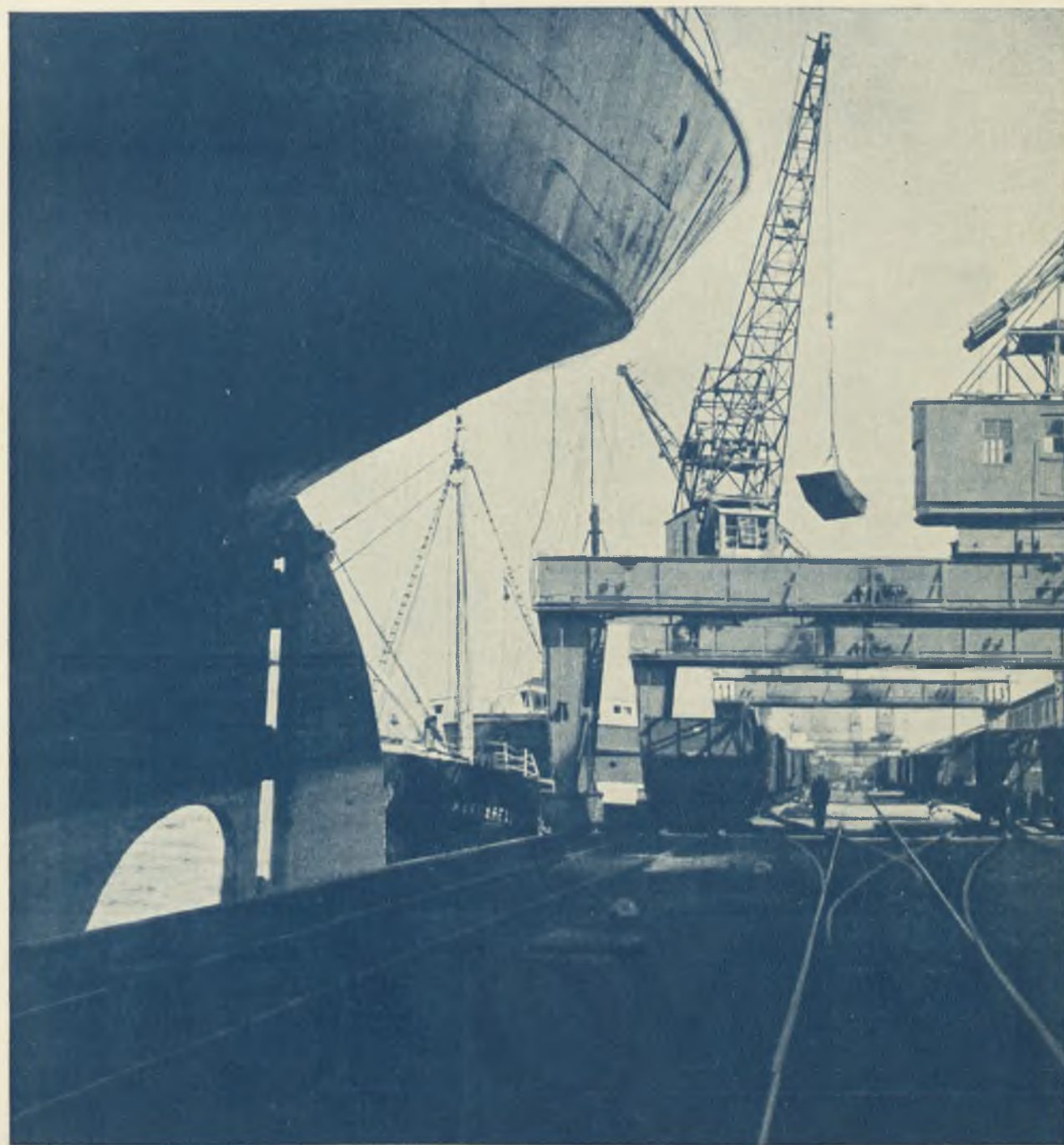
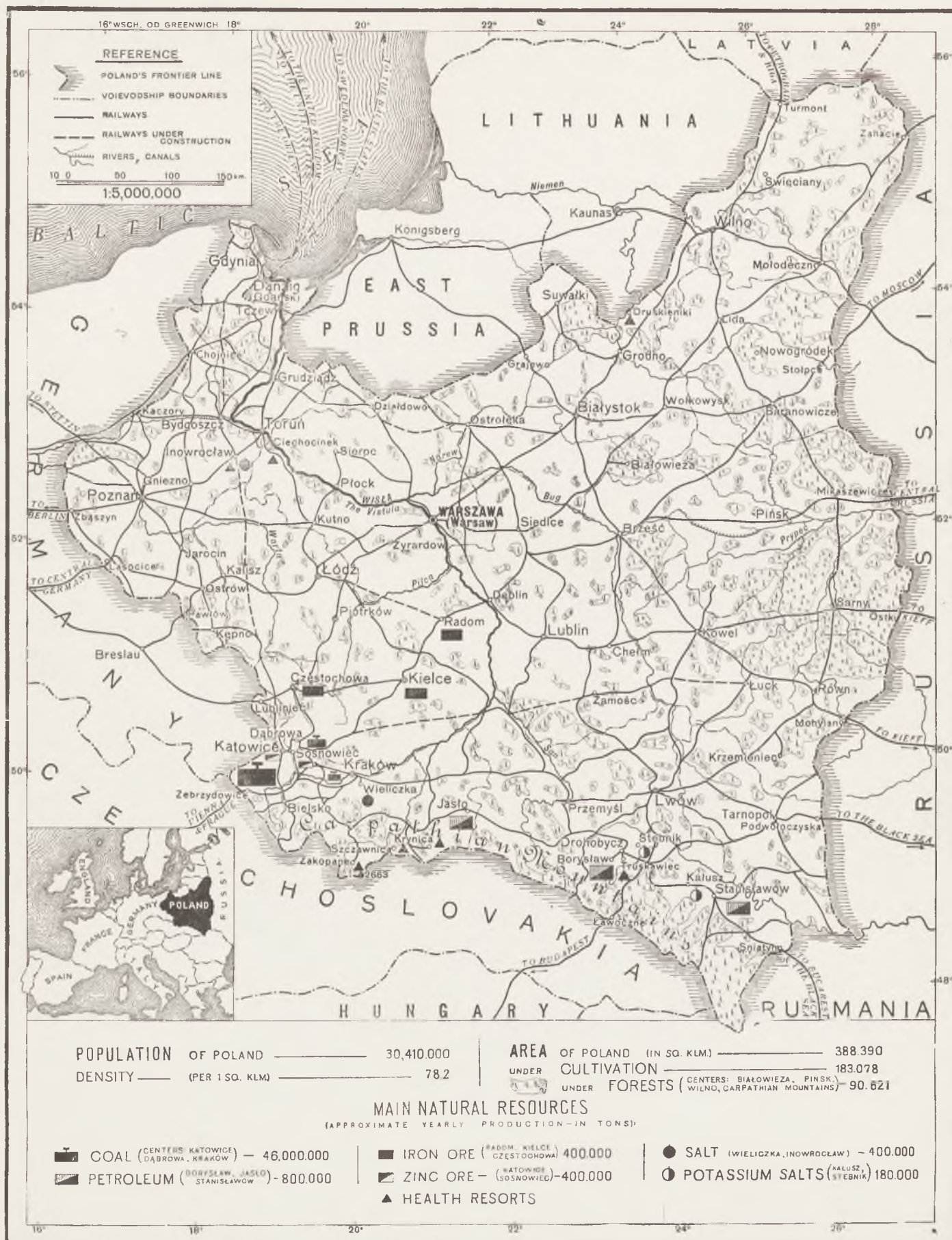


THE POLISH ECONOMIST





THE POLISH ECONOMIST

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and cover

IN SEPTEMBER the economic situation of Poland remained at practically the same level as in the preceding month.

Agriculture continued to find conditions difficult and in spite of smaller crops this year on the whole, prices of farm produce, with the exception of cattle and eggs, continued to decline far below last year's figures. The only cheering factor to be noted was a growth in domestic and particularly in export sales. Nevertheless, the volume of obligations payable by the farmers was such that their financial position remained bad and this in turn caused a further slight shrinkage in their purchasing ability.

Industry reported a continued increase in production independent of any seasonal factors. Much better conditions reigned in the coal mining industry as also in the textile and building industries. Increased employment was noted in the foundries, in the petroleum industry, in certain divisions in the metal and machine industries, &c. The number of unemployed decreased during the month under review.

Commerce found the seasonal autumnal liveliness in trade relatively far below expectations. Prices, both wholesale and retail, dropped for agricultural and manufactured products.

Foreign trade turnovers increased chiefly thanks to enhanced export and in this connection the balance of trade became more favourable.

Railway traffic grew in September due to the great increase in production and turnover over and above seasonal movements.

The money market was marked by somewhat worse conditions. The growth in production and turnover and the difficult financial position of agriculture caused an increased demand for credits with the result that the discount rate rose (especially that of the Bank of Poland); deposits

dropped slightly and stock exchange quotations also declined. The solvency of debtors continued to improve.

