per cent, occurred in textile products, caused by a decrease in wool and cotton; also timber prices were slightly lower on account of cheaper fire wood. Metal prices were a bit higher owing to the increase in lead which was not completely offset by the decline in zinc and tin. The group of groceries decreased in price by 0.4 per cent owing to a fall in pepper.

The decline in retail prices was, similarly as in the case of wholesale prices, caused by the lowering in price of agricultural products by per cent, while the index of industrial products remained unchanged. Similarly, the index of the cost of living dropped by 0.9 per cent, caused directly by the fall in prices of foodstuffs, since the other items of the index were constant.

FAIRS AND EXHIBITIONS

THE EIGHTH LWÓW INTERNATIONAL EASTERN FAIR.—This fair was held from September 2nd to September 12th. The number of exhibitors was 1,600 of which 500 came from abroad.

The general section of machinery including the agricultural machinery and implements occupied an area of about 6,000 sq. m. and was 100 per cent larger than in 1927 and 600 per cent larger than in 1926. The breeding industry was represented by exhibits of horses, cattle, pigs, sheep, rabbits and poultry. Of great interest were the fine specimens

of horses and cows of the lowland and various other breeds, as well as pedigree pigs.

Of the remaining sections worthy of note were those of motor cars and peasant home-made articles such as kilims, basket furniture, sheep skins, toys, &c. This section attracted a great deal of interest among the foreign visitors, and especially those from the Anglo-Saxon countries.

The interest displayed in the fair by foreign commercial circles is shown by the large number of exhibitors who were desirous of reaching the Polish consumer. One of the aims of the fair is the rationalisation of imports by doing away with middlemen. The best represented countries were Austria, France (an increase of over 70 per cent as compared with last year), Czechoslovakia, United States of America Switzerland and Germany.

On the other hand the foreign visitors, who usually made extensive purchases, this year bought on a much smaller scale. The volume of business transacted was nevertheless fairly large. About 20 per cent of the exhibitors made application for stands in next year's Fair.

THE POLISH NATIONAL EXHIBITION.—The figures regarding the space ordered by representatives of the various branches of industry quoted below will permit of an estimate of the share taken by them in the National Exhibition planned for next year at Poznań¹⁾ (in sq. m.):

Mining and Foundries (covered space)	2,150
Petroleum Industry " "	200
Glass Industry " "	300
Metallurgical Industry " "	1,674
Machine Industry " "	6,188
	(open air) 2,885
Transportation (covered space)	1,284
	(open air) 300
Electro-technical Industries (covered space)	2,016
Alimentary Industry " "	2,945
	(open air) 5,045
Chemical Industry (covered space)	1,228
	(open air) 685
Animal Products Industries (covered space)	500
Printing Trade " "	600
Wood Industry " "	2,000
Furniture Industry " "	2,450
Textile Industry " "	2,000
Haberdashery Industry " "	800
Paper Industry " "	512
Paper Trades " "	538
Musical Industry " "	400
Toy Industry " "	250
Peasant Industries " "	1,000
Health Resorts and Spas " "	600

¹⁾ See "The Polish Economist" Nr 8/1928, page 296



ONE OF THE BUILDINGS, AT NIGHT, AT THE POLISH NATIONAL EXHIBITION TO BE HELD AT POZNAŃ IN 1929 (PHOT. S. PLATER)

The following branches of industry are the only ones which are still in course of organisation: building trades, haberdashery, sanitary, sport trades and artisan trades. The final arrangement of the exhibits of these industries will mark the completion of the preliminary steps of the industrial part of the exhibition.

A large pavillion being built at the corner of Sniadecki and Grunwald Streets is to be devoted to an Urban and Voievodship Local Government Exhibition. This pavillion will cover an area of 10,000 sq. m. It will be lighted from roof and side windows. The main entrance will be from Sniadecki Street, whilst the Grunwald Street entrance will serve as an emergency exit.

The construction of the pavillion is of a temporary nature, but in spite of this its appearance will be aesthetic and yet solid. Its height will be from 7 to 10 m.; its arrangement is strictly practical, a passage-way runs through the middle of both wings and the stands will be placed on either side.

The main stand will be occupied by the City of Warsaw, whilst the other cities: Poznań, Kraków, Wilno, Łódź, &c. will be grouped on either side. Each of the cities plans to show besides its progress in the fields of social, technical and economic effort, those things which are especially characteristic of it. Thus, for example, Kraków will exhibit a reproduction of its traditional puppet-show. The interior of the pavillion will be unusually artistically and painstakingly executed.

The Voievodship Local Government and Union of Cities Pavillion is being built by the Management of the Exhibition.

The Agricultural Section of the Exhibition closed its lists on September 15, for the following pavillions, no further entries being accepted: a) Plant production, b) Land reclamation, c) Milk

industry (with the exception of exhibits of milk products), d) Agricultural organisation.

FOREIGN TRADE

— According to the data from the Chief Statistical Office, trade in August showed a considerable decline in comparison with July. Imports decreased by ₹ 29,421,000 and exports by ₹ 5,189,000. The result is a lessening of the unfavourable balance by ₹ 24,232,000 to ₹ 62,441,000.

Before a closer analysis of these figures is entered into, let us look at a general statement of exports and imports from the beginning of the year, putting grain in a separate column (in millions of ₹):

	Total of imports	Imports of the chief varieties of grain	Total imports, grain not included	Total of exports
January 1928	271.2	5.9	265.3	218.4
February	270.4	6.4	264.0	197.8
March	372.2	8.3	363.9	208.3
April	265.6	28.4	237.2	184.5
May	296.5	70.6	225.9	201.8
June	289.5	54.0	235.5	191.9
July	288.2	39.5	248.7	201.5
August	258.8	17.2	241.6	196.3

These figures show, as could easily be foreseen, that in August there was a further considerable fall in the import of grain and rice, which is responsible in the main for the decrease in the unfavourable balance; the decrease in other imports is of much less importance.

The import of foodstuffs declined by ₹ 22,205,000 or almost identically the figure by which grain and rice decreased. Thus, wheat fell by ₹ 12,567,000, oats by ₹ 933,000 and maize by ₹ 3,024,000; rye, however, increased by ₹ 2,190,000, probably as the result of the arrival of delayed transports. Rice must be treated separately, since it is imported unhusked especially for the husking plants in Kraków and Gdynia. The decrease in this article is the result of over-accumulation of stocks.

Of the other articles in the foodstuffs group, the import of tobacco was reduced by ₹ 1,002,000 and that of vegetable oils rose by ₹ 955,000. The remaining changes are small.

The imports of animal products showed no import variations. The import of raw furs fell by ₹ 927,000 but was offset by the increase in raw and tanned hides; the import of footwear and finished furs did not change, also the imports of plants and seeds, building materials, minerals, fuels, glass, &c. were practically the same as in the preceding month, at least in absolute figures for, by reason of the small trade in these articles, the relative changes were greater.

After a large increase in July, the import of rubber and rubber products declined by a considerable amount, i. e., ₹ 3,182,000. The import of tyres and tubes decreased by ₹ 4,694,000, while that of raw rubber increased by ₹ 975,000.

The group of chemicals also did not greatly change, with the exception of inorganic chemicals, in which subdivision imports of potassium salts were greater by ₹ 2,079,000 — which was not wholly balanced by the decline in the other artificial fertilizers. Organic chemicals fell by ₹ 915,000, various chemical products by ₹ 100,000, while dyes and paints rose by ₹ 426,000.

In the metal group, excluding ores, there was a decline in import of ₹ 4,780,000; the greater part of this decrease, ₹ 4,214,000, falls to scrap iron. The import of iron, manganese and zinc ores lessened, while that of lead ores increased.

The import of machinery and equipment continued to rise, this time registering an increase of ₹ 3,004,000; of the various kinds the import of power engines rose by ₹ 894,000 and textile machinery by ₹ 795,000; agricultural machinery did not change, while that of boilers and other heating equipment slightly declined. Electrical machinery and ware also increased, by ₹ 1,221,000. The total value of vehicles imported did not change, in



ARTIFICIAL FERTILIZER AT ONE OF THE WAREHOUSES, GDYNIA (PHOT. S. PLATER)

spite of the fact that motor car imports were greater by zł 459,000.

In the textile group, the total was the same as in the preceding month, but the various items varied considerably. After showing a decrease for two months, the import of cotton rose in August by zł 3,795,000; wool continued to decline, this time by zł 4,398,000, and combed wool by zł 1,816,000. Yet for the whole period from January to August 1928, almost the same amounts of wool and cotton were imported as in the corresponding period of 1927. The import of jute, less by zł 791,000 in August than in July, has been greater in 1928 than in 1927. A favourable sign is the decrease in the import of cotton and silk fabrics though, in general, their import has been greater during the present year than in 1927. The import of wool fabrics even rose a little during August. Of semi-finished goods, the import of woollen yarns increased by zł 1,685,000.

The import of paper and paper products showed little change; it must be remembered that nearly half of this group is comprised of rags and waste paper.

Worthy of mention is the increased import of scientific instruments and apparatus.

Passing to exports, it may be said that though the total sum declined only slightly, yet the various articles showed considerable variations in comparison with their July figures.

The export of grain was noticeable only in frontier districts, and thus was not large; only barley showed a considerable increase. Sugar, after rising temporarily in July, fell back in August

by zł 3,010,000. On account of the greater home consumption, the export of sugar produced during the 1927/28 campaign will be about 30 per cent less than that of the 1926/27 campaign. Butter also decreased, by zł 3,255,000, but its export from the beginning of the year is over 70 per cent greater than during the same period of 1927. The export of eggs, however, has been 20 per cent less than in 1927, although during August in comparison with July it increased by zł 4,049,000. The tendency on those egg markets important to Poland is so variable that it is impossible to foretell with reasonable accuracy the situation in September.

The export of live animals showed a total decrease of zł 2,584,000; pigs fell by zł 3,637,000, and geese rose by zł 967,000 (or rather, it was only in August that their export began in earnest). The export of animal products shows no great changes.

In the timber group, there was a decrease of zł 3,001,000; the greatest fall occurred in railway sleepers, by zł 1,661,000; logs and stems declined by zł 951,000 and pit props and round timber by zł 826,000. A smaller decline was seen in sawn timber and furniture, while there was a small rise in pulpwood, veneers and telegraph poles.

Plants and seeds remained at their former level.

August was favourable as regards coal exports, which rose by zł 7,240,000. During the 8 months of 1928 there has been exported 1,100,000 tons more than in the corresponding period of 1927. The export of petroleum products, after the increase in July, slumped again, especially paraffine wax, which fell by zł 1,168,000; a smaller decrease was shown

by kerosene, fuel oils and greases, while only petroleum indicated an increase of zł 358,000.

The chemical group plays no part in Polish exports, therefore the changes that occurred are of small importance. Export of chemicals, however, and especially the inorganic group, is much larger during this year than in 1927.

The figures for other small groups such as glass, building materials and ceramic products are somewhat lower than in 1927.

The export of metals and metal products (excepting ores) decreased by zł 1,221,000. The reason lies in the decline of zinc by zł 2,029,000 and that of zinc sheets and pipes, by lesser amounts. The export of iron and steel on the other hand rose by zł 844,000 and that of lead by zł 938,000.

Passing over the unimportant exports of machinery, electric ware and paper, it is well to discuss the textile situation. After a considerable rise in July, the August export of textile products fell by zł 3,003,000. The greatest changes were a decline in woollen yarns by zł 2,191,000, and woollen fabrics zł 1,310,000; cotton fabrics were without change and cotton yarns even rose.

Reviewing the general aspect of trade in August, the improvement in the balance by zł 24,232,000 must be emphasised. It was effected by a decrease in imports, in particular grain. Yet, in spite of general expectation, grain imports did not cease and still came in considerable quantities during August. Therefore, a further reduction of imports is to be expected in September.

This year's crops are such that purchases abroad for the coming year

are foreseen; but even were the transactions to be concluded during the next few months, the actual imports will not occur until much later. Larger imports of raw materials are to be expected in the textile group.

On the other hand, greater exports are, as usual in the autumn, foreseen for products related to agriculture, that is, foodstuffs, plants and seeds. The result should be a total increase of exports, and therefore a further improvement in the balance of trade.

THE TURNOVER TAX AS APPLIED TO EXPORTS.

— The course of events in the economic life of Poland brought about the application of the principle of reduced taxation on goods for export. This was not included in the decree of May 14, 1923, but was later enacted by the State Industrial Tax Act of July 15, 1925 ("Dz. Ust. R. P." No. 79, item 550). The operation and practical application of such tax reductions is rather varied and often complicated.

All export tax-rebates in levying the Industrial Tax are applied to the Turnover Tax and do not embrace industrial licences, which are compulsory even for enterprises which work solely for export. This is because art. 3, item 15 of the Act only exempts export transactions from the tax, and not institutions working for export (circular No. 190, March 29th, 1927, L. DPO 3.926/III, Ministry of Finance).

The general ruling is contained in the above-mentioned art. 3, p. 15 of the Act, on the strength of which the Industrial Tax on turnover is not payable on the export of all kind of semi-manufactured and finished goods and on transactions with foreign firms arising out of the working-up of raw materials or semi-manufactured articles.

This regulation applies to industrial and commercial establishments as also to goods of home or foreign production (circular No. 190) and it affects about 50 per cent of the Polish exports. Exact data giving the extent of taxation rebates cannot be given for two reasons: first, fiscal statistics do not show the turnover in export transactions exempt from taxation, and secondly, calculations based on foreign trade figures are uncertain in view of the controversy reigning as to the classification of goods—whether such are raw materials, semi-manufactured or finished goods.