The bullion and currency reserves at the Bank of Poland decreased as a result of transient causes (emigrant remittances) and partly as a result of the deterioration of the currency situation in Germany. The profitableness of

arbitrage on Warsaw by Berlin led to a rise in the dollar rate and evoked a consequent though slight increase in hoarding which, however, soon passed away.

State revenues, as is usual in September, increased but failed to attain last year's figures. The working of the budget remained normal with a slight surplus reported.

REVIEW OF THE GENERAL ECONOMIC SITUATION IN POLAND
SEPTEMBER 1930

| | UNIT | SEPTEMBER 1929 | AUGUST 1930*) | SEPTEMBER 1930 |
|--|---------------------------------------|-------------------|------------------|-------------------|
| STATE OF EMPLOYMENT: | | | | |
| UNEMPLOYED | | 83.063 | 176.810 | 167.454 |
| PRODUCTION: | | | | |
| COAL | thousand tons | 3.950.0 | 3.062.0 | 3.417.0 |
| OIL | | 56.0 | 57.0 | 56.3 |
| PIG IRON | | 58.0 | 37.7 | 38.4 |
| AGRICULTURAL INDEXES: | | | | |
| (CROP ESTIMATES) | | | | |
| RYE | 5 points system | . | . | . |
| WHEAT | | . | . | . |
| BARLEY | | . | . | . |
| OATS | | . | . | . |
| PRICES: | | | | |
| WHOLESALE PRICE INDEX | (1914 = 100) | 111.2 | 97.0 | 94.5 |
| INDEX OF COST OF LIVING IN WARSAW | | 122.8 | 116.7 | 116.8 |
| FOREIGN TRADE: | | | | |
| IMPORTS | million zł | 247.5 | 188.5 | 190.4 |
| EXPORTS | | 262.0 | 201.5 | 211.8 |
| EXCESS OF EXPORTS (+) OR IMPORTS (—) | | + 14.5 | + 13.0 | + 21.4 |
| TRANSPORTS: | | | | |
| RAILWAY TRAFFIC | truck loaded (15 tons) reg. ton | 581.220 | 478.454 | 517.170 |
| PORT TRAFFIC (DANZIG AND GDYNIA) | | 497.523 | 583.557 | 545.285 |
| BUDGET: | | | | |
| RECEIPTS | million zł | 238.8 | 215.2 | 222.6 |
| EXPENDITURE | | 236.3 | 214.5 | 222.0 |
| MONEY CIRCULATION: | | | | |
| BANK OF POLAND NOTES | million zł | 1.354.4 | 1.355.2 | 1.373.0 |
| COVER IN GOLD AND FOREIGN CURRENCIES | % % | 60.67 | 58.15 | 56.47 |
| TOKEN MONEY | million zł | 259.5 | 230.5 | 232.7 |
| CREDIT: | | | | |
| (BANK OF POLAND) | | | | |
| BILLS DISCOUNTED | million zł | 725.8 | 616.5 | 704.8 |
| OFFICIAL DISCOUNT RATE | % % | 9.0 | 6.5 | 6.5 |
| FOREIGN CURRENCIES: | | | | |
| (WARSAW STOCK EXCHANGE-AVERAGE RATES) | | | | |
| U. S. A. DOLLAR | zł | 8.90 | 8.90 | 8.91 |
| POUND STERLING | | 43.24 | 43.40 | 43.36 |

POLAND'S REPLY TO THE LEAGUE OF NATIONS QUESTIONNAIRE

THE REPLY of the Polish Government to the questionnaire annexed to Art. 1 of the Geneva Protocol of March 24 containing the programme of the future international negotiations mentioned in the resolutions of the tenth assembly of the

League of Nations in 1929 merits special attention for the information contained therein may serve as an explanation of Poland's position in international economic relations. The object of the inquiry, as is well known, is to supply the economic organ of the League of Nations with accurate and reliable information as to the position which the different European countries occupy in the inter-

*) Corrected figures.

national trade balance. Without this preliminary work it would be impossible to carry on the negotiations which, in accordance with the Protocol, should lead to the equalisation of the economic conditions in the European countries, the organisation of production and distribution on rational lines, and the removal of unjustified barriers which at present impede international exchange. In order to achieve this it was found necessary that all the countries taking part in the negotiations should set out their standpoint in their reply, i e., what advantages they expect from the negotiations and

four statistical returns dealing successively with the export of agricultural products, animals and products thereof, products of agricultural industry and, finally, timber, the export trade in agricultural products as a whole was fully illustrated. As regards agricultural products Polish exports consist chiefly of barley, pod plant seeds, hops, flax and hemp. As regards rye sometimes its production does not cover the local requirements (the last three years taken together gave a deficit amounting to 8.000 tons valued at zł 15 million), while when the harvest is favourable there is a



CONSTRUCTION OF A NEW RAILWAY BRIDGE OVER THE VISTULA AT WARSAW
(Phot. J. Malarshi)

what steps should in their opinion be taken for the achievement of the common aim.

The questionnaire, as is well known, is composed of four parts. In the first part, devoted specially to European agriculture, every country was required to state the branches of agriculture the production of which exceeds the local demand, further, the chief sales markets for the surplus and finally the means which, in the opinion of a given country should be adopted in order to ensure the distribution of these surpluses on their natural sales markets and in those countries, whose production is insufficient to cover their local requirements.

Poland as a country with far reaching agricultural interests replied in a detailed manner. In

surplus available for export (in 1926 and 1929 the exports exceeded in each year 200.000 tons). As regards wheat there is, as a rule, a deficiency and it was only in 1925 that there was a surplus.

Although not an exporter of grain Poland has always certain quantities of animals and products thereof for export. During the three years — 1927, 1928 and 1929 these exports amounted to zł 528.2 million of which 35.1 per cent falls to pigs, 28.7 per cent to eggs, 14.9 per cent to meat, meat products, poultry and 12.2 per cent to butter. As regards the products of the agricultural manufacturing industry during the three years mentioned above, the exports of sugar totalled 775.000 tons valued at zł 360 million, those of bran amounted to 318.000 tons valued at over zł 80 million in

addition to large quantities of molasses, starch and alcohol. During the same period the exports of timber and timber products amounted to over £ 1.5 million.

These surpluses are chiefly marketed in Germany, Austria, Czechoslovakia and the United Kingdom. Germany comes first among the importers of Polish agricultural products as it absorbs about 40 per cent of the total exports, the chief items being timber, eggs, butter, fodder, grain, seeds, poultry and sugar. The export of pigs to Germany is suspended owing to the lack of a veterinary convention between the two countries. Polish exports to Austria consist of pigs, meat and eggs, to Czechoslovakia of pigs, eggs, beans and peas, flax, hemp, &c. The exports to England are composed of sugar, bacon, eggs, butter, seeds and potato products. The trade with the above mentioned countries represents 80 per cent of the total exports of farm products. Among the importers of small quantities of agricultural products from Poland should be mentioned the following: Holland, the Baltic and Scandinavian countries, Belgium, Italy, France, Switzerland and the United States.

The Polish reply deals subsequently with the means which should be adopted for the development of trade in agricultural products. The Polish farmer finds himself in a difficult situation, owing to the losses suffered during the war, and the necessity for bringing into cultivation the 3.5 million ha which were left uncultivated owing to the war. Polish agriculturists had lost all their working capital and had to rely on credits which were very difficult to obtain during the period of deflation and financial crisis. Cheap long-term credits were not available owing to the improverishment of the country and to the difficulties in placing the bond issues of credit societies on the market. Under these conditions the agricultural crisis which has been in progress for the last two years has particularly affected Polish agriculture, all the more so as the fall in prices of rye (which amounted on the average 50 per cent of those prices ruling in 1927/28 and was greater than that in the prices of wheat) seriously affected Poland for the area under wheat was 1.3 million ha and that under rye 5.5 million ha. As the present prices of rye cover only 60 per cent of the costs of production the farmer is compelled to sell his products under unfavourable conditions in order to secure the necessary means for existence.

For this reason the Polish reply contains proposals calculated to facilitate the trade in agricultural products and in the first place those for the better organisation and rationalisation of production and distribution of agricultural products, which would, to a certain extent counterbalance the adverse consequences resulting from the impossibility of the limitation of production at the time when excessive stocks have been accumulated. Rationalisation of this kind (exchange of information as to the harvest prospects, agreements between the different producing countries concerning the adoption of a uniform sales policy by the central sales organisations for a given product, allocation of markets, financing of

export, &c) can only be achieved when the necessary financial means are available and that is why attention is directed by the Polish reply to the problem of international agricultural credits, which is of paramount importance to the satisfactory solution of this matter.

There is no doubt that, apart from the shortcomings in the organisation of production and sale of agricultural commodities, there are other factors which affect the present position of agriculture on the European continent. On the one hand, there is the competition on the part of the overseas countries which, being better organised and possessing ample working capital, prevents the comparatively small export surpluses of the European countries from being placed in the markets on this continent not producing enough to meet their requirements. Further, there is the agrarian protectionism in a number of non-agricultural countries which in order to defend their agriculture, possessing no natural conditions for development, have adopted a whole range of obstacles, such as customs and various milling and sanitary regulations, &c. As regards the competition from overseas countries, Poland has given an analogical reply as the other European agrarian countries, which at the Agrarian Conference held in Warsaw in August of this year declared themselves in favour of preferential treatment being reserved to the European countries as regards a certain number of agricultural products from overseas. At the same time the Polish Government declared itself against all forms of agrarian protectionism as being harmful not only to the agricultural countries but even to the non-agricultural countries which practise them.

As regards the second part of the questionnaire concerning the means by which the sales of manufactured products could be increased by the improvement in the purchasing capacity of the consuming markets, the Polish reply is strictly in accordance with the Polish thesis put forward at the Agrarian Conference held in Warsaw. In order that the manufacturing countries in Europe may increase the sale of their manufactured articles on the Polish market, which means an increase in the purchasing capacity of the country, it is necessary to improve the absorptive capacity of 70 per cent of its population, i. e., of the agricultural community. In other words the conditions of sale of agricultural products should be improved as far as possible. Apart from this, while dealing with the problem of the increase in the purchasing capacity of a country consuming manufacturing products, attention should be given not only to the necessity for the more rational distribution of capital in Europe (long-term credits for financially weaker countries) but also to their gradual industrialisation, not with the view that they may in the future compete with the highly industrialised countries, but that they may become more valuable selling markets as a result of capitalisation of their purchasing capacity. The largest importers of the products of manufactured articles of highly industrialised countries are not agricultural countries where, it is true, there is no industry but where also the purchasing capacity is small, but industrial countries which only

apparently compete with the imports from highly industrialised countries. Finally, the solution of the emigration problem (savings transferred by emigrants to their mother country increase purchasing capacity of the latter) becomes also a necessity.

Side by side with the chief points which define Poland's attitude towards the problem of economic relations between the agrarian and the industrial countries, the Polish reply to the third question of the questionnaire contains several proposals bearing a customs duty and administrative character which may to a certain extent improve the conditions now prevailing in international trade. There are here the problems of the reduction of customs duties and above all of those which have been imposed on agricultural products in recent years (the German customs duties for Polish products are as follows, ad valorem: bran 80 per cent, eggs 37 per cent, hops and barley 80 per cent, starch 200 per cent) and then the so-called sliding customs duties, that is such where the law empowers the Government to increase by administrative orders the customs duties according to the level of prices for a given product, thus making it impossible for the exporter of agricultural products to calculate his costs, and finally import and export prohibition particularly the pseudo sanitary measures which in fact are nothing more than barriers of a purely economic character. Independently from these three main groups of obstacles affecting Poland's foreign trade, the Polish reply gives an enumeration of instances of the so-called administrative protectionism, such as milling restrictions, compulsory marking of goods, differences in administrative charges imposed on imports according to the country of origin, &c.

The problem of export premiums is dealt with separately in the reply. Of late the principle of export premiums in respect of agricultural products has been abused in Europe. These premiums disorganise the export trade, reduce prices and render impossible the sale of goods on their natural markets. In Germany, for instance, the export premium on rye amounts to 70 per cent ad valorem, on pigs 35 per cent. The Polish reply proposes in a clear manner the abolition of export premiums in respect of agricultural products by means of an international convention.

All the shortcomings specified in the Polish reply will no doubt be enumerated also in the reply of many other countries which are in a situation similar to that of Poland. Nevertheless, Poland could not afford to omit mention of the significance of the Russian market to Poland's economic life before the war and the difficulties which arise at present as a result of the loss of that market. Before the war the exports to Russia from the present territories of Poland averaged 500 million dollars per annum, whereas to-day they come to about 15 million dollars. In 1913 Russia absorbed 42 per cent of the total exports from the present territories of Poland, whereas at present the figure is 2 per cent. As is well known the chief cause for this decline is the complete change in the economic conditions in Russia accompanied by a catastrophic fall in the purchasing capacity of that country.

As regards the fourth point of the questionnaire, that is the proper manner of distribution of the raw materials of European origin on the continent the Polish reply is confined to a number of general remarks and recommends the conclusion of international understandings amongst the producers of the different raw materials (coal, zinc, &c.). In the opinion of Poland the conclusion of agreements between the governments of the different countries does not appear expedient.

It is to be hoped that the proposals contained in the Polish reply will be practically incorporated in the results of the economic negotiations to be held in Geneva in the second half of November.

MOVEMENT OF PRICES IN POLAND

AS IN MOST civilised countries, the record of price movements is based in Poland on index numbers calculated on the Sauerback system; the investigations are not confined to the basic form, i. e., the index of wholesale prices, but efforts have been made to further develop this branch of statistics. The movement of prices varies according to the material which is subjected to research, that is according to whether the prices are retail, wholesale or those charged by producers. Differences of no less importance can be observed among the prices of raw materials, semi-finished articles and manufactured products when they are subjected to a close analysis. The construction of indices is also subject to modification according to the object pursued. Thus, any one of the following groups may be investigated separately: the movement of prices of industrial products, of agricultural products, of finished articles purchased by the agricultural population, by manufacturers or by the bulk of the population. The movements of the prices of raw materials, of semi-finished articles as well as those of the finished articles may be compared in order to establish the margin of profit made by the producers. When examining the movement in the cost of labour, the index of the cost of living must necessarily be taken into account. All the above mentioned groups of prices have been studied in Poland either by the Chief Statistical Office or by the Institute for Economic Research which latter has in addition investigated the causes responsible for the movement of in different industrial and commercial undertakings. The results of this work will be briefly given in the following paragraph.

Since the coming to an end of the period of inflation, the purchasing capacity of the Polish currency has been stabilised and has remained practically unchanged. Consequently, the fluctuations in prices have not been dependent on the depreciation of the currency, but have been the direct outcome of the economic cycle. A commencement will be made by giving the chief characteristics of the prices of industrial products and subsequently those of agricultural prices. In the table below are given the movements of indices

of wholesale and retail prices and of wages for the years 1924 — 1929, 1927 being taken as 100:

| Year | <i>I n d i c e s o f:</i> | | |
|-----------------|---------------------------|----------------------|--------------|
| | <i>wholesale prices</i> | <i>retail prices</i> | <i>wages</i> |
| 1924 | 103 | — | 121.1 |
| 1925 | 106 | 112 | 105.0 |
| 1926 | 89 | 93 | 83.1 |
| 1927 | 100 | 100 | 100.0 |
| 1928 | 101 | 104 | 110.2 |
| 1929 | 96 | 107 | 119.0 |
| 1930 (8 months) | 82 | 101 | 121.2 |

The influence of economic cycle is also reflected in the above figures for, as is well known, after the end of the inflation in 1923, prices, similarly as wages, were stabilised on a high level as also happened to wages in 1924 when there was a short-lived revival of industrial activity. This tendency continued through 1925, but ceased at the end of that year in consequence of the economic crisis which started in Poland and in other European countries. The unfavourable economic conditions continued in 1926 when both wholesale and retail prices were on a low level. The latter showed a smaller fall than the former owing to the fact that the index of wholesale prices covered for the most part those raw materials which were subject to the greatest fluctuations in the cycle of trade. In 1926, however, business conditions began to improve and prices exhibited an upward tendency. The wholesale prices reached their peak in 1928 and retail prices in 1929. Since last year both indices have fallen further owing to business depression and here again the drop in wholesale prices has been greater than that in retail prices. Wages, after touching the lowest level in 1926, have since increased steadily; it is, however, considered as theoretically certain that they will pass through the same evolution as have the commodity prices.

It has been already mentioned that the index of wholesale prices may, to a certain extent, be accepted as the index of prices of raw materials. The index of prices of building materials has, in a way, the same significance. The following table contains the indices of prices of semi-finished products employed for capital investments and of finished products employed by industrial plants (chiefly machinery). The latter indices are only calculated for the years 1928, 1929 and 1930:

| Years | <i>I n d i c e s o f:</i> | | | | |
|--------------|--|---|-------------------------------|----------------|--------------------------------|
| | <i>wholesale prices of industrial products</i> | <i>retail prices of manufactured articles</i> | <i>semi-finished articles</i> | <i>general</i> | <i>employed for production</i> |
| 1924 | 115 | . | . | . | . |
| 1925 | 110 | 113 | . | . | . |
| 1926 | 94 | 97 | . | . | . |
| 1927 | 100 | 100 | . | . | . |
| Feb. 1928 | 104.0 | 106.3 | . | 98.8 | 93.7 |
| May | 104.7 | 107.2 | . | 98.5 | 94.9 |

| | | | | | |
|-------------|-------|-------|-------|-------|-------|
| August 1930 | 104.3 | 107.7 | . | 98.9 | 97.8 |
| Dec. " | 104.1 | 108.3 | . | 99.8 | 98.3 |
| Feb. 1929 | 103.9 | 108.7 | 100.4 | 100.9 | 99.7 |
| ay " | 104.1 | 109.5 | 101.0 | 100.1 | 99.9 |
| August " | 103.2 | 110.5 | 100.0 | 99.4 | 100.6 |
| Dec. " | 101.3 | 111.8 | 97.8 | 99.4 | 100.8 |
| Feb. 1930 | 98.2 | 111.6 | 96.9 | 99.0 | 100.8 |
| May " | 96.3 | 111.0 | 95.6 | 96.8 | 100.0 |
| August " | 93.4 | 111.1 | 95.9 | 95.6 | 98.6 |

The wholesale prices of industrial raw materials have not reached a high level in the course of the current economic cycle. This is partly explained by the cartelisation of the chief raw materials, by the policy of the Government and of the producers. Since the middle of 1928, the prices have fallen owing to the downward tendency in the prices of cotton, timber and metals on the international markets. Owing to the crisis, the absorptive capacity of the markets has decreased and this has led to a fall in the prices of manufactured articles. In Poland this decrease commenced at the beginning of 1929, and has continued up to the present time without assuming large proportions; the difference between the prices of raw materials and manufactured articles increases which points to a greater margin of profits.