In case of doubt as to whether a given article is raw material, semi-manufactured or finished, the Treasury Authorities apply a definition contained in art. 5, section B of the appendix to art. 7 of the Act and § 26 of the Executive Order. Articles mentioned therein as raw materials are not exempted from taxation when exported, and in case of uncertainty a ruling is requested from the Ministry of Finance. Willow, given as a raw material in the list appended to art. 7 of the Act and § 26 of the Executive Order, is willow in the primary form, when unworked, but does not include willow stripped of bark, that is, worked up in soaking or scalding plants, which

is classified as a semi-manufactured product. In cases of stripped willow being exported, the turnover arising out of such a transaction exempted from taxation on the basis of art. 3, p. 15 of the Act (circular No. 254, May 21st, 1928, L. D. V. 3.498/4). Apart from raw materials, agricultural and timber products also do not benefit by taxation rebates; thus eggs, honey, cattle, swine, corn and crops generally, if in the natural state, enjoy no rebates.

The second principle in the realm of taxation rebates on exports is the freeing of exported raw materials from taxation. This tenet is fixed in art. 94, p. 1 of the Act, by which the Minister of Finance has the right in conjunction with the Minister of Industry and Commerce, in cases of clear economic necessity, to reduce the amount of, or to suspend the levying of clear tax due on export transactions in home produced raw materials, provided the collection of the tax constitutes an actual obstacle to the development of export. This privilege has been applied by the Ministers in the following cases:

1. — The levying of the Turnover Tax has been completely suspended as regards pit-props, telegraph poles, coal and briquettes, rock salt, ozokerite, raw and burnt dolomite, and pine logs, also sugar beet, grass, vegetable and grain seeds (circular No. 157, April 19th, 1926, L. DPO 5.550/III). The exemption does not apply to aspen wood and seeds, but only to seeds for sowing, and therefore not to corn exported for consumption or grinding (circular No. 173, September 22nd, 1926, L. DPO 5.090/III). Clover seed as a type of grass seeds, is free from the Turnover Tax when exported but in order to gain exemption the exporting firm must, besides the other documents called for by § 9 of the Executive Order, furnish an analysis from a Seed Inspection Station (certified by an appropriate agricultural association), stating that the seed meets the demands of foreign markets (circular dated May 21st, 1928, L. D. V. 3.612/4).

2. — The qualification of bacon as a raw material exempted in export from the Turnover Tax as from January 1, 1927, i. e., salted half hogs (hog flanks, sides) cleaned of bristles and boned as regards the larger bones; in addition, exemption from the taxes due prior to this date could be obtained provided they had not been ratified as enforceable (circular No. 186, February 7th, 1927, L. DPO, 14.406/III/26).

3. — As from January 1, 1927, the export of medicinal herbs and their parts, as also of dried berries and mushrooms was exempted from the Turnover Tax (circular No. 197, June 18th 1927, L. DPO 6.054/II).

Apart from these articles, all others and especially corn if not exported in a semi-manufactured state or as a commodity ready for consumption, are subject to the Turnover Tax. A reduced tax schedule is applied, however, to the export of all articles: thus a 1 per cent rate is levied on the turnover points 1 and 4, art. 15 of the Act resulting from wholesale transactions with any kind of goods on the part of registered trading enterprises, provided that such

transactions took place on or after January 1, 1927; this also applies to professional selling enterprises, and to registered enterprises engaged in contracting for supplies (Regulation of the Minister of Finance, December 22, 1926, "Dz. Ust. R. P." No. 128, item 766); a ½ per cent charge is levied in cases where book-keeping prives the export of articles of basic consumption and of raw materials essential to the development of home manufactures and agriculture (art. 7, item b, and art. 7, last passage but one).

The third principle in applying taxation reduction consists in granting industries refunds of tax payments made in respect of the turnover arising out of the supply of parts or materials used for the production of exported goods. This principle was never applied in any case.

All the tax rebates mentioned, with one exception discussed in another part of this article, do not apply to Danzig. The Ministry of Finance decided that the forwarding of goods to Danzig for consumption there cannot be considered as export and benefit by exemption from the Turnover Tax since, according to art. 104 of the Treaty of Versailles and par. 13 of the Convention with the Free City of Danzig, Poland and the Free City constitute an integral customs area, whilst export in the accepted economic meaning of the term constitutes the forwarding of goods beyond the customs boundaries of a State. Tax rebates are likewise refused in cases where Polish industrial enterprises sell their products for further working-up or for consumption by another enterprise located within the area of the Free City of Danzig. Such enterprises have to pay the normal 2 per cent tax rate, as the reductions foreseen in art. 7 item a of the Act can be granted only if the given product was purchased by a home industrial enterprise subject to the Industrial Tax (circular No. 174, September 22nd, 1926, L. DPO 6.264/III). The motive for these decisions is undoubtedly the fact that Polish fiscal legislation is not binding within the area of the Free City of Danzig. A difference in opinion exists as to the above-quoted decisions, and this matter will presumably be decided by the Supreme Administrative Tribunal in the near future.

In cases where goods pass through Danzig for direct export abroad, without passing through the hands of Danzig merchants or manufacturers, the fact of exportation can be proved by customs declarations, issued by the customs offices on the area of the Free City. The use of Danzig middlemen precludes exemption from the tax. A single exception to this principle exists, and this is in conjunction with the export of timber. Thus shipments of timber addressed to Danzig forwarding and export houses, also benefit by an exemption from the Turnover Tax provided it is shown beyond all doubt that such enterprises exported the shipments received. In such cases the Danzig export and forwarding houses should present a certificate to the effect that the shipments received were actually shipped on board and exported beyond the Polish customs boundaries. Such certificates should



BUILDING OPERATIONS IN ONE OF THE NEW QUARTERS OF WARSAW (PHOT. S. PLATER).

quote the numbers of the railway wagons received, the quantity and type of timber, the date the wagons were received and the date of loading on board ship (circulars of the Ministry of Finance, No. 199 of June 20th, 1927, L.DPO 13.838/III 26 and No. 242 of November 30th, 1927, L. D. V. 9.074/4).

The next question arousing considerable controversy is the proving of the forwarding of goods beyond the frontiers of the country. The executive order of August 8, 1925 ("*Dz. Ust. R. P.*" No. 82, item 560) enacts in § 9 that export should be proved by correctly conducted accounting books and customs declarations or copies of the same. The Ministry of Finance has recently explained in its circular of April 10, 1928, L. D. V. 4.008/1 that certificates issued by customs offices, quoting data contained in customs declarations (numbers of railway wagons, loading stations, number and type of goods, &c.) should be accepted on an equal basis with customs declarations. Besides these documents, the export of sugar beet, grass, vegetable and corn seeds should be further supported by certificates issued by Seed Associations (Chambers of Agriculture, Seed Departments of Agricultural Societies) to the effect that seeds were actually exported (circular No. 159), and in the case of clover seeds, by analyses furnished by Seed Inspection Stations certified by an Agricultural Society. Customs declarations are issued by the Customs for land and for marine shipments.

The confirmation by the Customs of postal shipments sent abroad is especially provided for. Detailed regulations with this end in view are contained in circulars of the Customs Department of the Ministry of Finance, dated April 17, 1925, L. D. C. 2.228/II ("*Dz. Urz. Min. Sk.*" (Official Daily of the Ministry of Finance) No. 15/1925, item 427) and March 22, 1928, L. D. V. 279/3 ("*Dz. Urz. Min. Sk.*" No. 11/1928, item 146). The latter circular rendered it possible to secure a customs declaration for parcels posted even in post-offices not containing a customs department.

It has not been possible to carry out the execution of decisions as to customs declarations in their entirety. The considerations of economic policy have caused the Ministry of Finance to abandon demands for proof of export by customs declarations in the case of

coal, foundry products, butter, timber and petroleum products.

The export of coal in the second half of 1925 and from January 1st up to August 7th, 1926, could be proved only by book-keeping together with other documents—but from August 8, 1927, besides accountancy books, "export confirmations" have to be presented, as foreseen by the Order of the Ministry of Finance of July 21, 1926 ("*Dz. Urz. Min. Sk.*" No. 20/1926, item 207), now superseded by the Order of May 30th, 1928, regarding the customs clearance of goods exported by rail (the official daily "*Monitor Polski*", No. 130 June 8, 1928, item 217).

Export declarations as foreseen in §§ 3 and 4 of the executive regulations of the Order of the Ministers of Finance, of Industry and Commerce and of Agriculture, dated July 19, 1926 ("*Dz. Ust. R. P.*" No. 74, item 427), and the specimens appended to same ("*Monitor Polski*", August 16, 1926, item 523) are considered on the basis of circular No. 191 of the Ministry of Finance dated March 31, 1927, L. DPO 2.509/III to have the same power as customs declarations when furnishing proof of the export of foundry and rolling mill products as also of other metal manufactures enumerated in par. 1 of the above-mentioned Order. The issue of such declarations is entrusted to the following authorised bodies: the Export Association of Polish Foundries and the Export Association of Metal Manufacturing Industries ("*Monitor Polski*", August 7, 1926, item 528).

With regard to the export of products of the timber industry (planks, wooden paving-blocks, parquet, squared logs, pine squared logs, and pine railway-sleepers), sent abroad via Danzig, instead of a customs declaration, a certificate issued by the Treasury Control in Tezew to the effect that the shipment passed through that point (circular No. 60 of the Ministry of Finance, dated July 19, 1924, L. DPO 3.082/III), or one from the Customs House in Zajęczkovo (circular No. 199 of the Ministry of Finance, dated June 20th, 1927 L. DPO 13.838/III/26), can be presented. A written declaration should be attached to the certificate signed by the consignor who should testify that the given shipment is destined for export beyond the customs frontiers of Poland.

The export of petroleum products can be proved by the production of a state-

ment instead of a customs declaration; this statement should be sent to the Treasury Technical Control Board by the Customs House. A certificate furnished by the Treasury Technical Control Board to the effect that the statement has been received from the Customs House can be accepted instead of the actual statement. The Treasury Technical Control Board should, upon the demand of the exporter, issue a confirmation of receipt of the statement, covering each export shipment and certifying export beyond the customs boundary. This confirmation should be retained by the exporter in his export goods register. This regulation does not apply to shipments sent through Danzig (circular No. 51 of the Ministry of Finance dated June 5, 1924, L. DPO 2.118/III).

The export of butter is freed from the Turnover Tax if effected by dairy and egg co-operative societies through the intermediary of the Economic Association of Dairy Co-operative Societies in Poznań and the Dairy and Egg Co-operative Association of Warsaw. These co-operative societies can prove the fact of the export of butter by the production of certificates issued by the given Association according to a special model, instead of customs declarations. Each in individual certificate for each co-operative society should be presented by the Association during the month of January in each year to the Treasury Authorities dealing with the Industrial Tax on turnover, and which will check up the data given in the certificate and certify their accuracy as regards the accountancy and customs declarations of the Association. The certified certificates will be sent by the Association to its co-operative society members, which should attach such to their turnover returns (circular No. 253, May 11, 1928, L. D. V. 3.316/4).

On July 8th of this year the Order of the Ministry of Finance of May 30, 1928 will come into force. This Order is in respect of the customs clearance of goods, exported abroad by rail, and enacts export confirmations drawn up according to special models. These confirmations will serve in order to prove export ("*Monitor Polski*", June 8, 1928, item 217).

OPENINGS FOR TRADE AND BUSINESS WITH POLAND

Particulars of any of the under-mentioned 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. 162: Polish enterprise exporting unworked and sawn timber seeks buyers.

Ref. No. 163: Wire fabric concern manufacturing for all industrial needs, desires foreign representatives.

Ref. No. 164: Gas and water meter manufacturer desires to enter into relations with importing firms.

Ref. No. 165: Polish high-speed gears factory offers its wares for export.

Ref. No. 166: Polish manufacturer of felt desires to introduce his goods on foreign markets.

Ref. No. 167: Gas tar is offered for export by a Polish concern.

Ref. No. 168: Polish enterprise producing kitchen enamelled ware seeks buyers abroad.

internal combustion motors — the Metal Manufacturers' Export Association of Warsaw.

TRANSPORTS

RAILWAY TRAFFIC IN AUGUST.—

Railway traffic indicated a further increase during August. The movement of 15-ton goods wagons rose from 17,653 in July to 18,294 in August, or by 3.7 per cent, and in relation to August 1927 by 10.8 per cent. The reason for the increase lies, as usual at this time of the year, in seasonal traffic, i. e., agricultural products and coal transports. Nevertheless, a comparison with the data for the same month of 1927, indicates an improvement in general traffic. During the next month, when the crops are gathered and the movement of beets will begin, the work of the railways will jump up. The railway management has, of course, foreseen and made preparations for the accumulation of wagons, sufficient to assure that no hitch in delivery will occur.

The average daily loadings of 15-ton goods wagons were as follows:

	July 1928	August 1928	August 1927
loaded on the Polish State Railways:			
destined for local stations	12,255	12,644	11,210
destined for abroad	3,539	3,737	3,547
Total:	15,794	16,381	14,757
received from abroad	701	711	606
transit via Poland	1,158	1,202	1,140
Total:	17,653	18,294	16,503

Thus, it is seen that the largest increase was in loadings at Polish stations by an average of 537 cars daily. Transports destined to home stations rose by 389 wagons and to foreign countries by 198. The wagons received from abroad increased slightly by an average of 10 daily, while transports in transit through Poland were greater by an average of 44 cars daily.

The following statement shows the daily car-loadings of the different groups of merchandise despatched to local stations:

	July 1928	August 1928	August 1927
coal, coke and briquettes	3,086	3,347	3,207
crude oil and petroleum products	169	185	171
timber	1,153	1,065	998
agricultural products	698	843	744
raw materials and industrial products	2,974	2,928	2,402
various	4,175	4,821	3,688
Total:	12,555	12,644	11,210

In comparison with July, the transports of coal rose by 261 wagons per day and those of agricultural products by 145 wagons; timber shipments, however, fell off by 88 wagons. The remaining groups indicate no changes worthy of note.