As regards the extension of capital investments in industry Poland has made great progress in the course of the past few years. The fall in the index of prices of semi-finished articles for investment purposes, began much later, in the middle of 1929. The fall in the prices of finished articles employed for production, machinery and technical articles began still later, at the end of 1929. This is characteristic of the present economic cycle in Poland for owing to causes of a structural character, i.e., the necessity for the reconstruction of the country, the building industry has shown a steady development and the crisis is more accentuated in the industries manufacturing goods for direct consumption, while usually the reverse is the case. The retail prices of manufactured articles are more stable and, on the whole, fluctuate between narrow limits. The declines in these prices are difficult to show in the index for they are effected in the shape of rebates, stock-taking sales, &c. The index of prices of finished articles is helpful in accounting for the difference between the prices of manufactured articles and those of agricultural products. Owing to a lack of data for sufficiently long periods a comparison will be made of the wholesale prices of agricultural products with the wholesale prices of manufactured articles for some years back. This comparison will be corrected for the last few years with the aid of the index of prices of finished articles, specially destined for agricultural production, i.e., agricultural machinery and implements. At the same time will be given the dynamics of the prices of foodstuffs which will enable the formation of an opinion on the profits made by the farmers. Comparing these latter figures with the index of the cost of living it will be seen that the movements in the prices of foodstuffs and of the cost of living are similar, which is explained by the fact that in Poland the working classes spent



AUTOMATIC FILLING OF CIGARETTES IN A POLISH TOBACCO MONOPOLY FACTORY
(Phot. J. Malarski)

proportionately more on food than in other parts of Western Europe. The table below shows the indices of wholesale prices of agricultural products, of retail prices, agricultural machinery, implements, of finished articles for consumption and of the cost of living (1927 = 100):

| I n d i c e s o f : | | | | | | |
|---------------------|--|--|-------------------|----------------------|-------------------|--|
| finished products : | | | | | | |
| Years | wholesale prices of agric. prod. | retail prices of agricultural prod. | for production | for con- sumption | cost of living | |
| 1924 | 86 | . | . | . | 111 | |
| 1925 | 99 | 111 | . | . | 115 | |
| 1926 | 82 | 86 | . | . | 90 | |
| 1927 | 100 | 100 | . | . | 100 | |
| Feb. 1928 | 93.9 | 94.9 | 95.5 | 99.8 | 100.3 | |
| May " | 102.0 | 99.8 | 95.3 | 99.4 | 102.8 | |
| August " | 95.0 | 100.2 | 96.7 | 99.3 | 103.5 | |
| Dec. " | 94.1 | 101.4 | 98.1 | 100.2 | 105.9 | |
| Feb. 1929 | 92.3 | 107.8 | 99.4 | 101.2 | 108.2 | |
| May " | 84.2 | 114.8 | 99.9 | 100.2 | 106.0 | |
| August " | 84.3 | 106.0 | 99.6 | 99.1 | 103.9 | |
| Dec. " | 80.2 | 102.1 | 104.1 | 99.0 | 106.9 | |
| Feb. 1930 | 69.3 | 92.5 | 104.3 | 98.5 | 99.9 | |
| May " | 68.3 | 89.6 | 103.2 | 96.0 | 98.0 | |
| August " | 68.2 | 92.2 | 103.0 | 94.9 | 98.9 | |

The over-production of grain in the world also resulted in the decline of Polish prices of agricul-

tural products from 1928 to 1930. The retail prices of agricultural products are relatively higher than the wholesale prices and fluctuate within narrow limits. This is always observed when the wholesale and retail prices are compared. It does not, however, mean an increase in the margin of profit realised by the producers. On the contrary, the next index, that of agricultural machinery, implements, &c. has of late been at a high level and has only shown a downward tendency in the current year. If now the index of wholesale prices of agricultural products is compared with that for retail prices of manufactured articles then the difference between these figures will become apparent. The comparison with the index of prices of finished articles for consumption purposes also gives rise to a similar result which is accounted for by the maintenance of prices of the articles purchased by the farmer for his own consumption on a comparatively stabilised level as compared with the steadily declining prices of farm products. A glance at the movement of retail prices of agricultural products reveals considerable resemblance with the index of the cost of living; the resemblance will be still more apparent when the movement of retail prices of agricultural products is compared with the index of the retail prices of foodstuffs.

In summing up it may be stated that the downward tendency in prices in Poland, similarly as

in other countries, is most apparent in the case of agricultural products. Then come the prices of raw materials. Semi-finished articles occupy a place between the wholesale and retail prices. The fall of the latter — as shown by the statistical data — takes place with some delay and is less accentuated. This picture corresponds to the normal development of the economic cycle. A close analysis of the details will show that especially as regards the prices of raw materials, there is a far-reaching interdependence between the prices ruling in Poland and those obtaining on the international markets. This interdependence is less striking in the case of semi-finished articles owing to the existence of cartels and price conventions.

THE POLISH COAL INDUSTRY IN 1929

THE YEAR 1929 was a period marked by exceptionally favourable conditions for the coal industry throughout the world. The world production for that year rose by 6.1 per cent as compared with 1928 and reached the unprecedented figure of 1,321,000,000 tons. Increases in output were recorded both in the United States, where the output amounted to 549.8 million tons as against 520.1 million tons in the previous year, and in Europe, where the total reached 638.3 million tons as against 590.0 million tons in 1928, though the causes responsible for the increases were different in the respective areas. The American increase was brought about by the favourable business conditions which, it will be remembered, only began to slow down towards the end of the year, while in Europe it was due to the severe winter, as, with the exception of France and Belgium, the general trend of business was unfavourable.

In Poland, despite the steady deterioration of economic conditions in 1929 — caused largely by the crisis in agriculture — the coal industry worked under satisfactory conditions during the whole year.

The Polish output of coal, in 1929 attained the record figure of 46,236.037 tons as compared with 40,616.384 tons in 1928, an increase of 13.84 per cent. Comparative statements of the output for the three basins are given below (in tons):

| Districts | 1928 | 1929 | 1928 = 100 |
|-------------------------|------------|------------|------------|
| Upper Silesia | 30,447.875 | 34,443.723 | 113.12 |
| Dąbrowa | 7,635.128 | 8,947.852 | 117.9 |
| Kraków | 2,533.381 | 2,844.462 | 112.28 |

The percentage share of each of the three basins in the total output of coal was as follows:

| Districts | 1928 | 1929 |
|-------------------------|-------|-------|
| Upper Silesia | 74.96 | 74.50 |
| Dąbrowa | 18.80 | 19.35 |
| Kraków | 6.24 | 6.16 |

During the last five years the output as compared with 1913 was as follows:

| Years | Tons | Percentages |
|----------------|------------|-------------|
| 1913 | 40,972.108 | 100.00 |
| 1925 | 29,081.327 | 70.98 |
| 1926 | 35,747.348 | 87.25 |
| 1927 | 38,084.086 | 92.95 |
| 1928 | 40,616.384 | 99.13 |
| 1929 | 46,236.037 | 112.85 |

As can be seen from the above figures, the output in 1929 for the first time exceeded the pre-war figure, the difference being 12.85 per cent. In Upper Silesia, the output was also for the first time greater than before the war (by 7.03 per cent). In the Dąbrowa and Kraków areas the excesses were 31.22 per cent and 44.33 per cent respectively.

The deliveries of coal for the last few years were as follows, excluding consumption at the pit head (in tons):

| Years | Total deliveries | Home deliveries | Exports |
|----------------|------------------|-----------------|------------|
| 1925 | 25,324.187 | 17,094.120 | 8,230.067 |
| 1926 | 32,349.169 | 17,642.325 | 14,706.844 |
| 1927 | 33,773.306 | 22,194.627 | 11,578.679 |
| 1928 | 36,967.303 | 23,560.538 | 13,406.765 |
| 1929 | 51,493.530 | 28,122.684 | 14,370.846 |

It results from the above figures that the deliveries for the year steadily increased to 41,493.530 tons or 12.24 per cent over the 1928 figures. Of this quantity, 27,122.684 tons were sold locally and 14,370.846 tons placed abroad. Compared with 1928, local deliveries rose by 3,562.146 tons or 15.12 per cent and exports by 964.081 tons or 7.19 per cent. The percentages of local sales and exports for 1929 were 65.37 per cent and 34.63 per cent respectively as compared with 63.73 per cent and 36.27 per cent in 1928, local sales having increased during the year by 1.64 per cent.

In the following table is given a comparative statement of home deliveries effected in 1929 as compared with 1928 according to the class of consumers (in tons):

| | 1928 | 1929 | 1928 = 100 |
|--|-------------------|-------------------|---------------|
| Industry: | | | |
| Metallurgical (iron and steel) | 1,771.518 | 1,772.032 | 100.03 |
| Metallurgical (other metals) | 1,621.587 | 1,059.733 | 103.73 |
| Coke works | 2,226.742 | 2,478.907 | 111.32 |
| Briquette works | 263.805 | 349.990 | 132.67 |
| Gas | 462.963 | 417.615 | 90.20 |
| Mining (ore mines) | 155.684 | 168.444 | 108.20 |
| Petroleum | 252.286 | 232.178 | 92.03 |
| Salt | 132.321 | 177.013 | 133.78 |
| Cement, ceramic, brick, lime | 1,364.859 | 1,322.414 | 96.89 |
| Engineering | 174.770 | 230.322 | 131.79 |
| Chemical | 578.164 | 618.410 | 106.96 |
| Tanning and animal products | 37.125 | 45.803 | 123.38 |
| Agricultural (breweries, flour mills, distilleries, potato products) | 1,114.712 | 1,142.896 | 102.53 |
| Sugar | 667.636 | 721.180 | 108.02 |
| Paper | 330.199 | 343.303 | 103.97 |
| Textile | 922.691 | 971.3.9 | 105.27 |
| Various | 1,812.341 | 2,367.226 | 130.62 |
| Total: | 13,289.403 | 14,418.775 | 107.50 |

| | | | |
|--|-----------|-----------|--------|
| Other consumers: | | | |
| Railways | 4,125.500 | 5,035.157 | 122.05 |
| Navigation | 24.275 | 10.005 | 41.22 |
| Municipal institutions (excluding gas works) | 582.207 | 722.068 | 124.02 |



BRIDGE-CRANES LOADING COAL AT GDYNIA

| | | | |
|--------------------------|------------|------------|--------|
| The army | 237.019 | 324.424 | 136'88 |
| State institutions . . . | 99.226 | 196.106 | 197'64 |
| Private persons . . . | 2,502.855 | 3,094.723 | 123'65 |
| Middlemen | 2,700.053 | 3,321.426 | 123'01 |
| Total: | 10,271.135 | 12,703.909 | 123'69 |
| Grand total: | 23,560.538 | 27,122.684 | 115'12 |

It will be seen from the above table that the increase in the home deliveries was principally due to rises in the consumption of coal by private persons (23'65 per cent), the railways (22'05 per cent) and municipal institutions (24'02 per cent), as the industrial consumption, with the exception of the coke, briquette and the chemical industries, remained at about the same level as in 1928. The home deliveries in 1929 were affected by certain factors thanks to which the consumers purchased exceptionally large stocks. The principle of these factors was the severe winter. Of the other factors which also influenced sales, though to a lesser extent, there were the anticipation of an increase in railway rates and the menace of a strike in the mining industry.

The requirements of industry in 1929 amounted to 53'16 per cent of the total deliveries, the corresponding figure for 1928 being 56'41 per cent. The consumption of coal per capita amounted to 907 kg as against 797 kg in 1928. The exports of coal during the period under review as compared with 1928 are shown below (in tons):

| | 1928 | 1929 | 1928 = 100 |
|----------------------------|-----------|-----------|------------|
| Northern European markets: | | | |
| Sweden | 2,814.461 | 2,594.737 | 92'19 |
| Norway | 591.572 | 616.497 | 104'21 |
| Denmark | 1,605.448 | 1,770.912 | 110'31 |

| | | | |
|---------------------|-----------|-----------|--------|
| Finland | 551.190 | 436.489 | 79'19 |
| Latvia | 465.291 | 582.922 | 125'28 |
| Lithuania | 86.485 | 79.391 | 91'80 |
| Estonia | 8.363 | 12.155 | 145'34 |
| Memel | 72.416 | 83.840 | 115'78 |
| Total: | 6,195.226 | 6,176.943 | 99'70 |

Succession states:

| | | | |
|----------------------|-----------|-----------|--------|
| Austria | 2,943.842 | 3,195.999 | 108'57 |
| Hungary | 711.146 | 926.774 | 130'32 |
| Czechoslovakia . . . | 1,001.411 | 939.990 | 93'87 |
| Total: | 4,656.399 | 5,062.763 | 108'73 |

Other countries:

| | | | |
|-----------------------|-----------|-----------|----------|
| France | 395.998 | 763.182 | 192'72 |
| Italy | 502.879 | 574.425 | 114'23 |
| Algeria | 21.060 | 24.043 | 114'16 |
| Yugoslavia | 282.305 | 160.649 | 56'91 |
| Rumania | 180.266 | 117.431 | 65'14 |
| Switzerland | 139.655 | 150.400 | 107'69 |
| Holland | 62.555 | 87.228 | 139'44 |
| Belgium | 80.267 | 10.052 | 12'52 |
| Germany | 9.147 | 4.934 | 53'94 |
| Russia | 16.853 | 15.356 | 91'12 |
| Brazil | 19.655 | 69.606 | 354'14 |
| Iceland | 25 | 19.074 | 7.629'60 |
| Other countries . . . | 13.075 | 1.750 | 13'38 |
| Total: | 1,723.965 | 1,998.130 | 115'90 |

| | | | |
|-----------------------|------------|------------|--------|
| Danzig | 310.329 | 412.623 | 132'96 |
| Bunker coal | 520.846 | 720.387 | 138'31 |
| Grand total: | 13,406.765 | 14,370.846 | 107'19 |

It will be seen from the above that, compared with 1928, the exports to Austria and Hungary increased while those to Czechoslovakia showed a slight fall. As regards the Northern European markets, the exports to Norway, Denmark, Estonia and Memel showed increases, whereas those to Sweden, Finland and Lithuania declined. The quantities placed in France, Italy, Holland, Switzer-

land, Iceland and Brazil were greater than in 1928, whereas sales to Yugoslavia, Rumania and Belgium decreased. The exports to the Northern European markets represented 42·98 per cent of the total exports as against 46·21 per cent in 1928, while those to the Succession States (Austria, Hungary, Czechoslovakia) were 35·23 per cent as against 34·73 per cent in 1928. Although the exports in 1929 reached the level of 1926 — which was exceptional, owing to the coal stoppage in England — yet it should be stated that the favourable conditions obtaining on foreign markets in 1929 were not taken advantage of sufficiently, which was particularly apparent in the rate of expansion of trade with the Northern European markets. This was accounted for by several causes, the principal of which was the inadequate railway facilities between the coal basins and the Polish ports and the freezing up of the ports during the first quarter of 1929.

As a result of the favourable position on the foreign markets, the f. o. b. Gdynia prices rose from 13 s at the beginning of the year to 17 s 3d at the end. There is no doubt that the improvement was also partly due to the negotiations between English and Polish coalowners for a coal agreement and also to the conference of Polish coal exporters and Scandinavian importers which resulted in the regulation of various problems bearing on the terms of delivery.

The negotiations concerning a coal agreement between Polish and English coalmining concerns

gave no positive results, as was also the case with the work of the Economic Committee of the League of Nations which, in 1929, was specially engaged on an international coal understanding with a view to prevent crises in this industry. The hopes of the Polish coalowners for the conclusion of a commercial treaty with Germany did not materialise.

The number of workmen employed rose during the year from 119,413 to 135,289. Workmen's wages showed an upward trend due to the increases of 5 per cent granted on March 1st and 4 per cent on September 15th in Upper Silesia, and of 5·5 per cent on March 1st in the Dąbrowa and on April 2nd in the Kraków areas, and of 5·37 per cent on October 1st in the two areas. The average wages per shift in Upper Silesia rose during the year from zł 8·83 to zł 9·87 or by 11·78 per cent, in the Dąbrowa area from zł 7·81 to zł 8·59 or by 10 per cent, and in the Kraków area from zł 6·89 to zł 7·66 or by 11·88 per cent. Owing to the fall in the cost of living the purchasing capacity of wages was greater than in 1928. On November 15, 1929 a new agreement — more favourable to the workmen — was concluded in Upper Silesia.

In consequence of the increase in wages and owing to investments made at the mines, the prices of coal on the local market was increased by 5 per cent on April 1, 1929. In comparison with the prices ruling in other markets those in Poland were still the lowest.

SUMMARY OF LAWS, ACTS AND EXECUTIVE DECREES

published in the "Official Journal of Laws of the Republic of Poland" ("Dziennik Ustaw Rzeczypospolitej Polskiej")
from September 15th to November 15th 1930,

Protection of lease-holders of small farms ("Dz. Ust. R. P." No 64, item 507).

Tax facilities in regard to newly erected buildings ("Dz. Ust. R. P." No. 64, item 508).