The following statement shows the daily car-loadings of the different groups of merchandise despatched to foreign countries (in 15 ton wagons):

	July 1928	August 1928	August 1927
coal, coke and briquettes	2,302	2,469	2,093
crude oil and petroleum products	50	61	50
timber	921	919	1,110
agricultural products	50	73	51
various	216	215	243
Total:	3,539	3,737	3,547

In comparison with July, the consignments of coal, petroleum and its products, and agricultural products destined abroad decreased during August, the other groups of products remaining at the same level.

SILESIA - BALTIC RAILWAY.—The constant augmentation of coal exports through Danzig and Gdynia, and the further increase in the rate of development which is foreseen, had made of paramount importance the construction of a railway to connect the coal basins of Upper Silesia direct with the Polish Baltic ports. The building of the first section, Gdynia-Bydgoszcz, was commenced in 1927, is quickly advancing and will be opened for use in 1931. The length of this section will be 186 km. and the cost will amount to about £ 65 million. It is a single track line, only the part Gdynia-Ossowo being doubled. The traffic capacity will be 15 coal trains of 1,200 tons per day or 5,400,000 tons per year.

For the time being this capacity will be sufficient, but the construction of the second track must be foreseen in the near future. The building of the second section, Bydgoszcz-Herby, will shorten the present route by 60 km., and thus effect a considerable economy. The new line will take the burden off of the existing lines, which can hardly cope with the present coal traffic, to say nothing of their task in the future. The loading efficiency of Gdynia will be increased.

REPEAL OF DANZIG REVENUE STAMP CHARGES ON RAILWAY BILLS OF LADING.—As a result of the energetic action of the Ministry of Communications, the Danzig revenue stamp charges on railway bills of lading have been abolished as from September 1, 1928, which have up to now been collected on all goods traffic on the area of the Free City. This charge was especially burdensome on transports of coal, as it amounted to five Danzig gulden per wagon load.

The abolition of these charges had been the subject of long-drawn out negotiations between the Polish Govern-

CUSTOMS DUTIES AND FOREIGN TRADE REGULATIONS

CUSTOMS REFUNDS WHEN EXPORTING HUSKED RICE AND BENTWOOD FURNITURE.

— The Ministry of Industry and Commerce is at present occupied in drafting regulations covering the refund of customs duties in cases of export of polished and husked rice, and of bentwood furniture. Investigations have also been commenced upon the introduction of customs refunds in the case of exports of textile machinery, bacon and ham.

In connection with the regulations of August 6, 1928, issued by the Ministers of Finance, of Industry and Commerce, and of Agriculture, in respect of customs refunds in cases of export of artificial silk ("Dz. Ust. R. P." No. 76, item 684), and those of the same date in respect of customs refunds in cases of export of internal combustion motors ("Dz. Ust. R. P." No. 76, item 682), an announcement signed by the Minister of Finance and the Minister of Industry and Commerce is shortly to be published in the official daily the "Monitor Polski", whereby export associations will be authorised to issue export certificates as follows: in cases of export of artificial silk — the Export Section of the Chemical Industry Association of the Republic of Poland, and in the case of export of

ment and the Senate of the Free City, and were brought to a conclusion by a compromise thanks to concessions by each of the sides.

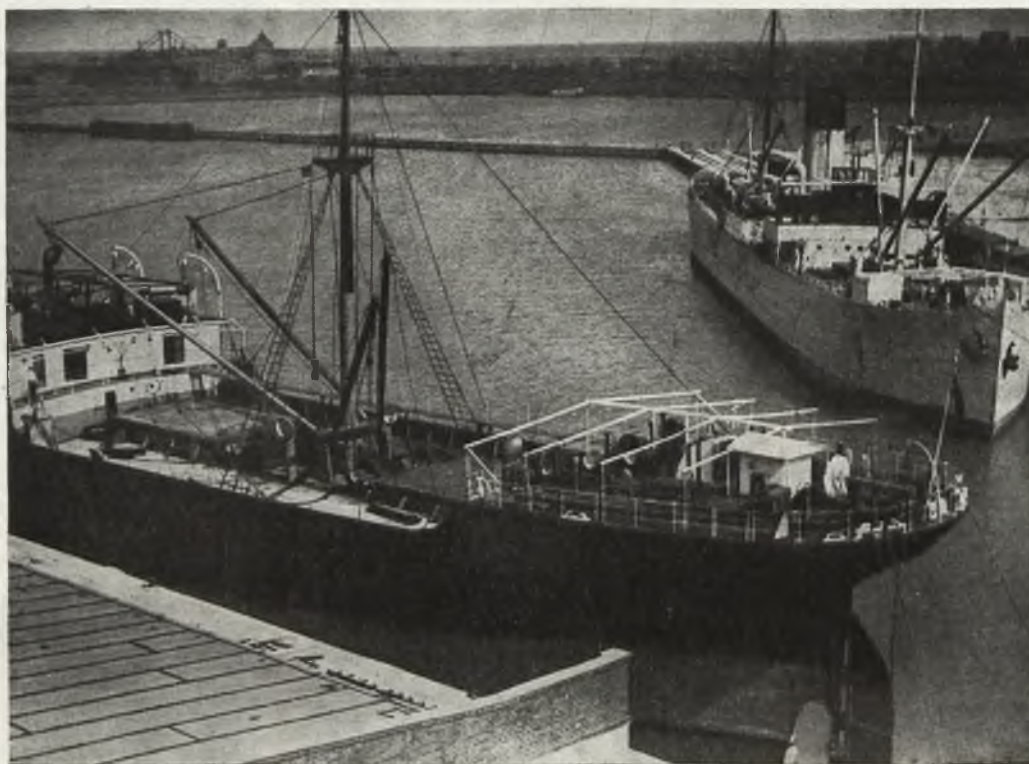
PASSENGER AND LUGGAGE RAILWAY RATES BETWEEN EUROPE AND ASIA. — Since June 1, 1928, a special railway tariff has been in force covering passenger and luggage transport by direct communication between Europe and Asia via

Siberia. Up to now this tariff has been applied only in the direction of Asia to Poland and for transit through Poland.

The above mentioned tariff has been extended as from August 15, 1928, to transport from Poland to Asia, namely— from the Polish railway stations: Warsaw Central Station, Łódź - Fabryczna and Łódź - Kaliska, Stolpce and Danzig.

POLISH-GREEK RAILWAY GOODS TARIFF. — A Polish-Greek goods

tariff for direct communication entered into force on August 17, 1928. Besides Polish and Greek railways, the following lines also participate in this arrangement: Czechoslovakian, Hungarian, Jugoslavian, Austrian, Rumanian and Bulgarian. The Alexandropole Station of the Oriental railways is to take up this service as from October 1, 1928.



A VIEW FROM GDYNIA DOCKS (PHOT. S. PLATER)

PORT TRAFFIC IN AUGUST.— There were no important changes in the port traffic through the Polish ports in August.

There called at Danzig 564 vessels with an aggregate tonnage of 359,804 net reg. tons (329,084¹⁾); and departed 536 ships with an aggregate 344,513 net reg. tons (352,380). Compared with the same month of 1927, the traffic shows a considerable gain. During the first 8 months of 1928, the total tonnage was 4 per cent greater than during the corresponding period of 1927. Cargo carrying efficiency, since the tonnage of vessels increased and trade was smaller, decreased from 16 to 12 per cent in imports, and from 90 to 80 per cent in exports.

The nationality of the ships calling at Danzig was as follows:

	Arrivals:		Departures:	
	ships	reg. tons	ships	reg. tons
Poland & Danzig	28	17,355	28	20,635
Germany	187	82,048	173	75,419
Finland	7	9,459	8	10,652
Estonia	9	2,902	8	2,339
Latvia	26	21,327	26	20,729
Lithuania	1	196	—	—
Sweden	118	61,101	119	60,599
Norway	30	17,128	30	19,270
Denmark	87	67,300	81	63,688
England	28	40,338	26	39,271
Holland	16	13,299	13	10,670
France	7	5,609	7	5,609
Spain	—	—	1	2,369
Italy	4	11,272	3	8,599
Greece	6	9,047	3	3,426
Turkey	1	3	3	17
Chile	4	632	3	499
Czechoslovakia	4	638	3	572
Rumania	1	150	1	150
Total:	564	359,804	536	344,513

The Polish flag occupies 7th place, while the traffic of Swedish and Danish ships has increased materially.

The goods traffic through Danzig in August, according to provisional data, was as follows (in tons):

	Imports:		Exports:	
	July	August	July	August
grain	17,768	6,112	475	670
sugar	—	—	3,443	2,412
herring	5,478	9,881	—	—
groceries and foodstuffs	2,724	4,428	2,747	1,641
artificial fertilizers and chemicals	11,523	23,444	1,120	2,085
timber	—	—	51,191	66,281
cement	—	—	11,586	6,543
building materials	550	3,221	—	—
coal	1,135	2,430	515,487	438,788
mineral oils	1,383	1,553	4,376	2,951
ores	16,400	7,211	—	—
scrap iron	40,329	22,411	—	—
iron	770	1,099	—	—
various	466	1,311	4,376	2,791
Total:	98,526	83,101	594,001	524,162

It is seen from the above that the goods traffic was less in August than in July. But, since it has been proved that provisional figures are often incorrect,

¹⁾ The figures in brackets are for the month of July.

it would be misleading to base deductions thereon. It can be said, however, that the shipments of articles which have up to now been successfully developing, are now temporarily arrested.

In import, it is easily understood that grain shipments should be reduced, and even it may be expected that they will cease altogether during the next few months. A disquieting factor is the decrease in imports through Danzig of scrap iron, from 40,000 tons to 22,000 tons, while ore shipments fell to 7,000 tons. The final figures will probably be higher, but will not reach the level of the previous months. Only imports of artificial fertilizers, herring and groceries have increased during August.

There were no great changes in coal exports. A favourable symptom is the increase in timber export, but the rise is small, and the quantity, 66,000 tons, is lower than the monthly average in 1927, yet the change from the steadily decreasing shipments is significant. On the other hand, the reduction in cement exports through Danzig in August is an unfavourable symptom.

The export of coal from Danzig (excluding bunker coal) was as follows (in tons):

Switzerland	160,148
Denmark	117,217
Norway	35,785
Finland	33,793
Italy	28,257
Latvia	27,002
France	14,141
Belgium	10,365
Holland	4,820
Germany	4,025
Lithuania	2,963
Total:	439,116

The number of passengers departing and arriving at Danzig is given in the following statement:

	Arrivals	Departures
	persons	
Danzig bay	8,564	11,467
Libau	38	67
Stockholm	10	—
Copenhagen	214	432
London	205	1,005
Hull	50	361
New York	234	372
Tallin	438	—
Hamburg	3	418
Helsingfors	22	—
Total:	9,778	14,282

There called at Gdynia 110 vessels aggregating 108,473 net reg. tons (in July 123, with 103,319 n. r. t.), while there departed 108 ships aggregating 102,431 net reg. tons (118 with 95,286 n. r. t.); from this it is seen that during August a smaller number of ships called, but they were of larger tonnage.

The trade turnover has improved, but exports dropped slightly to 165,312 tons. Coal as usual was the largest item, and 155,956 tons were exported (in July 168,489 tons) plus 8,940 tons of bunker coal.

Imports, however, rose from 33,889 tons to 39,403 tons, of which the largest items were 23,920 tons of Thomas slag, 2,100 tons of phosphorites and 13,334 tons of rice. This rise in imports is a very favourable symptom, since the balance of imports and exports is of primary importance in assuring low freight rates to a given port.

The nationality of the ships calling at Gdynia was as follows:

	Arrivals:		Departures:	
	July	August	July	August
Poland & Danzig	15	11	13	10
Germany	26	18	25	18
Sweden	39	37	34	41
Norway	9	11	9	11
Denmark	11	6	11	6
Latvia	14	12	16	11
Holland	—	1	—	1
England	5	8	6	5
France	4	6	4	5

COLD STORAGE PLANT AT GDYNIA. — Plans have already been drawn up and the construction of a port cold storage warehouse in Gdynia will soon be commenced.

The importance of such a plan for meat and dairy products need not be dwelt upon. The probable export of these products in 1929 is estimated as follows: butter and milk products up to 5,000 tons; bacon, meat and poultry 3,500 tons and 15,000 tons of eggs.

The manufacture of artificial ice will be possible at the rate of 20 tons per 8 hours.

On the basis of the above estimates the storage plant is planned to cover an area of 15,000 sq. m. The cost, including equipment of artificial ice machinery, is calculated at £ 10,000,000. On account of the large cost and the pressing need, only two-thirds of the buildings will be constructed at first. The building will be the property of the Treasury. Competition for the construction of this plant has been invited from all the leading home and European refrigerating machinery constructors. The site for the building is next to the first inner port basin.

IMPROVED COAL EXPORT FACILITIES IN GDYNIA. — The Minister of Industry and Commerce signed on August 29th of this year an agreement with the "Progress" coal concern on the strength of which territory on the Southern mole of the Port of Gdynia is leased out to the concern. The "Progress" concern binds itself to build at its own expense appliances for the export of coal and to export from the port a minimum of 15,000 tons monthly during 15 months and henceforth 55,000 per month. Should "Progress" purchase and operate coal-freighters under the Polish flag, then the whole process of export, with the exception of railway transport, will be controlled by the concern, which will greatly facilitate competition on foreign markets as it has already done in the case of the Giesche and Robur

companies under similar conditions. Apart from the sea coast, these concerns possess larger sites, which will permit of the import of ores upon the return voyage, i. e., from Sweden. In this way, Upper Silesia will be economically bound up with the Port of Gdynia. The possibility of making use of railway wagons and steamers upon return trips for the transport of ores, should render possible the lowering of railway and ocean freights.

PASSENGER TRAFFIC THROUGH THE PORT OF GDYNIA DURING 1928.

Parallel with the mercantile development of Gdynia, the passenger traffic through this port has been developing and was especially marked in the summer of 1928. Several reasons accounted for this increase, such as the visits of large groups of Poles from America, pleasure cruises aboard the S. S. "Gdynia" and the commencement of a regular passenger service by several shipping lines. The C. ie G. le Transatlantique has for two years run a fortnightly service between Gdynia and le Havre, while recently the Royal Holland Loyd and Chargeurs Réunis have established regular passenger sailings to South America. Trial calls have been made by the ships of other lines.

The passenger traffic during the present year is illustrated by the following table:

	Arrivals:		Departures:	
	foreign traffic	tourist traffic	foreign traffic	tourist traffic
January	5	—	303	—
February	7	—	756	—
March	25	—	1,339	—
April	41	—	939	—
May	630	221	1,037	235
June	166	168	1,735	221
July	1016	257	1,320	268
August	47	278	1,901	268
Total: 1937	924	924	9,330	992

An analysis shows that out of the 9,330 persons which sailed from Gdynia, 7,012 were destined for overseas via le Havre, 704 via Cherbourg, 633 via Ymuiden, 447 via Amsterdam, and 400 sailed directly to New York.

Of the 1,936 incoming passengers, 1,097 arrived via le Havre and 801 directly from New York.

The development of passenger traffic through Gdynia is seen in the following figures:

	Arrivals	Departures	Total
1926	1,464	6,388	7,852
1927	1,514	7,990	9,504
1928 (first 8 months ¹)	2,861	10,322	13,183

In view of the commencement of a passenger service by two lines direct to South America, the autumn passenger traffic, in spite of the falling off in tourist traffic, should show little decrease; it is estimated that by the end of 1928, it should reach, for outgoing and incoming passengers 18,000—19,000, or in other words, twice the number recorded for 1927.

¹ Including foreign tourist traffic.

THE NAUTICAL DEPARTMENT OF THE NATIONAL METEOROLOGICAL INSTITUTE IN GDYNIA.

— The Nautical Department of the National Meteorological Institute was established at Gdynia in April, 1927. A similar institution had already been founded at Danzig, when Poland regained her independence, for the use of Polish shipping, and its first work was to form a weather forecasting section domiciled in the Polish High Commissioner's Office.

The rise of Gdynia as a port made it necessary to establish such a service there with the main object of issuing storm warnings. Gradually the Nautical Department is developing the scope of its activities, so that by 1929 it will be transformed into a Nautical Observatory which will be competent to deal with the work undertaken by that type of institution all over the world.

The signal service, which is the chief work, has been organised as follows:

1.— Meteorological observations are taken 9 times in each 24 hours (including one night observation).

2.— The storm warning service is based on 3 weather maps, prepared from the data received from over 300 stations in Europe, Western Siberia and Northern Africa. The meteorological data are received directly by wireless. The maps are prepared at 8 a. m., 2 and 7 p. m. The morning map is issued at noon and the wireless station at Puck broadcasts the weather forecast.

When strong wind or gale is foreseen, the Nautical Department telephones a warning to its seven signal stations and the proper warning and the direction of the wind is hoisted to the signal mast. The code therefor was published in the Polish "*Bulletin Meteorologique*" for April 1927.

3.— Ice conditions. During the winter season, it is of the utmost importance to shipping lines and charterers, to know the conditions for navigation on the sea, near the shore and at the entrance to the port, not only to reduce danger of accident, but also to fix freight rates.

Three years ago, due to the insufficiency of information regarding the ice conditions, a score of steamers were caught in the ice in the Bay of Finland. The ice-breakers were powerless and although they finally reached the stranded vessels, they were unable to get back. The ships lay in the ice fields several weeks and the losses incurred by the shipping companies were enormous. It was this accident which decided the establishment of the regular ice information service on the Baltic. The Polish ice information service was begun in the winter of 1925/26, and was confined to inland waters. However, with the development of the port of Gdynia, it was deemed necessary to broaden the scope of activity. Therefore a special coloured map was drawn up, in such a form as to be easily readable. It is the only one of its kind, and has been commended abroad for its practical value. It will be continued with only small technical changes, since the first project was successful. By colours and double figures, the nature of the ice conditions in different regions, and the

type of navigation (sailing, motor, steamer low or high powered) possible. This service is functioning efficiently, but it will be further improved.

4.— Meteorological observation from ships. Through the initiative of the Nautical Department special meteorological observation is now carried out on all steamers flying the Polish flag.

Besides the above work, two new sections have been begun. They are:

5.— The navigation section, which temporarily is occupied with the correction of charts, and their supply, together with the latest almanachs, to both foreign and Polish vessels calling at Gdynia. During the present year a compass department will also be formed.

6.— In the time service department, chronometers are verified, their daily variations measured, and a graph made of irregularity due to spring mechanism. The curve so plotted also serves to denote the characteristics of the given chronometer.

7.— Besides this practical work, purely theoretical work and measurements are carried out.

In 1928/29, the Nautical Department, as mentioned at the beginning, will be transformed into a Nautical Observatory. Besides theoretical and research work, it will supply the Port of Gdynia and the Polish sea-coast with meteorological, navigation, magnetic and astronomical data. It will also take measures for the safety of flying, especially while in transit across the coast.

It will be divided up into the following sections and sub-sections:

1.— Research.

2.— Meteorological, embracing the sub-sections: a) meteorological observation, b) weather mapping, c) instrument correction, d) aerological, e) hydrographical.

3.— Astronomical, including time service, and measuring and examining compasses, &c.

4.— Navigation.

5.— Mechanical, for the reparation of nautical instruments, and their construction.

Poland proposes to develop the Nautical Observatory until it reaches the level of the observatories in other countries where this service is well administered, with, however, this difference: in Gdynia the institution must satisfy all the requirements of navigation, while in countries which have maritime traditions reaching back to olden days, the needs are looked after by a series of kindred institutions.

Poland wishes to work in the field of nautical research and knowledge, and thus contribute to the learning common to seafaring nations.

AERIAL COMMUNICATION IN AUGUST.

— There was an increase in air traffic when compared with July. It was due to a great measure to the exceptionally fine weather.

The number of flights (scheduled and extra) was 401, as against 386 in the preceding month, and the distance flown 131.765 km. (in July 125.375 km.). The number of passengers carried rose from 876 in July to 929 in August. The transport of freight increased considerably, from 83.816 kg., to 28.021 kg., while that of mail declined slightly from 4.112 kg. to 3.804 kg.



ONE OF THE SIDINGS OF THE PORT OF GDYNIA
(PHOT. S. PLATER)

FINANCE AND BANKING

STATE REVENUE AND EXPENDITURE IN AUGUST were as follows (in millions of zł):

It is seen that August, similar to the preceding months of the budgetary year, returned a surplus of revenue over

August, which is usually the poorest month from the point of view of the Treasury, returned more than any month so far during the budgetary year, with the exception of May. The increase during August was due principally to the larger returns from the State Spirit Monopoly. The August revenue was greater than the July (zł 192.3 million) by 23 per cent.

Expenditure increased owing to the larger expenses of the Ministry of Foreign Affairs, the Ministry of War and pensions. The State debt, owing to the fact that no important instalments in connection with foreign loan service were due, showed a considerable decline in expenditure.

The expenditure from the Extraordinary Investment Budget was zł 5.9 million and was utilised mainly (zł 4.1 million) by the Ministry of Public Works.

TAXES IN AUGUST. — The revenue from public levies and monopolies shows a steady tendency to increase. The income from these sources was larger than in any other month of the present budgetary year except May, and this in spite of the fact that payments in connection with several direct taxes were not due, and that August is the harvest month when farmers are short of money. In comparison with the income of August 1927 (zł 154.5 million) that of August 1928 (zł 213.5 million) was greater by 38 per cent.

During the first five months of the current budgetary year the tax collections were as follows (in millions of zł):

	1927	1928
April	162.8	192.2
May	178.5	219.0
June	151.8	191.2
July	169.7	207.8
August	154.5	213.5

The comparison between the actual income and the estimated income in the Budget, shows a considerable surplus. Of the amount estimated for the whole budgetary year, 46.9 per cent has already been received. Specially large surpluses were recorded in the case of direct taxes (55.3 per cent of the sum estimated for the whole year), the 10 per cent Extraordinary Supplementary Tax (55.5 per cent) and customs duties (51.5 per cent).

The surplus from public levies and monopolies was caused by an increase

	Revenue		Expenditure	
	actual	estimated for 1928/9	actual	estimated for 1928/9
A) Civil service	148.9	1,578.8	229.1	2,508.4
The President of the Republic. . .	—	0.2	0.3	3.3
The Parliament.	—	0.3	1.1	10.6
State Control	—	0.1	0.4	5.0
Council of Ministers	—	—	0.1	2.2
Ministry of Foreign Affairs	1.8	10.9	8.4	52.3
" " War.	0.6	3.8	87.1	740.8
" " the Interior	1.5	17.4	18.6	217.8
" " Finance	134.8	1,392.7	11.0	130.1
" " Justice	2.6	37.1	9.0	108.2
" " Industry and Commerce . . .	0.9	10.7	3.4	47.9
" " Transport	—	0.5	0.7	16.1
" " Agriculture	0.5	14.6	4.1	55.3
" " Religious Cults and Education . .	—	10.8	30.5	399.0
" " Public Works	3.2	39.2	12.7	136.8
" " Labour and Social Protection . .	—	0.8	3.5	61.3
" " Land Reform	0.2	3.0	4.1	53.3
" " Posts and Telegraphs	—	—	—	2.4
Pensions	2.5	27.1	13.0	102.8
Grants to invalids	—	—	11.6	132.0
State liabilities	—	9.5	9.4	231.2
B) State enterprises.	9.1	199.6	1.5	19.9
C) Monopolies	79.8	353.0	—	—
Total A + B + C:	237.8	1,154.7	230.6	2,528.2

expenditure. Comparatively the surplus was less, because the revenue did not increase in proportion to the expenditure, which reached a record figure for the present year.

The State revenue and expenditure in the current budgetary year are given below (in millions of zł):

	Revenue	Expenditure	Surplus of revenue
April 1928	222.5	213.2	9.3
May "	244.0	230.3	13.7
June "	216.6	206.2	10.4
July "	233.9	224.0	9.9
August "	237.8	230.6	7.2
Total:	1,154.7	1,104.3	50.5

The revenues in total were 43.5 per cent of the sum estimated in the budget for the whole year. Especially favourable was the return from the State Administration which has already reached 48.5

per cent of the yearly estimate. Considerably below normal level (the normal level is $5/12 = 41.7$ per cent) were the returns from State enterprises; this is accounted for by the fact that during the summer season each enterprise has utilised its income almost wholly in investments, and the State Railways during the first 3 months have made no payments to the Treasury at all.

Expenditure during the 5 months of the budgetary year has been 41.5 per cent of the estimate (including the 15 per cent bonus to State employees' salaries) and so in strict conformity with the Budget. This bonus (zł 130 million for the whole year) is not foreseen in the Budget, and is paid from revenue surplus.

Thus, we see that revenue shows a constant tendency to increase and that

of Z 10 million in the payment to the Treasury from the State Spirit Monopoly (in August Z 40.1 million, as against Z 30.1 million in July and the preceding months). Thus, the income from the monopolies rose from Z 70.2 million in July to Z 79.8 million in August. The Tobacco Monopoly returned slightly less, Z 33 million in August as against Z 34 million in July.

The public levies alone returned less in August than in July (Z 133.7 million as against Z 137.6 million) though it was 43 per cent larger than in August 1927.

Of the various classes of taxes, a higher return was recorded in direct taxes (both the ordinary and the extraordinary property tax) as well as in the 10 per cent additional tax. The ordinary direct taxes brought in Z 59.8 million (in July Z 56.9 million); the Industrial Tax, by reason of payment falling due of an instalment of the Turnover Tax for the second quarter of 1928 for concerns which do not keep regular commercial registers, rose to Z 37.2 million; the Income Tax returned Z 10.9 million, the tax on capital Z 2.1 million. The Property Tax gave Z 1.5 million (in July Z 1.3 million). The Extraordinary Supplementary Tax brought in Z 8.9 million (in July Z 8.7 million).

The returns from indirect taxation remained practically at the July level (decrease by Z 0.3 million). The largest return, as usual, was from the Sugar Tax (Z 10.2 million). Of the other

indirect taxes, the more important items were as follows: tax on mineral oil Z 1.9 million and on beer Z 1.6 million.

The customs duty returns were lower in August by Z 4.1 million in connection with the decrease in imports.

Stamp fees brought in Z 2.9 million less in August than in July, thus indicating smaller trading operations.

The table given below shows the revenue from taxes and monopolies (in millions of Z):

	Actual revenue: ^{1/12} th of the yearly budget for			
	August 1927	July 1928	August 1928	1928/29
Direct taxes	39.9	56.9	59.8	43.4
Indirect taxes	11.8	15.3	15.1	13.3
Customs duties	21.9	37.8	33.8	27.5
Stamp fees	12.3	17.6	14.7	13.8
Total of the ordinary public levies:	85.9	127.6	123.3	98.0
Property Tax	2.0	1.3	1.5	4.2
10 per cent Extraordinary Tax	6.3	8.7	8.9	6.8
Monopolies	60.4	70.2	79.8	73.0
Total of public levies and monopolies:	154.5	207.8	213.5	182.0

THE TURNOVER TAX AS APPLIED TO EXPORTS (see page 400).

STOCK EXCHANGE

FOREIGN CURRENCIES

— The foreign exchange rates on the Warsaw Stock Exchange during the period under review were irregular. Comparing the rates quoted towards the end of July with those at the end of August, it will be seen that the London Sterling rate dropped by nearly Z 0.0275 (per £ 1), Paris by Z 0.095, Brussels by Z 0.13 and Vienna by Z 0.12; on the other hand Zurich rose by Z 0.03, Milan by Z 0.045, Amsterdam by Z 0.29 and Stockholm by Z 0.19 (per 100). The remaining exchanges (New York and Prague) were without change.