Customs rebates on condensed grape juice ("Dz. Ust. R. P." No. 64, item 510).

Denouncement of the Polish-Rumanian Commercial Convention by Rumania ("Dz. Ust. R. P." No. 64, item 511).

Polish-Austrian Agreement concerning aerial communication ("Dz. Ust. R. P." No. 65, items 512 and 513).

Building statistics ("Dz. Ust. R. P." No. 65, item 514).

Grants to communal unions ("Dz. Ust. R. P." No. 65, item 517).

Partial amendment of the Customs Tariff ("Dz. Ust. R. P." No. 65, item 518 and No. 69, item 551).

Application of the legal prescriptions concerning joint stock companies to the authorities and the liquidation of mutual insurance companies ("Dz. Ust. R. P." No. 66, item 523).

Relief to part-time foundry, engineering, &c. workers in Upper Silesia ("Dz. Ust. R. P." No. 67, item 534 and No. 70, items 558 and 559).

Partial amendment of Art. 56 of the statutes of the Bank of Poland ("Dz. Ust. R. P." No. 69, item 548).

Regulations for the safety of workmen employed in lead paint factories ("Dz. Ust. R. P." No. 69, item 554).

Export duty on feathers and down ("Dz. Ust. R. P." No. 70, item 556).

Official examination of slaughtered cattle and meat ("Dz. Ust. R. P." No. 70, item 557).

Customs drawback on the export of grain, products thereof and malt ("Dz. Ust. R. P." No. 70, item 557).

PRODUCTION AND TRADE

STATE OF EMPLOYMENT. — As is usual at the beginning of the autumn the situation on the labour market was marked by a further

improvement. The number of unemployed registered at the State Labour Exchanges decreased, from 176,810 at the beginning of September to 167,454 in the cores-

ponding period of October. Simultaneously the number of part-time workers fell from 89,811 to 63,183. This improvement in conditions was undoubtedly due to

a seasonal liveliness in industry, to the intensive completion of investment works already commenced and to the large demand for hands in agriculture.

The number of registered unemployed during the past few years is given in the following table (figures for the beginning of the months quoted):

| | 1927 | 1928 | 1929 | 1930 |
|-----------|---------|---------|---------|---------|
| January | 251,326 | 175,268 | 126,429 | 186,427 |
| February | 301,457 | 179,602 | 160,841 | 249,462 |
| March | 302,179 | 178,403 | 177,462 | 282,568 |
| April | 295,529 | 167,022 | 170,494 | 295,612 |
| May | 272,414 | 154,656 | 149,093 | 273,351 |
| June | 256,934 | 132,453 | 122,771 | 228,321 |
| July | 243,302 | 116,719 | 105,622 | 207,258 |
| August | 223,474 | 103,451 | 97,191 | 194,279 |
| September | 205,393 | 94,177 | 91,512 | 176,810 |
| October | 185,207 | 79,885 | 83,762 | 167,454 |
| November | 167,826 | 79,489 | 93,800 | |
| December | 168,008 | 94,132 | 126,644 | |

The following table shows the number of part-time workers (at the beginning of each month):

| | 1928 | 1929 | 1930 |
|-----------|--------|--------|---------|
| January | 33,190 | 21,726 | 36,663 |
| February | 31,465 | 15,847 | 88,712 |
| March | 25,565 | 16,554 | 117,973 |
| April | 48,878 | 16,967 | 109,519 |
| May | 54,385 | 21,791 | 142,647 |
| June | 27,461 | 26,343 | 127,511 |
| July | 28,728 | 30,299 | 94,065 |
| August | 32,996 | 36,044 | 78,117 |
| September | 25,911 | 38,837 | 89,811 |
| October | 28,147 | 35,067 | 63,183 |
| November | 25,189 | 34,572 | |
| December | 26,143 | 36,111 | |

Of those partly employed, 234 persons worked one day per week, 3,622 worked two days, 20,143 three days, 25,120 four days and 14,064 five days per week.

The table given below contains the number of unemployed by trade groups (as on the first days of the months quoted):

| | September | October |
|----------|-----------|---------|
| mining | 10,517 | 9,703 |
| foundry | 2,044 | 2,166 |
| metal | 17,020 | 16,867 |
| textile | 21,258 | 17,953 |
| building | 11,581 | 10,713 |
| clerical | 18,474 | 18,726 |
| other | 95,916 | 91,330 |
| Total: | 176,810 | 167,454 |

In the coal mining industry a distinct liveliness was felt; the extraction of coal reached the average monthly pre-War figure and sales during the month under review exceeded those for the preceding month by 14 per cent; a noteworthy feature was the fact that domestic sales rose by 20 per cent over the August figure. In the petroleum industry, the production of crude oil again showed a slight increase, which was however, insufficient to meet the current needs of the refineries. In connection with the increased production of raw materials, the number of employed miners increased, those out-of-work constituting about 6.5 per cent of those employed; the corresponding figure for the preceding month was 7 per cent.



SPECIMENS OF POLISH PEASANT ART INDUSTRY

In the iron founding industry a distinct improvement was noted; the volume of domestic orders increased whilst exports were maintained at their former high level which was double that reported for the same period of last year. Whilst the production of the iron foundries rose in all departments, the growth was especially marked in the steel divisions. In the zinc and lead industries production continued to grow in spite of further price-cutting, and exports showed a further gain. No noteworthy changes took place in the state of employment in the founding industry and the ratio of men out-of-work remained about 4 per cent of those employed.

The state of employment in the metal industry was, on the whole, maintained and in certain branches a further although slight improvement in conditions was noted. The majority of the machinery and agricultural implement factories worked full-time during September, production being limited, however, to the cheaper qualities. Employment in the electrical industries increased as did also that of the precision instrument factories. The production of railway wagons and locomotives remained without change, but conditions in the tram-car branch were somewhat worse. The metal castings plants reported better conditions than in the corresponding period of last year. The wire and nail factories cut down production. The number of employed persons in the metal industries rose slightly and

the ratio of unemployed came to 24 per cent of those at work, whilst the number of part-time workers likewise decreased.

In the Łódź textile industries the improvement in the state of employment and in sales which had made itself felt in August continued to exert its influence during the month under review. The number of persons employed in the large cotton mills rose from 50,215 to 52,344; business in fabrics continued to be brisk. In the woollen industry conditions also shaped favourably and the number of employed rose from 13,794 to 14,717, sales continuing to be quite lively. Relatively favourable reports were received from the Bielski textile industries as regards domestic sales whilst exports were stated to have changed in character and to have been rather lower than during the corresponding period of last year. In the Białystok area, the textile industry maintained the satisfactory situation of the preceding month. Sales were brisk especially during the first half of the month. In the knitted ware industry turnover failed to grow to any appreciable extent and production remained at the previous level. In the jute and hemp industry there was no improvement in the situation. The haberdashery plants finished their production of winter goods for stock. A certain amelioration took place in the hat industry. Unemployed textile workers constituted 14 per cent of those at work.

The building trade continued to show great activity and many new contracts were commenced.

Wages remained without any noteworthy changes at about the same level as during the previous month.

GRAIN

— During the last few weeks the prices of wheat and rye ruling on the Polish

markets have shown a steady downward tendency and the fall in prices has been most accentuated on the Poznań Corn Exchange. The prices of barley and oats have not shown fluctuations as large as those of wheat and rye but since the middle of September they have markedly decreased. The prices of grain during the period under review are given in the appended table.