Rates for the Zloty on Foreign Exchanges were on the whole during the past month more favourable, as they were higher on the Berlin, Vienna and Prague Stock Exchanges, while on the remaining Exchanges they were unaltered. The turnover in foreign exchange during August decreased by over 4.5 per cent. The demand for U. S. Dollars continued to be very small. Since the stabilisation of the Zloty, dollar deposits in Polish banking institutions have been reduced to a minimum, and with commercial contracts being made in Zloty, it is obvious that transactions in Dollars have almost entirely died away not only on the Stock Exchange, but also on the open market

		31.7	1—10.8	13—17.8	20—24.8	27—30.8	31.8	par value
Warsaw Exchange								
London	£ 1	43.30	43.29	43.28	43.27	43.27 ^{1/8}	43.27 ^{3/5}	43.38
New York	\$ 1	8.90	8.90	8.90	8.90	8.90	8.90	8.90
Paris	Fr. Fr. 100	34.92	34.87	34.83 ^{1/2}	34.85	34.82	34.82 ^{1/2}	172.00
Brussels	Belg. 100	124.11	124.05	124.02 ^{1/2}	124.02	123.95	123.98	123.95
Zurich	Sw. Fr. 100	171.68	171.64 ^{1/2}	171.65	171.72 ^{1/2}	171.69	171.71	172.00
Milan	Lir. 100	46.67 ^{1/2}	46.65	46.64	46.68	46.68	46.72	172.00
Amsterdam	Fl. 100	—	358.21	357.62	357.52	357.50	—	358.31
Vienna	Sh. 100	—	123.77	125.73	125.64	125.05	125.65	125.43
Prague	Kcz. 100	26.42	26.42	26.42	26.42	26.42	26.42	180.62
Stockholm	Kr. 100	—	238.61	238.65	238.69	238.77	238.80	238.89
Foreign Exchanges								
London	£ 1	43.31	43.30	43.30	43.31	43.32 ^{1/2}	43.30	43.38
New York	Z 100	11.25	11.25	11.25	11.25	11.25	11.25	11.22
Zurich	Z 100	—	58.20	58.20	58.20	58.20	58.20	58.14
Vienna	Z 100	—	79.46	79.51	79.52	79.51	79.53	79.72
Prague	Z 100	377.50	377.50	377.50	377.56	377.55	377.52 ^{1/2}	55.36
Berlin	Z 100	46.95	46.97 ^{1/2}	47.07	47.04	47.03	47.025	47.09
Danzig	Z 100	57.69 ^{1/2}	57.743	57.80	57.78	57.77	57.77 ^{1/2}	57.63

Dollar transactions, which have up to now been the most important on the Warsaw Stock Exchange, have been supplanted by Sterling deals which are larger than those on New York. Polish banks find it more advantageous to draw on London as the discount rate in that city is lower than in New York.

SHARES

The tone in the share market during the period under consideration was rather firmer than during the past month, rate differences, however, being slight, with the exception of a few isolated cases. The slack season is still in evidence and therefore an increase in the turnover cannot be expected as yet. The present rates cannot be accepted as quite representative, as very few large parcels of shares have been put on the market—the offerings being on the whole small. Owners of large blocks of shares do not consider the present moment a favourable one for realising their holdings and have, therefore, adopted a reserved attitude. For this reason, only small holdings are being disposed of in order to secure ready money.

Bank shares showed little activity on the whole, but slightly increased; quo-

tations for Bank of Poland and Bank Zachodni shares were noted, the latter gaining at one time over 10 per cent, only to lose almost the whole of this increase towards the close of the month.

Warsaw Coal Mining Co. shares remained at approximately the same level as during the previous period. Amongst metallurgical shares, the only decline noted was in Rudzki's. This stock as also Lilpop's and Starachowice, was much in demand before the war, but during recent times has ceased to enjoy its former popularity amongst speculators, although the enterprise is functioning quite normally.

Quotations for "Parowóz" shares rose by almost 15 per cent owing to a dividend of 10 per cent being paid for the past operating year. Norblin, Buch & Werner exhibited a considerable increase in their quotations (over 16 per cent) and are still much in demand. Ostrowiec were also sought for by banking institutions buying for the account of domestic and foreign clients, with the result that the rate rose by nearly 10 per cent. The remaining metallurgical shares exhibited little or no change as compared with the preceding month.

Quotations for other industrials also tended to rise to a greater or smaller extent. The largest increase was shown

by Siła i Światło which have been in considerable demand since the middle of the past month.

STATE, CITY AND LAND LOANS

Government securities maintained their rates, business being on the slack side, except in the case of the 5 per cent Premium Dollar Loan, for which there was a very brisk demand with an upward trend of prices, the increase noted being again 7. Another security steadily in demand was the 4 per cent Premium Investment Loan, which was admitted for trading on the Stock Exchange towards the close of the period under review. Quotations passed the parity mark by nearly 30 per cent and, at one time, by almost 40 per cent. Frequent fluctuations in the quotations for these bonds are to be expected before October 1, 1928, as the first drawings for premiums will take place on that date. Official quotations for this paper will be given in our next number.

The turnover in private securities continued to be small, with a distinct bullish tendency, however, as a result of insufficient offerings as compared with the demands.

45 per cent Land Credit Association bonds gained 1.55 per 100 bond,

Industrial shares	31.7	1—10.8	13—17.8	20—24.8	27—30.8	31.8	Nominal
Bank Polski	108.—	180.10	183.40	183.35	182.55	181.75	₺ 100.—
Bank Dyskontowy Warszawski	—	134.50	134.50	—	134.50	134.50	₺ 100.—
Bank Handlowy w Warszawie	—	117.—	117.—	117.—	—	—	₺ 100.—
Bank Zachodni	33.—	34.60	37.—	—	32.25	33.25	₺ 25.—
Bank Zw. Sp. Zarobkowych	—	82.25	82.50	82.—	81.50	—	₺ 100.—
Warsaw Coal Mining Co.	97.75	98.65	97.65	92.70	97.—	—	₺ 100.—
Chodorów	—	180.—	—	180.—	—	—	₺ 100.—
Cegielski	—	48.—	47.—	45.50	—	—	₺ 50.—
Zieleniewski	—	—	—	—	—	—	₺ 100.—
Norblin, Buch & Werner	—	228.75	229.25	235.—	—	245.—	₺ 100.—
Starachowice	54.50	54.50	55.65	55.20	54.55	54.25	₺ 50.—
Lilpop, Rau & Loewenstein	41.25	41.80	42.30	41.95	41.20	41.75	₺ 25.—
Ostrowiec (b series)	115.—	114.—	116.50	120.—	124.55	124.—	₺ 50.—
Modrzejów	43.—	42.80	42.50	41.95	44.25	43.—	₺ 50.—
Rudzki	—	50.—	51.—	48.—	47.25	49.—	₺ 50.—
Warsz. Sp. Akc. Budowy Parowozów	—	38.50	39.—	42.25	42.80	42.—	₺ 25.—
Żyrardów	—	—	—	—	—	—	Mk. 540.—Rb. 250
Zawiercie	26.25	26.65	27.—	27.15	28.—	—	₺ 60.—
Standard Nobel	—	32.40	32.75	32.50	33.25	—	₺ 50.—
Borkowski (Elibor)	17.—	—	16.25	17.—	17.35	—	₺ 25.—
Wysoka	—	198.—	224.—	215.—	220.—	—	₺ 100.—
Siła i Światło	—	—	—	139.—	140.—	147.—	₺ 50.—

State, Municipal & Land Loans	31.7	1—10.8	13—17.8	20—24.8	27—30.8	31.8	Nominal
5% Conversion Loan	67—	67—	67—	67—	67—	67—	₺ 100—
6% External Dollar Loan 1920	—	—	85.75	85.15	—	84—	\$ 100—
5% Premium Dollar Loan (2nd series).	86.50	91.15	90.20	92.20	92.25	93.25	\$ 5—
10% Railway Loan (1st series)	104—	104—	104—	104—	104—	104—	gold Fr. 100—
8% Bank Gospodarstwa Krajowego Bonds ...	94—	94—	94—	94—	94—	94—	gold Fr. 100—
8% State Land 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... .. .	—	—	—	—	—	—	₺ 100—
4% Land Credit Association Bonds... .. .	—	—	47—	—	—	—	₺ 100—
4% Land Credit Association Bonds... .. .	52.10	52.30	53.45	54—	54.75	53.75	₺ 100—
8% Credit Soc. of the City of Warsaw Bonds ...	71.90	71.45	71.60	72.60	74—	74—	₺ 100—
5% Credit Soc. of the City of Warsaw Bonds ...	57.25	58.05	58.75	60—	59.90	59—	₺ 100—
4% Credit Soc. of the City of Warsaw Bonds ...	—	52.40	—	52.75	—	—	₺ 100—

8 per cent Credit Soc. of the City of Warsaw Bonds rose by ₺ 2.10, whilst the 5 per cent Credit Soc. of the City of Warsaw bonds gained ₺ 1.75. The turnover in other mortgage bonds was either small or lacking altogether: sporadic quotations cannot be accepted therefore as being representative. It should, however, be taken into consideration that under present conditions, with exceedingly low quotations and the possible benefits accruing from drawings for redemption, Polish long-term mortgage collateral bonds present an attractive and safe investment for capital. For these reasons, French and German financiers have lately been showing considerable interest in the 8 per cent Credit Soc. of the City of Warsaw bonds, this being evidenced by numerous inquiries for large blocks of bonds received by Polish banking institutions.

BANK OF POLAND

— The situation on the money market in August was more favourable than in the preceding month, although it resulted in a change for the worse in the volume of foreign currency reserves at the Bank as compared with July.

The inflow of foreign currencies and drafts to the Bank increased from ₺ 78.4 million in July to ₺ 92.7 million in August. On the other hand, the sales of foreign currencies and drafts shrank during the month from ₺ 126.0 million to ₺ 118.0 million; the sales effected on the Stock Exchange remained practically the same as in the preceding month, being ₺ 88.0 million in August and ₺ 87.2 million in July, while the sales to various Government Departments (chiefly

for the payment of interest and amortisation installments in connection with foreign loans) declined from ₺ 38.6 million to ₺ 29.9 million. The balance of foreign currency transactions, including the purchases of gold in foreign countries in the last 10 day period of August, to the amount of ₺ 0.2 million, amounted in August to ₺ 25.5 million as compared with ₺ 48.7 million in July.

Thanks to the transfer from the account for June to that for July (inflow of foreign currencies from the Upper Silesian loan in June) and similar transfer from August to September (anticipated increase in the demand for foreign currency and drafts in September in connection with the six months term of payment for the increased imports caused in March prior to the readjustment of the customs duty)—there occurred, as already stated, changes which were more favourable in August than in July. In July the foreign currency reserves declined from ₺ 733.4 million to ₺ 709.7 million, or by ₺ 23.7 million, and in August from ₺ 709.7 million to ₺ 679.2 million or by ₺ 30.5 million.

Of these reserves the foreign currencies and drafts included in the cover declined in August from ₺ 501.8 million to ₺ 479.6 million, whereas the amount of foreign currencies and drafts not included in the cover rose from ₺ 207.9 million to ₺ 199.6 million.

The bullion reserves of the Bank rose during the month from ₺ 606.2 million to ₺ 606.7 million, due to the above mentioned purchases of gold to the amount of ₺ 0.2 million, with the result that the value of gold held abroad rose to ₺ 195.3 million, and to small purchases of gold and silver by the different local branches of the Bank.

The value of gold held in the vaults rose by ₺ 0.1 million to ₺ 407.6 million and that of silver by ₺ 0.2 million to ₺ 3.8 million.

The changes in the bullion and foreign currency reserves used as cover for the banknotes in circulation and sight liabilities in August and since the beginning of the year are given below (in millions of ₺):

	January 1st	July 31st	August 31st
gold	517.3	602.5	602.9
silver	2.6	3.6	3.8
foreign currencies and liabilities	687.5	501.8	479.6
Total:	1,207.4	1,107.9	1,086.3

In proportion to the amount of the banknotes in circulation and sight liabilities, the above mentioned bullion and currency cover was 61.71 per cent on August 31st, 63.79 per cent on July 31st and 72.61 per cent on January 1st of this year. The comparatively larger fall in the percentage than in the amount of the cover is to be attributed to a simultaneous increase in the value of the notes in circulation and sight liabilities, from ₺ 1,736.8 million to ₺ 1,760.2 million. The banknote issue rose only from ₺ 1,159.3 million to ₺ 1,206.7 million, whereas the sight liabilities declined from ₺ 577.5 million to ₺ 553.6 million. Of the latter those appearing on current account showed an increase from ₺ 423.8 million to ₺ 431.1 million (the balances of various Government Departments rose by ₺ 24.1 million and those on private accounts showed a decline of 16.8 million). The above mentioned decrease concerned only the Silver Purchase Fund (of the total amount of ₺ 90 million ₺ 6 million were disbursed on the purchase of silver coins) and the State Credit Fund from which a sum of ₺ 25.7 million was utilised

	JULY 31st		AUGUST 10th		AUGUST 20th		AUGUST 31st	
Assets:								
Bullion:								
gold in vaults - - - - -	407,443,071.20		407,493,794.53		407,532,964.39		407,589,800.06	
„ abroad - - - - -	195,094,845.74		195,094,845.74		195,094,657.44		195,289,774.72	
silver (gold value) - - -	3,613,411.41		3,741,335.74		3,756,993.87		3,796,008.11	
	606,151,328.35		606,329,976.01		606,384,615.70		606,675,582.89	
Foreign currency, drafts and assets - - - - -	501,751,188.09	1,107,902,516.44	495,366,585.28	1,101,696,561.29	491,737,112.90	1,098,121,728.60	479,599,611.94	1,086,275,194.83
Foreign currency, drafts and assets not included in the cover - - - - -		207,923,793.35		203,540,083.72		202,974,620.88		199,587,750.90
Silver and token coins --		1,086,651.30		1,251,829.79		4,718,620.81		1,146,059.08
Bills of exchange - - - -		591,100,109.08		581,826,666.54		581,098,767.53		633,252,098.05
Loans against securities -		63,575,149.25		64,269,906.64		64,814,779.44		74,774,259.65
Own interest-bearing securities - - - - -		5,354,273.55		5,157,050.65		5,868,832.44		5,768,919.75
Reserve funds invested in the securities - - - -		55,646,604.15		55,647,181.71		55,647,184.71		55,647,184.71
Loans to Government - - -		25,000,000.—		25,000,000.—		25,000,000.—		25,000,000.—
Property - - - - -		20,000,000.—		20,000,000.—		20,000,000.—		20,000,000.—
Other assets - - - - -		58,456,758.70		59,574,292.57		67,503,728.74		66,828,142.80
		2,136,045,855.82		2,117,963,575.91		2,125,748,263.05		2,168,279,609.77
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 liabilities:								
current accounts of State institutions - - - -	277,816,312.54		259,608,441.75		315,975,548.58		301,984,766.82	
outstanding current accounts - - - - -	145,951,356.73		159,963,522.51		161,179,440.82		129,124,863.59	
silver purchases a/c - - -	90,000,000.—		90,000,000.—		84,000,000.—		84,000,000.—	
State credit fund a/c - -	58,622,075.42		53,622,075.42		33,968,237.38		32,935,243.94	
various accounts - - - -	5,126,158.58		8,997,217.57		5,331,883.38		5,525,592.17	
	577,515,903.27		572,191,257.25		600,455,110.16		553,570,466.52	
Notes in circulation - - -	1,159,254,910.—	1,736,770,813.27	1,144,066,530.—	1,716,257,787.25	1,121,679,680.—	1,722,134,790.16	1,206,677,880.—	1,760,248,346.52
Special account of the Treasury - - - - -		75,000,000.—		75,000,000.—		75,000,000.—		75,000,000.—
Other liabilities - - - - -		79,840,402.55		82,271,148.66		84,178,832.89		88,596,623.25
		2,136,045,855.82		2,117,963,575.91		2,125,748,263.05		2,168,279,609.77

for investment purchases by the Posts and Telegraphs and for the purchase of land improvement bonds of the State Land Bank.

The increase in note circulation took place despite a decline in the bullion and foreign currency reserves and was mainly due to a considerable increase in the credits allotted by the Bank. Thus, the total sum of discount credits granted rose from $\text{z} 591.1$ million to $\text{z} 633.3$ million, and the total amount of loans against securities rose from $\text{z} 63.6$ million to $\text{z} 74.8$ million. The ratio of discount credits employed to those granted increased during the month from 73.5 per cent to 79.1 per cent, because the amount of credits granted declined to a smaller extent than the amount of bills in portfolio, namely — from $\text{z} 805.4$ million to $\text{z} 800.0$ million.

As regards the other items of the Bank cover for the notes in circulation and sight liabilities, they did not show any variations. The amount of silver and token coins rose by $\text{z} 0.6$ million,

the value of securities held by the Bank by $\text{z} 0.4$ million, the debt of the Treasury remained unchanged at $\text{z} 25$ million.

The Bank cover since the beginning of the year and at the end of July and August is given below (in millions of z):

	January 1st	July 31st	August 31st
bills	460.7	591.1	633.3
Polish silver coins and token money	17.0	1.1	1.1
loans against securities	41.5	63.6	74.8
own interest-bearing securities	5.8	5.4	5.8
liability of the Treasury	25.0	25.0	25.0
Total:	550.0	686.1	739.9

THIRD REPORT OF THE FINANCIAL ADVISER. — Mr. Charles Dewey, the foreign member of the council of the Bank of Poland and Financial Adviser to the Polish Government, has deposited with the Bank of Poland his third quarterly report covering the second quarter of 1928.

In part I of his report, Mr. Dewey discusses budgetary, Treasury and administrative legislature connected with the realisation of the Stabilisation Plan,

the service of the Loan, and finally the utilisation of receipts from the Stabilisation Loan. Part II contains an analysis of the trade balance. Part III is devoted to a resumé of the Polish co-operative society movement. Part IV discusses the 1928/29 budget, or rather the changes introduced in the budget estimates by the Sejm, as also the economic budgetary results for the first quarter of 1928/29. Finally, in Part V, he describes briefly the economic situation of Poland during the second quarter of the current year.

The Adviser demonstrates that receipts during the first quarter of the fiscal year were in excess of the budget estimates. Supplementary monthly payments of 15 per cent were paid to civil servants during the first quarter out of this budget surplus. These supplements will continue to be paid, provided that the surpluses of the monthly budgets be sufficient for this purpose, whilst the whole question of civil service salaries is to be taken up by the legislative bodies during the autumn session.

All the free funds of the Treasury, with the exception of monies deposited with the Treasury Cash Offices ($\text{z} 88.4$ million on June 30, 1928) and in the Postal Savings Bank ($\text{z} 18.1$ million on



INTERIOR OF THE SPINNING MILLS AT THE TOMASZÓW ARTIFICIAL SILK FACTORY
(PHOT. S. PLATER)

the same date), were, in accordance with the Stabilisation Plan, deposited with the Bank of Poland.

The Ministry of Finance had $\text{z} 259\cdot5$ million to its credit at the Bank of Poland at the close of the first quarter of the 1928/29 fiscal year, this sum being approximately the same as that which appeared at the beginning of the quarter ($\text{z} 250\cdot8$ million).

A system of advances for local Government bodies, proposed in the Stabilisation Plan, to be in force until an independent financial system for local government bodies be promulgated, was made possible by a paragraph in the Treasury Act, which empowered the Minister of Finance to grant loans to local government bodies for a term not exceeding twelve months, with the reservation that the aggregate of such advances cannot exceed 90 per cent of the sums received by the Treasury in the form of taxes collected on behalf of local government bodies during the year.

The Minister of Finance, who is authorised to control the flow of long-term credits into Poland, has prepared a budget of investment requirements covering the various Ministries which will serve as a plan for loans.

The Government as such, does not premeditate the acceptance of foreign loans for its own account, but has on the other hand given special attention to facilitating the influx of foreign

capital for the credit needs of agriculture by creating a special central institution for the rediscounting of long-term agrarian mortgage bonds.

The Minister of Finance also controls loans for local government bodies, fixing the amount and the purposes for which they are to be used. The Minister is likewise empowered to fix the issue date of such loans. Mr. Dewey affirms in his report, that the Minister of Finance approved only those loans which are economically productive and profitable for Poland, and the Minister's decisions were confirmed by the Adviser in every case without exception. According to Mr. Dewey, two principles should be borne in mind, if the credit of the country is to appreciate, i. e., if the conditions for loans are to become increasingly more favourable:

a) an excessively large amount of small loans is to be avoided;

b) securities are valued more by investors, if such are destined solely for productive purposes which augment stocks of foreign exchange, by reducing imports and increasing export, and which serve purposes logically classified on foreign money markets as meeting strictly local government investment requirements.

The disbursement of the Stabilisation Loan as up to June 30, 1928 is presented by Mr. Dewey in the following table, (in millions of z):

	Estimated Sum	Sum appropriated	Balance
Increase of Bank of Poland capital	75·0	75·0	—
Taking over by Bank of Poland of $\frac{1}{3}$ of the net Treasury note issue . .	140·0	140·0	—
Conversion of $\frac{1}{3}$ of the net Treasury note issue into silver coinage . .	90·0	—	90·0
Paying off the Treasury liquid debt	25·0	25·0	—
Creation of Treasury reserve	75·0	—	75·0
For economic development	141·3	74·1	67·2
For other purposes	3·0	3·0	—
Total:	549·3	317·1	232·2

It will be seen that in two cases no appropriations have been put through, these being the Silver Purchase Fund and the Treasury Reserve Fund. In the former case this was due to the Minister of Finance not concluding to date negotiations for the purchase of silver, due to unfavourable conditions on the silver market and, in the latter case, to the existence of a steady surplus of State revenues. The so-called "F" Fund for economic development destined for agriculture and for State enterprises, was only partially used up on June 30, 1928, the following allocations having been made (in millions of z):



WORKMEN'S COLONY NEAR KRAKÓW

8% loan for the State Nitrogen Fixation Plant at Tarnów	23·7	88% Wilno Land Bank Mortgage Bonds	6·7
8% Credit Soc. of the City of Warsaw Bonds	13·0	6% Poznań Land Credit Mortgage Bonds	2·6
8% State Land Bank Mortgage Bonds	13·0		Total: 74·1
8% National Economic Bank Mortgage Bonds	11·0		
8% Credit Soc. of the City of Lwów Bonds	4·0		

The Stabilisation Loan, as is known, is secured by the customs revenues, and the service of the loan is assured by

the fact that these receipts amounted to about zł 98·4 million during the first quarters of the 1928/29 fiscal year, whilst the amount necessary for the service of the Loan was approximately zł 17·5 million or about 5½ times less than the amount available.

LATEST NEWS

WARSAW EXCHANGE:

	10.9.28	20.9.28
\$ 1 = zł	8·90	zł 8·90
£ 1 = „	43·25	„ 43·24½

BANK OF POLAND:

ASSETS:	10.9.28	20.9.28
Gold and silver reserve . zł	606,829,486·64	zł 606,976,528·81
Foreign balances	467,366,898·46	„ 467,167,829·51
" " (not included in the cover)	204,240,023·06	„ 203,697,377·54
Bills of exchange	631,441,607·51	„ 638,050,961·94
Loans against securities	75,016,430·10	„ 77,086,612·42
LIABILITIES:		
Notes in circulation	1,187,577,200·—	„ 1,154,770,710·—
Current accounts	452,317,583·91	„ 498,040,486·83
Other sight liabilities	117,368,083·11	„ 116,999,503·80
BANK NOTES COVER (bullion & foreign currencies)	61·13%	60·69%

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	ARTIFICIAL FERTILIZERS		Gdynia, the Port Town	1	"Warta", Ltd., Danzig and Gdynia
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			"Boismine" Ltd., Warsaw	VI	VARIOUS
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LUDWIK F. GARDOWSKI
Graphic superintendent

THE PORT TOWN OF GDYNIA

THE PRESENT city of Gdynia probably derived its name from the old hamlet Kedkino (Gdina — Gdynia), which Swiatopełk II, Prince of Pomerania, gave to the Monastery in Oliwa on April 23rd of the year 1224.

The following is a short summary of the history of the development of Gdynia. In 1380, it became the property of the Carthusian Monastery and remained so until the Monastery was dissolved. In the year 1789 it is recorded that Gdynia was a Royal village with 21 dwellings. In 1829, the estate lying on the neighbouring hills became German property and was named Kamienna Góra (Rock Hill). In 1872 Grabowo was annexed to Gdynia and finally, on February 22, 1926, Oksywia was included within the territory of the town. Oksywia dates back to 1223, and its chapel is considered the oldest of any along the coast. The village dwellers were of pure Polish stock. Thus the two ancient districts of Gdynia and Oksywia, joined together, form the territory of the present town of Gdynia.

Although it is a port, ever since it was reestablished as Polish territory it has begun to acquire prominence as a summer sea-side resort. In 1924 the number of summer visitors was 2,000, while in 1926 it rose to 5,000; 100 villas have been built on sites above the sea-coast.

Besides good railway communication between Gdynia and the other ports of the country, regular fast passenger steamer services by Polish ships have been established between Danzig, Zoppot, the Hel peninsula and Gdynia.

The administrative boundaries of the town are as follows¹⁾:

1. — To the North, Obłuże and Chylonia.
2. — To the West, the strip of State forest, Witomin and Mały Kack,
3. — To the South, the natural frontier of the Free City of Danzig,

4. — To the East, the sea.

This territory aggregating about 6,000 ha, is exploited by three administrative units: the Navy, the Trading Port, and the City. The territory under the Navy extends along the slopes of the Oksywia hills in the direction of Obłuże. The Trading Port, which is of course the main force and the *raison d'être* of Gdynia, is converting for its purposes the once useless swamp and peat bogs along the former river Chylon. The City, anticipating the early development of the Port, and following the natural quick growth, is spreading to the South.

The three basic administrative groups, however, act together in planning out the common needs of the Port.