| | | H O M E E X C H A N G E S | | | | | | | | Berlin | Chicago |
|------------------------|-------|-----------------------------|-------|--------|-------|--------|-------|----------------|-------|--------|---------|
| | | Warsaw | | Poznań | | Lwów | | Av. of 3 exch. | | | |
| | | ₡ | \$ | ₡ | \$ | ₡ | \$ | ₡ | \$ | | |
| W H E A T | | | | | | | | | | | |
| September | 1—8 | 31.10 | 3.49 | 28.72 | 3.22 | 28.75 | 3.23 | 29.52 | 3.31 | 5.95 | 3.14 |
| " | 9—15 | 30.50 | 3.42 | 28.12 | 3.16 | 27.50 | 3.09 | 28.71 | 3.22 | 5.93 | 3.18 |
| " | 15—22 | 30.87 | 3.47 | 27.00 | 3.03 | 27.75 | 3.12 | 28.54 | 3.30½ | 5.58 | 3.15 |
| " | 23—30 | 29.37½ | 3.30 | 26.06 | 2.92½ | 25.90 | 2.91 | 27.11 | 3.04½ | 5.38 | 2.82 |
| October | 1—8 | 28.62½ | 3.21 | 25.98½ | 2.92 | 25.62½ | 2.88 | 26.74½ | 3.00½ | 5.38 | 2.98½ |
| " | 9—15 | 28.50 | 3.20 | 26.37½ | 2.96 | 25.25 | 2.83 | 26.71 | 3.00 | 5.29½ | 2.88 |
| R Y E | | | | | | | | | | | |
| September | 1—8 | 18.92 | 2.12 | 19.17 | 2.15 | 18.83 | 2.11 | 18.97 | 2.13 | 4.46 | 2.54 |
| " | 9—15 | 18.75 | 2.10 | 19.16 | 2.15 | 18.00 | 2.02 | 18.64 | 2.09 | 4.46 | 2.43 |
| " | 15—22 | 18.71½ | 2.10 | 17.90½ | 2.01 | 18.25 | 2.05 | 18.29 | 2.05 | 4.06½ | 2.42 |
| " | 23—30 | 18.75 | 2.10½ | 17.68½ | 1.98½ | 17.87½ | 2.00½ | 18.10 | 2.03 | 3.68 | 2.34½ |
| October | 1—8 | 18.78 | 2.11 | 17.76 | 2.99 | 17.87½ | 2.0½ | 18.13½ | 2.03½ | 3.57 | 2.07½ |
| " | 9—15 | 19.01 | 2.13 | 18.00 | 2.02 | 18.12½ | 2.03 | 18.37½ | 2.06 | 3.42 | 1.90 |
| B A R L E Y (brewing) | | | | | | | | | | | |
| September | 1—8 | 26.85 | 3.01 | 27.00 | 3.03 | — | — | — | — | 5.08 | — |
| " | 9—15 | 27.00 | 3.03 | 27.00 | 3.03 | — | — | — | — | 5.08 | — |
| " | 15—22 | 26.62½ | 2.99 | 26.87½ | 3.02 | — | — | — | — | 5.07 | 2.86 |
| " | 23—30 | 26.06 | 2.92½ | 26.50 | 2.97½ | — | — | — | — | 5.00 | 2.70 |
| October | 1—8 | 25.75 | 2.89 | 26.50 | 2.97½ | — | — | — | — | 4.90 | 2.69 |
| " | 9—15 | 25.75 | 2.89 | 26.37½ | 2.96 | — | — | — | — | 4.70 | 2.62 |
| B A R L E Y (ordinary) | | | | | | | | | | | |
| September | 1—8 | 21.70 | 2.44 | 21.35 | 2.40 | 18.25 | 2.05 | 20.43 | 2.29 | 4.53 | 2.86 |
| " | 9—15 | 20.75 | 2.33 | 20.75 | 2.33 | 17.50 | 1.96 | 19.66 | 2.21 | 4.50 | 2.87 |
| " | 15—22 | 20.50 | 2.30 | 20.25 | 2.27 | 17.50 | 1.96 | 19.41½ | 2.18 | 4.46 | — |
| " | 23—30 | 20.50 | 2.30 | 20.25 | 2.27 | 17.75 | 1.99 | 19.50 | 2.19 | 4.29½ | — |
| October | 1—8 | 20.50 | 2.30 | 20.25 | 2.27 | 17.75 | 1.99 | 19.50 | 2.19 | 4.17½ | — |
| " | 9—15 | 20.50 | 2.30 | 20.25 | 2.27 | 18.25 | 2.05 | 19.66½ | 2.21 | 4.12 | — |
| O A T S | | | | | | | | | | | |
| September | 1—8 | 22.40 | 2.52 | 17.90 | 2.01 | 18.00 | 2.02 | 19.40 | 2.18 | 4.38 | 2.90 |
| " | 9—15 | 22.25 | 2.50 | 18.00 | 2.02 | 17.31 | 1.94 | 19.18 | 2.15 | 4.12 | 2.76 |
| " | 15—22 | 21.25 | 2.39 | 18.00 | 2.02 | 17.75 | 1.99 | 19.00 | 2.13½ | 3.89 | 2.68 |
| " | 23—30 | 21.00 | 2.36 | 18.00 | 2.02 | 16.75 | 1.88 | 18.58 | 2.08½ | 3.68 | 2.50 |
| October | 1—8 | 21.00 | 2.36 | 18.00 | 2.02 | 16.75 | 1.88 | 18.58 | 2.08½ | 3.63½ | 2.64 |
| " | 9—15 | 21.25 | 2.38½ | 18.00 | 2.02 | 17.75 | 1.99 | 19.00 | 2.13 | 3.56 | 2.54 |

In September there was a decrease in imports of wheat and a simultaneous increase in the exports of wheat, rye and barley. As a net result there was an excess of exports over imports amounting to £ 16,681.472 as compared with £ 6,131.600 in August. The exports of grain in September amounted to £ 16,748.153 and the imports to £ 66.681. The foreign trade in grain in September as compared with August

and September of last year is shown below (in tons):

| | Sept. 1929 | August 1929 | Sept. 1930 |
|--------|---------------|----------------|---------------|
| | I m p o r t s | | |
| wheat | 866 | 652 | 215 |
| rye | 36 | — | 6 |
| barley | 3 | — | 1 |
| oats | 783 | — | — |
| | E x p o r t s | | |
| wheat | 320 | 511 | 11,094 |
| rye | 17,413 | 46,311 | 51,931 |
| barley | 16,680 | 6,363 | 24,583 |
| oats | 5,589 | 2,340 | 511 |

Of the total wheat imports effected in September, Australia supplied 49.5 per cent, Germany 29 per cent, Rumania 20.8 per cent, the remainder coming from Sweden and Austria. Rye was almost exclusively imported from Germany. The bulk of the imports of barley (91.1 per cent) came from Germany and the remainder from Czechoslovakia. There were no imports of oats.

Wheat was exported to the following countries: Denmark — £ 40.3 per cent, Germany — 36.2 per cent, Holland — 13.2 per cent, the United Kingdom — 5.5 per cent, the remainder having been placed in Sweden, Belgium, Latvia, Lithuania and France. The exports of rye were distributed as follows: Denmark 53.3 per cent, Norway 9 per cent, Germany 8.7 per cent, Belgium 8.5 per cent, Holland 8.1 per cent, Latvia 3.1 per cent and the remainder in small lots to Estonia, Sweden, Finland, France, Czechoslovakia and Lithuania. Barley was exported to Belgium (51.1 per cent), Germany (25.5 per cent), Denmark (20 per cent) and the balance to Latvia, Holland, Norway and Finland. Of the total oat exports Germany absorbed 76.5 per cent, Sweden 20 per cent and Holland 2.9 per cent.

BUTTER

— During the second half of September the prices of butter were distinctly weak. The Dairy Products Committee in Warsaw lowered the price of first quality butter by gr 30 per kg on September 23rd. The same reduction were recorded in the other centres of the butter trade. The fall in the value of this commodity is to be attributed to the greater supply, and the falling off in the demand from foreign markets, especially Germany and Switzerland. The demand from local consumers showed only slight increase, despite intensive operations on the land and the return to the towns of people who had been on their summer holidays.

In the first half of October the prices continued to be weak and it was only towards the 10th that a slight improvement took place. As in September, the fall in prices was due to large supplies and the reduced demands from foreign buyers, while the slight increase referred to was accounted for by a fall in production on account of cold weather and a consequent falling off in supplies.

The prices of first quality butter per kg. in the different centres of trade are given below (in £ per 100 kg):

| | September 15th—30th | October 1st—15th |
|----------|------------------------|---------------------|
| Warsaw | 450—480 | 430—450 |
| Poznań | 520—560 | 520 |
| Kraków | 440—450 | 440—450 |
| Katowice | 480—510 | 480—450—500 |
| Lwów | 440—460 | 360 |
| Lublin | 430—450—500 | 430—440—470 |
| Wilno | 440—460 | 440—460 |
| Łódź | — | 400—460—490 |

The exports of butter effected in September totalled 1.480 tons valued at £ 7,063,000, of which Germany took 803 tons, the United Kingdom 360 tons, Belgium 130 tons, Denmark 52 tons Czechoslovakia 29 tons; the remainder was sent to other countries in small lots.

The imports were insignificant.

EGGS

— During the second half of September the egg market was firm, prices showed an upward tendency and reached the same levels as at the same time last year. The supplies showed a steady, though slight tendency to fall.

In the first half of October the firm tendency continued, due to a further fall in supplies. The upward movement of prices became particularly accentuated towards the middle of the month thanks to a greater demand from foreign markets. Preserved eggs began to appear on the market owing to the falling off in production. The export trade developed satisfactorily.

The prices ruling on the different egg markets in Poland are given below (in £ per case of 1.440 eggs, franco frontier):

| | September 15th—30th | October 1st—15th |
|-------------|------------------------|---------------------|
| Bochnia | 240 | 288 |
| Kraków | 260—280 | 297—302 |
| Katowice | 260—265 | 255 |
| Lwów | 253—258 | 293—310 |
| Lublin | 249—258 | 276—285 |
| Poznań | 287 | — |
| Stanisławów | 258—267 | — |
| Tarnopol | — | 310 |
| Wilno | 262 | 293 |

In September, the exports of eggs amounted to 5.737 tons valued at £ 14,509,000, of which quantity Germany took 2.503 tons, Great Britain 1.114 tons, Czechoslovakia 867 tons, Austria 658 tons, Italy 277 tons, Switzerland 173 tons, France 82 tons, Latvia 55 tons, while smaller quantities were forwarded to Holland, Belgium, &c.