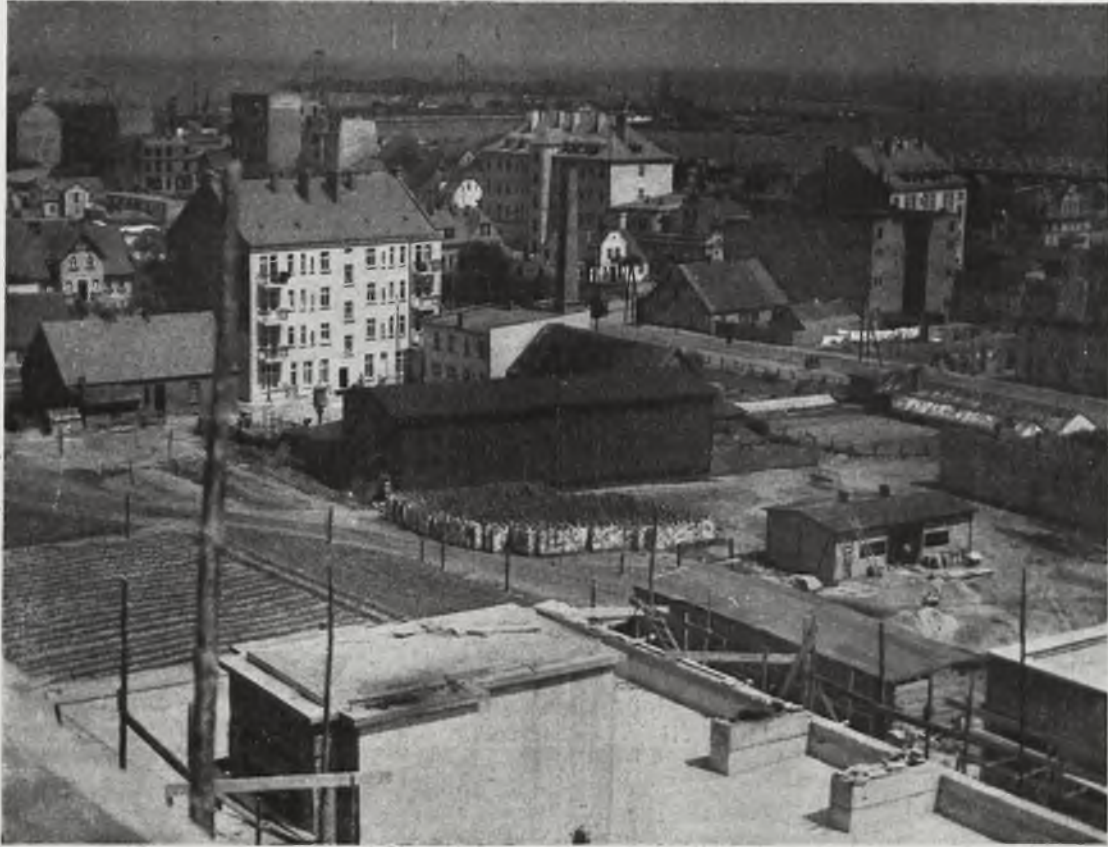
The credits of the Bank Gospodarstwa Krajowego (The National Economic Bank) have greatly assisted public building operations and they are also to be used to help private initiative. But these credits are nowhere in proportion to the rate of development of the Port and they must be greatly increased.

The City has drawn up a construction programme for the coming year, during which twelve main streets will be paved, and the main artery from the railway terminus to the sea will be completed.

The three administrative groups are together planning out the town and gradually the future quarters are becoming visible.

The industrial section, i. e., factories, storage plants, silos, &c., will be situated to the Northwest and North, near to the railway terminus, the inner basin and the industrial canal. This quarter should develop at the same rate as the Port proper, and attention should be paid to the importance of well planned and synchronised effort. The trade and banking quarter will extend from the Port towards the South and here will be erected the business offices, consulates, foreign banks, &c.

¹⁾ See annexed map.



GENERAL VIEW OF GDYNIA (PHOT. S. PLATER)

Between the Port and the City is the site for the erection of the gasworks.

On the same border strip will be established a car depôt for the electric tram service along the shore, which will be the first section to be constructed.

For obvious reasons here also must be erected a market hall, to supply both the City and the ships.

Towards Chylonia and so placed that questions of transport and communication are

best solved, will be built the City abbatoirs and emigration camps.

The residential quarters of greater Gdynia will be situated on State land surrounding the business section and will form a garden city.

The building of a fisherman's colony of 16 one-story houses has been begun.

Gradually the town of Gdynia is springing up from the one time village, and land values are rising sharply.

THE POLISH STATE STEAMSHIP COMPANY

Ever since Poland has had opened before it a way to the sea, a conviction has been growing that this must be taken advantage of and that a merchant fleet of ships must be established.

7, 1927, these ships began to ply between Danzig, Gdynia and overseas ports.

Also in the autumn of 1926 the Government ordered from the International Shipbuilding and Engineering Company of Danzig two



S. S. "WILNO" OPERATED BY COMPANY
(PHOT. S. PLATER)

The first attempts to start a merchant marine, made both in Poland and by Polish emigrants abroad, met, for one reason or another, with failure.

Finally, at the end of the year 1926, the Polish Government turned its attention to this problem and formed the Polish State Steamship Company.

In December of that year five sister ships, each of 2.850 tons D. W., were purchased and christened the "Katowice," "Poznań," "Kraków," "Toruń" and "Wilno." On January

passenger vessels of 560 tons gross each, for coast-wise service and foreign cruises.

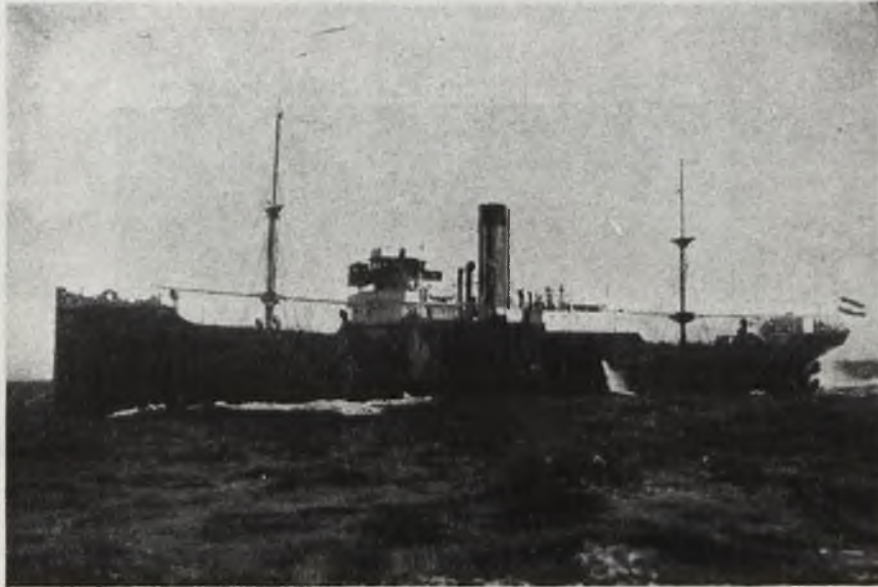
The organisation of the State Steamship Company is based on general mercantile principles. The capital was provided by the Treasury, but the institution functions as an independent unit. At its head is the Board of Administration, directly responsible to the Minister of Industry and Commerce. The management is in the hands of a General Manager and his Assistant. The head office is at the port of Gdynia.

As the activity of the Company has increased, so has the tonnage of its vessels. The following vessels have been added to the fleet: the "Warta" (4.200 tons D.W.), the "Tczew" (1.050 tons D.W.), the "Niemen" (5.020 D.W.) and the "Wisła" (5.020 D.W.). The number of small passenger vessels has also been increased by the addition of the "Wanda" and "Jadwiga" (375 tons gross each), and the "Hanka" (150 tons gross).

organised cruises to Denmark, Sweden, Finland, Latvia and Estonia, on the S.S. "Gdynia".

The Company possesses at Gdynia port its own stores for supplying its vessels, and is constructing works for repairing the ships. It is also erecting office buildings and dwellings for its employees.

Independently of its activity as a shipowner, the State Steamship Company is aiding the development of ship chartering, a factor



ONE OF THE STEAMERS OF THE STATE STEAMSHIP CO.
(PHOT. S. PLATER)

On August 1, 1928, the aggregate tonnage was as follows: 9 freight steamers, 30.420 tons D.W., 5 passenger, 2.020 tons gross.

As the fleet has increased in size, the radius of operations has extended. The service to Northern France and England has been prolonged to the ports of the Mediterranean and Adriatic.

During the existence of the Company, its ships have visited 80 ports 250 times carrying a total of 493.300⁴ tons of freight. The passenger vessels maintain a regular service between Danzig, Gdynia and the Polish sea-side resorts. In addition, the Company has

indispensable to rational mercantile organisation. For this purpose the Company is a shareholder in the Polish Ocean Agency "PAM".

The main duty of "PAM" is the concentration in its hands of the greatest possible amount of freight and thus assuring the Polish fleet the best shipping conditions. "PAM" also looks after ship clearance and acts as an agent for steamship companies.

Up to July 1, 1928, "PAM" provided freight for 203 ships aggregating 538.940 tons and cleared 371 ships aggregating 693.116 tons.

BERGENSKE BALTIC TRANSPORTS LTD.

THE BUSINESS in Gdynia belongs to the Bergenske Baltic Transports Ltd. A.-G., Danzig, which was established in 1920 and ranks amongst the largest shipping and forwarding firms there. Both firms are affiliated with Det Bergenske Dampskibsselskab, Bergen,

1st, 1928, they will move to spacious new offices, and just lately a harbour office has been opened.

Bergenske represents a number of leading foreign shipping companies whose services to all parts of the world, more especially



INTERIOR VIEW OF ONE OF THE COMPANY'S WAREHOUSES

one of the leading Scandinavian shipping companies.

Bergenske was one of the first shipping firms to commence business in Gdynia, and their organisation is keeping pace with the rapid development of the port. On October

Scandinavia, South and North America, Levant, etc., will gradually include Gdynia as a regular port of call.

In the forwarding line Bergenske co-operates with the Polski Lloyd S. A., with which firm it is closely connected.

THE STATE LAND BANK

Gdynia Agency

The rapid growth in State activity along the Polish sea-coast together with the development of the port of Gdynia, caused the State Land Bank to establish an agency there directly under the Bank branch in Grudziądz.

The first task undertaken by this agency was to strengthen the agricultural interests along the coast by the skilful granting of credit to local farmers.

Likewise the important question of fishing was taken up by the Bank. The Ministry of Land Reform divided State grounds on the Hel peninsula into 61 sections and distributed them among those fishermen who had no land of their own. The duty of raising the necessary buildings on this land by means of credits

granted for this purpose was assigned to the State Land Bank.

At present the construction of these dwellings is nearing completion, and in the Autumn the Hel peninsula will contain a new fishing town, populated by young, energetic and loyal fishermen selected to form a healthy nucleus.

Other matters in which the Bank is interested are the regulation of emigration activity through the port, and the construction of cold storage plants, for which a credit of 6 million has recently been allotted.

On account of the increase in business, a site has just been purchased upon which premises to house the Bank will be constructed. Building operations will start this year.

THE STATE LAND BANK

Grudziądz Branch

THIS BRANCH conducts land parcellation business in accordance with the provisions of the Land Réform Act, and long-term mortgage and amortisation credits are granted, based on the issue of the State Land Bank's mortgage bonds. Large credits are granted to co-operative societies engaged in production or commerce or in extending credits to their members. One of the main objects of the Bank is to support by all possible means the co-operative societies, especially those set up by small-holders. The Bank further administers

the interest-bearing funds left by German banks formerly operating in this part of the Republic of Poland.

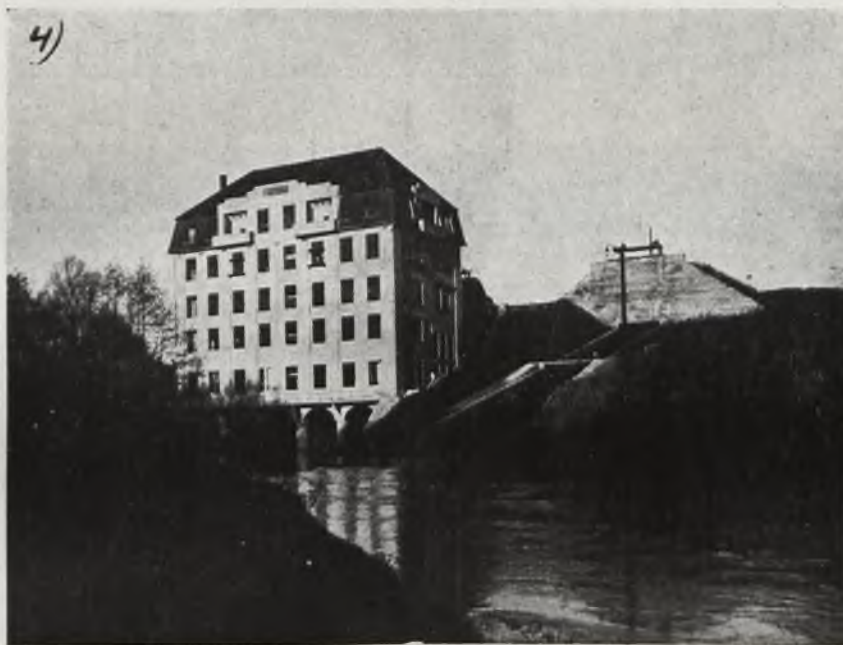
Acting upon instructions from the Ministry of Land Reform, the Bank has lately commenced an energetic campaign for the rational construction of farm-buildings on small-holdings arising out of the Government parcellation plan; efforts are directed towards making these as practical as possible, and of placing small-holdings on the desired level of productivity to keep up the degree of culture.

THE ELECTRIFICATION OF THE PORT OF GDYNIA

WHILST older ports had to pass through various stages of evolution, working their cranes successively by water, steam and electricity, Gdynia was fortunate enough to be able to pick out that form of energy, which experience proved to be the most economical, practical and certain.

The Zur station will be equipped with two horizontal 6.000 HP water turbines of the latest type of prof. Kaplan's patented design, and in this way will assure sufficient energy in the years to come.

Besides these installations, the "Gródek" Company intends to build at Gdynia an auxil-



ELECTRICAL POWER STATION AT GRÓDEK, POMERANIA

There can be no doubt that electrical power in this respect occupies a premier position. Gdynia thus already possesses a large transformer station with an output of 20.000 HP and a 15.000 volt distributing network, constructed and operated by the "Pomorska Elektrownia Krajowa Gródek" (The Pomeranian and Home Electrical Power Station "Gródek" S. A.) since the beginning of the current year. This is a hydro-electric power station 140 km. distant, producing current at 60.000 volts, whilst by the end of 1929, a second hydro-electric station which is in course of construction at Zur, above Gródek on the Vistula and close to the Laskowice railway station in the voievodship of Pomerania, will supply current to Gdynia.

itary steam power station of about 50.000 HP which would act as a reserve for the existing and future hydro-electric plants of Pomerania. The total output will amount to about 100.000 HP with an average production of 300 million KWH per annum.

The efficiency of the current supply to Gdynia is indicated by the regularity with which the port cranes, which work day and night, are operated, the great consumption of current on the part of the rice husking plant, and last, but not least, the demands of the street and port lighting systems.

The Naval Port in Gdynia also utilises the "Gródek" Company's electric current, and by the close of the year the whole town will be

consuming electrical energy from the same source.

The sub-station possesses the advantage of being able to furnish current at a constant strength, this being due to the installation of a modern ratio-adjuster built by the "Asea" Company of Sweden. As a result of the enormous fluctuations in load, caused by the continual interruptions in the working of the cranes, the regulation of the current transmitted over 140 kilometres of cable presents unusually difficult technical problems.

The certainty of operation of the Port of Gdynia will be still further increased after the electrification of the Katowice - Gdynia railway. To this end, the "Gródek" Company intends to build additional hydro-electric stations in Pomerania in order to provide current for this railway upon its electrification. It is for this reason that the Gdynia—Gródek—Bydgoszcz—Toruń cable line has been constructed for a tension of 100.000 volts.

This is an important consideration, for the price of coal will continue to increase and



WATER SUPPLY OF THE ELECTRICAL POWER STATION AT GRÓDEK, POMERANIA

The "Gródek" Company has succeeded, however, in creating in Gdynia a technical masterpiece which has evoked the admiration of foreign and home professional circles.

If it be borne in mind that by far the greater part of the capital invested in this enterprise was raised in Poland (the copper cables alone, manufactured by the Norblin, Buch & Werner Company of Warsaw, represent a value of over \$ 100.000), it can be readily admitted that not only Polish industries in general, but also the management of the "Gródek" Company have carried out a task of first-rate national importance.

coal will gain in value — not only as a result of increased export demands, but also in view of steadily growing home consumption. Italy receives over three-quarters of her electrical energy from water power, whilst the demand for coal is much greater than the pre-war import statistics used to show, since the consumption of coal for factories and installations (ovens, &c.) has increased greatly, in view of the fact that in many cases coal cannot be supplanted by electricity.

The "Gródek" Company has been of invaluable help to Gdynia by furnishing that essential factor in the creation of a modern port and port city — electrical power.

RICE HUSKING PLANT

G d y n i a

ONE OF THE facts demonstrating that free access to the sea is of fundamental necessity to Poland, has been made evident by the attitude of the community. No sooner had the Government made its decision to develop the port of Gdynia, than private initiative began operations and the investment of private capital in the city grew with the same rapidity as the preparations of the State.

The development of industrial enterprise in Gdynia was started by the Rice Husking Plant, opened personally by the Minister of Industry

utilised to transport the rice from Gdynia to Polish cities.

The price of rice on the home market has decreased since the Gdynia Rice Husking Plant has been in operation, by over 40 per cent, i. e., in 1927, 1 kilogramme of "Burma II" cost $\text{₹} 1.04$ while at present the Plant furnishes rice at $\text{₹} 0.68$ per kg.

Gdynia has not only become the base for rice exports, it is also the natural centre of rice imports into Poland. For example, the distance from Gdynia to Kraków is 684 km.,



RICE HUSKING PLANT, GDYNIA (PHOT. S. PLATER)

and Commerce on May 1, 1928. Late in the autumn of 1927, building operations were begun, and already in the spring of 1928 a transatlantic liner, direct from British India, docked with a large cargo of unhusked rice.

During the past few months of the activity of the concern, over 50,000 tons of rice were landed in Gdynia by 8 steamers, of which the "Shakespeare" was the largest, being of about 9,000 tons net reg.

During the same period 30,000 tons of husked rice was polished of which the greater part was supplied to the home market, the remainder being exported to the Baltic countries.

For the first time the cheap water route from the Baltic sea via the Vistula river was

while the distance from Triest to the same city is 1,065 km. The difference is still larger in the case of the other large Polish cities.

The Rice Husking Plant is equipped, in view of its recent construction, with the most up-to-date machinery, and is one of the largest of such establishments in Europe.

The arrangement of the buildings is as follows: the main 6-story ferro-concrete building — the architecture of which is very interesting — is connected with a handling hall and an enormous store house for raw rice with a floor surface of 8,400 sq. m. Adjoining are the two story administration offices, workmen's dwellings, repair shops, &c.

The establishment is now to be developed by the construction of a starch and other rice products factory, which will utilise the waste.

UNION OF DAIRY AND EGG CO-OPERATIVE SOCIETIES

W a r s a w

ON THE WORLD market Poland occupies an important position as a supplier of butter. Polish butter finds its way to every European market, even as far as Spain.

Poland began exporting butter only 3 years ago because, as a result of the world and bolshevik wars, the cattle were nearly exterminated.

The damage done has, however, been repaired and at present the number of milch cows has reached 6 million. The breed is improving, as also their milk production, thanks to the efforts made in this direction by the Government.

The incorporation of the farmers into dairy co-operatives was likewise limited through war losses in cattle, but at present such organisations are multiplying, and a great effort to place dairying on a scientific basis is to be seen.

In 1927, the export of butter totalled 74.000 q. while during the first 5 months of the present year, the total has reached 34.000 q.; therefore, it may be assumed that for the whole of this year the exports will be in the vicinity of 100.000 q.

Thus the experimental stage in the trade has passed, and Poland is now capable of supplying foreign markets with a good standard product.

Up to the present, sales organisation has not been sufficiently attended to. Not all the butter was inspected by the co-operative trade centres. "Haphazard" sales hurt the trade as a whole, and the good butter shipped

by the co-operative dairies was often labelled as coming from the better known sources of Germany, Holland and even Denmark. The same practice has been, and still is being carried on in the egg trade.

As soon as compulsory grading and inspection of these exports have been introduced, the cause of this evil will have vanished.

In the organisation of production and sales of Polish butter, a leading part is played by the Union of Dairy and Egg Co-operative Societies located in Warsaw. It is the collecting centre for a large area comprising Central Poland, the Eastern border and Pomerania. The trading section of the Union has ramifications extending to all the large centres, besides branches in the cities of Poznań, Łódź, Lublin, Wilno, Katowice and Toruń, and it carries out both the collection and distribution of butter, cheese, eggs and such commodities. The Union in Warsaw supplies from its stores affiliated co-operative societies with the necessary equipment for producing efficiently and transporting their goods.

The Union has established in the various parts of Warsaw and Łódź retail stores. The stores have gained popular approval, by reason of the quality of the commodities on sale, and the check placed upon speculation in these articles.

In export, the Union inspects ever increasing quantities of goods to be shipped from Poland; it has already been able to gain the confidence of clients in England, Germany, Austria, Czechoslovakia and Hungary.

INTERNATIONAL SHIPBUILDING AND ENGINEERING CO, LTD.

D a n z i g

THE DANZIG Shipbuilding Company was formerly an Imperial Shipyard, and is one of the oldest on the Baltic. In 1919, it again commenced building and repairing merchant steamers.

machinery which guarantee perfect execution even in the case of the most difficult work.

In addition to construction, the shipyard does repair work on a large scale. This is



GENERAL VIEW OF THE COMPANY'S WORKS

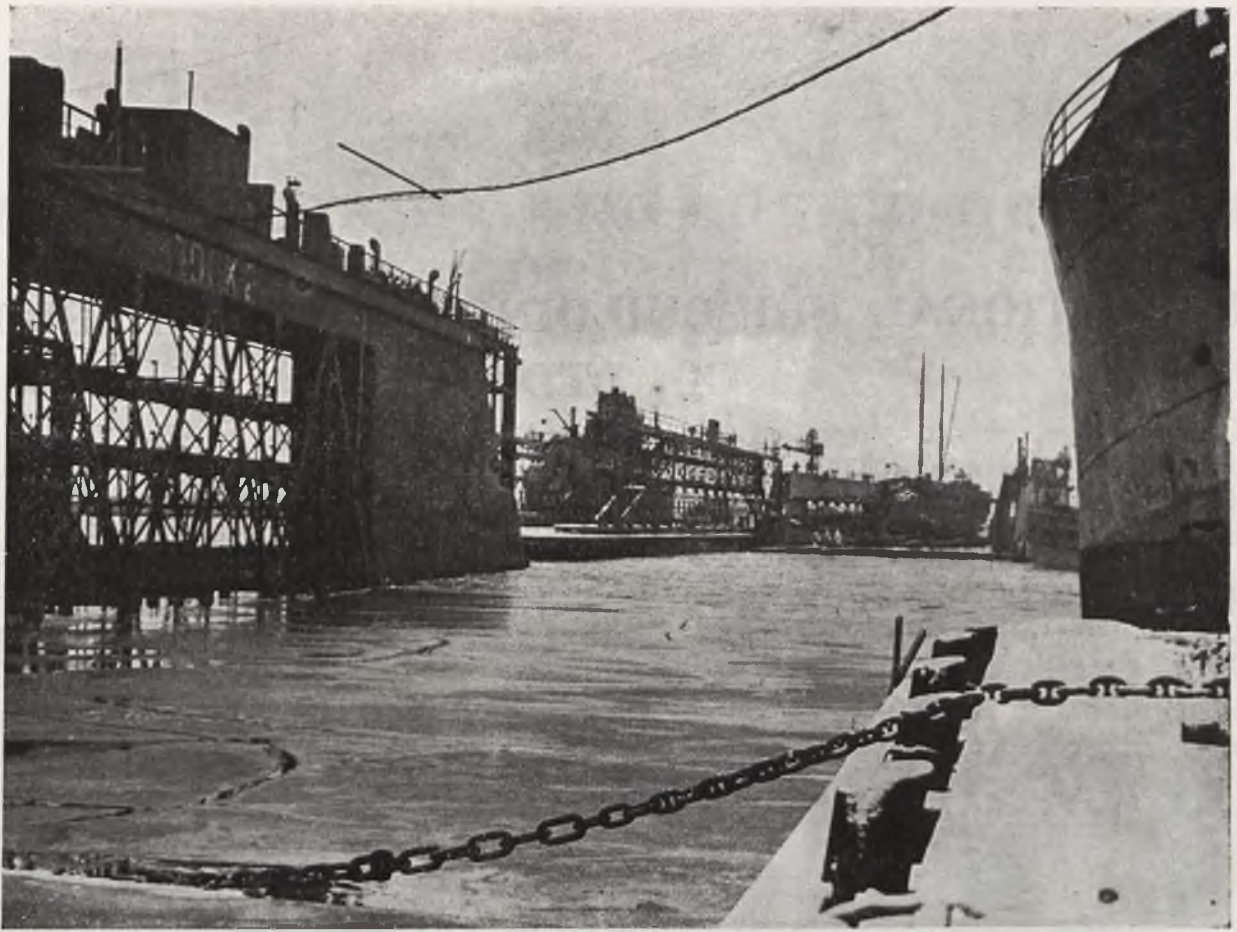
The shipyard constructs sea-going vessels of all types up to 9,000 tons D.W. and 135 metres in length, and specialises in the following models: ocean going tugs of about 700 HP; freight steamers of medium dimensions for the transport of timber, coal, ores and general cargo; medium-sized and smaller passenger and freight steamers.

Since 1919, the shipyard has constructed, besides a quantity of lighters and river tugs, ocean steamers aggregating 18,000 gross tons and 19,700 HP. Three slips ensure quick delivery.

With the exception of navigating instruments, the shipyard builds all manner of ship's fittings, such as boilers, steam engines, pumps, windlasses, &c. The shops are equipped with new

greatly facilitated by dry docks of every description, which permit any repair work to be carried out on even the largest vessels in the shortest time. Two floating cranes, of 60 and 125 tons lifting capacity complete the equipment, without mentioning a fleet of tugs, motor-boats and lighters.

It must specially be mentioned that the Danzig shipyard constructs boilers not only for ships, but for all kinds of work: especially tandem water-tube boilers for highest pressure and efficiency, as also steam turbines and reciprocating engines of new design. The Diesel suction engines, up to 1,500 HP., built by the shipyard, enjoy constantly increasing popularity. In addition to the above products, the shipyard supplies complete plants for



FLOATING DOCKS OF THE INTERNATIONAL SHIPBUILDING & ENGINEERING CO. LTD.,
DANZIG (PHOT. S. PLATER)

sugar factories, rubber factories, water works, artificial ice and refrigerating works.

A special department of the shipyard manufactures electric motors for which there is a large demand in various countries. The foundry department casts bronze church bells of every size.

The total area occupied by the shipyard and its railway workshops is about 150 ha,

of which buildings take up about 180.000 sq. m.; the water frontage is 4 km. long.

The services of the shipyard's engineers and the preparation of plans for estimates are free of charge.

The Company possesses branch offices at Warsaw, Łódź, Lwów, Kraków, Poznań, Lublin and Równe.

BANK CUKROWNICTWA

SP. AKC.

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SP. AKC.

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CAPITAL: ₴ 20,000.000

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A) IN POLAND

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KRAKÓW, 19, Rynek Główny

WILNO, 1, Mickiewicza

BYDGOSZCZ, 4, Plac Teatralny

TORUŃ, 14, Szeroka

GRUDZIĄDZ, 11/13, Józefa Wy-
bickiego

ŁÓDŹ, 24, Sienkiewicza

LUBLIN, 45, Krak. Przedmieście

RADOM, Plac 3 Maja

KIELCE, 54, Sienkiewicza

PIOTRKÓW, Plac Kościuszki

SOSNOWIEC, 9, 3 Maja

KATOWICE, 7, Warszawska

BIELSKO, 13, Piłsudskiego

B) FREE CITY OF DANZIG 18, Holzmarkt

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TELEGRAMS: "ZAROBKOWY" — (IN PARIS: "BEZETESB")

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