TIMBER

— The last month of the timber season, September, was marked by a further fall in the prices of timber to a hitherto unprecedented level. This is explained by the unsold stocks from last season

and also by the absence of good prospects for that now beginning. There is a great deal of nervousness on account of the uncertainty as to the prolongation of the Polish-German Timber Agreement which expires on December 31, 1930, although the situation on the German market is such that little hopes are entertained as to its purchasing capacity in the current year. A great deal of attention is therefore being given to overseas markets and it is generally recognised that some success may be attended only by considerable reduction in prices. Under these conditions and seeing that home purchases are on a very low level the selling prices of the different State Forest Directorates have continued to be downward. The prices franco wagon loading station per stacked and cub. m. were as follows:

| | August | Sept. |
|-------------------------------|--------|--------|
| pine logs for sawmills | | |
| (per cub. m.) Warsaw | 38'00 | 36'00 |
| " " Radom | 36'00 | 35'00 |
| " " Siedlce | 36'00 | 36'00 |
| " " Wilno | 30'00 | 26'00 |
| " " Białowieża | 35'00 | 33'00 |
| " " Poznań | 39'50 | 36'50 |
| " " Bydgoszcz | 44'00 | 40'00 |
| " " Toruń | 44'00 | 43'00 |
| spruce logs for sawmills | | |
| (per cub. m.) Siedlce | 31'50 | 31'50 |
| " " Lwów | 26'00 | 26'00 |
| oak logs for joinery | | |
| (per cub. m.) Łuck | 155'00 | 155'00 |
| oak logs for sawmills | | |
| (per cub. m.) Białowieża | 71'00 | 71'00 |
| pine pit props | | |
| (per cub. m.) Warsaw | 26'00 | 24'00 |
| " " Radom | 26'00 | 25'00 |
| " " Siedlce | 22'00 | 20'00 |
| " " Poznań | 27'50 | — |
| " " Bydgoszcz | 33'00 | 30'00 |
| " " Toruń | 30'00 | 28'00 |
| pulpwood | | |
| (per stacked cub. m.) Siedlce | 23'00 | 23'00 |
| " " Wilno | 20'00 | 18'00 |
| " " Białowieża | 20'40 | 21'35 |
| pine fire wood | | |
| (per stacked cub. m.) Warsaw | 15'00 | 14'00 |
| " " Radom | 14'00 | 14'00 |
| " " Siedlce | 12'00 | 12'00 |
| " " Wilno | 10'00 | 9'50 |
| " " Białowieża | 11'50 | 11'50 |
| " " Poznań | 15'00 | — |
| " " Bydgoszcz | 16'00 | 16'00 |
| " " Toruń | 16'00 | 15'00 |
| spruce fire wood | | |
| (per stacked cub. m.) Lwów | 7'50 | 7'00 |
| beech fire wood | | |
| (per stacked cub. m.) Lwów | 10'00 | 9'00 |

The export of timber declined in September by 12,000 tons and £ 600,000 as compared with the previous month; the largest decrease was £ 1 million in pulpwood. On the other hand there was an increase in pit props and logs. The exports of sawn timber remained practically unchanged as compared with August.

COAL

— The situation in the Polish coal industry in September continued to be favourable due to increased demand on the part of both the home and foreign markets, in consequence of which the output increased by 11.6 per cent as compared with the preceding month. The output, home consumption, exports and stocks at pit heads are given below (in thous. of tons):

| Coal mining districts | Output | Home consumption | Exports | Stocks at pit-heads |
|-----------------------------|--------|------------------|---------|---------------------|
| Upper Silesia | 2,559 | 1,417 | 1,002 | 1,469 |
| Dąbrowa | 656 | 415 | 199 | 510 |
| Kraków | 202 | 167 | 1 | 32 |
| Total: | 3,417 | 1,999 | 1,202 | 2,011 |
| August | 3,62 | 1,639 | 1,141 | 2,086 |
| Sept. in relation to August | + 355 | + 360 | + 61 | — 75 |

It is seen from the above figures that the output of coal in September rose by 355,000 tons to 3,417,000 tons. The average daily extraction (26 working days) rose by 9,000 tons to 131,500 tons. The total deliveries came to 3,201,000 tons or 421,000 tons more than in August. Of this quantity 1,999,000 tons or 360,000 tons more were placed locally and 1,202,000 tons or 61,000 tons more were sent abroad. The stocks at pit heads declined by 75,000 tons to 2,011,000 tons. The exports to the different markets are given in the following table (in thous. of tons):

| Countries | 1927 | 1928 | 1929 | 1930 | September | August | September increase (+) or decrease (—) in relation to August |
|--------------------|------|------|------|------|-----------|--------|--|
| Northern European: | | | | | | | |
| Sweden | 233 | 241 | 234 | 279 | 300 | — | + 21 |
| Norway | 29 | 44 | 38 | 34 | 33 | — | — 1 |
| Denmark | 120 | 120 | 154 | 139 | 135 | — | — 4 |
| Finland | 38 | 59 | 49 | 70 | 42 | — | — 28 |
| Latvia | 33 | 61 | 38 | 45 | 40 | — | — 5 |
| Lithuania | 8 | 18 | 4 | 8 | 9 | — | + 1 |
| Estonia | 1 | — | 3 | — | 2 | — | + 2 |
| Memel | 4 | 7 | 6 | 4 | 4 | — | — |
| Total: | 466 | 550 | 526 | 579 | 565 | — | — 14 |
| Succession States: | | | | | | | |
| Austria | 284 | 260 | 312 | 182 | 208 | — | + 26 |
| Hungary | 67 | 74 | 111 | 59 | 68 | — | + 9 |
| Czechoslovakia | 7 | 81 | 70 | 64 | 69 | — | + 5 |
| Total: | 358 | 415 | 493 | 305 | 345 | — | + 40 |
| Other countries: | | | | | | | |
| France | 10 | 40 | 59 | 79 | 79 | — | — |
| Italy | 99 | 53 | 47 | 29 | 46 | — | + 17 |
| Jugoslavia | 49 | 35 | 15 | 6 | 5 | — | — 1 |
| Rumania | 17 | 28 | 11 | 9 | 7 | — | — 2 |
| Switzerland | 12 | 16 | 10 | 11 | 15 | — | + 4 |
| Holland | — | 2 | 5 | 7 | 8 | — | + 1 |
| Belgium | 8 | 8 | — | — | — | — | — |
| Germany | 1 | 1 | — | — | — | — | — |
| Russia | — | 5 | — | 1 | 5 | — | + 4 |
| Brazil | — | — | 12 | — | — | — | — |
| Iceland | — | — | — | 4 | 2 | — | — 2 |
| Algeria | — | — | — | — | 10 | — | + 10 |
| Tunisia | — | 1 | — | — | — | — | — |
| Total: | 196 | 189 | 159 | 146 | 177 | — | + 31 |

| | | | | | | | |
|-------------|-------|-------|-------|-------|-------|---|----|
| Danzig | 35 | 29 | 42 | 25 | 31 | + | 6 |
| Bunker coal | 17 | 62 | 63 | 86 | 84 | — | 2 |
| Total: | 1.072 | 1.245 | 1.282 | 1.141 | 1.202 | + | 61 |
| Loaded at: | | | | | | | |
| Danzig | 364 | 513 | 499 | 462 | 482 | + | 20 |
| Gdynia | 95 | 192 | 234 | 274 | 285 | + | 11 |
| Other ports | 26 | — | 8 | — | — | — | — |
| Total: | 485 | 705 | 741 | 736 | 767 | + | 31 |

It results from the above figures that the exports to the Northern European markets declined by 14.00 tons to 565.000 tons, whereas those to the Succession States rose by 40.000 tons to 345.000 tons, and to other countries, including bunker coal, by 29.000 tons to 261.000 tons. The exports to the Free City of Danzig rose by 6.000 tons to 31.000 tons. The shares of the different markets in the Polish export trade in September are given below (in percentages):

| | |
|---------------------------|--------|
| Northern European markets | 47.05 |
| Succession States | 28.64 |
| Other countries | 14.74 |
| Danzig | 2.58 |
| Bunker coal | 6.99 |
| Total: | 100.00 |

The number of workmen employed at the end of September rose by 789.000 to 113.870 as compared with the end of August. The average daily extraction per workman rose by 4 kg to 1.270 kg. The average wage in Upper Silesia in August was the same as in the preceding month, being zł 1.055.

The prices of coal at the pit heads, similarly as those to Austria and Hungary, remained unchanged. On the other hand the prices for export to Czechoslovakia were increased from 4 to 10 per cent on September 1st according to the grade of coal. The prices f. o. b. Danzig and Gdynia owing to English and German competition continued to be weak and were 11s. for Upper Silesian large and 10s. per ton for Dąbrowa large. Railway tariffs remained unchanged and shipping rates showed a slight upward tendency with the exception of those for the Italian ports.

The output of coke declined during the month by 831 tons to 126.296 tons whereas the sales rose by 13.244 tons. Local deliveries rose by 11.757 tons and exports by 1.787 tons. There were 2.439 workmen employed at the coke works.

The output of briquettes fell by 4.191 tons to 20.000 tons, but the deliveries rose by 4.852 tons to 21.567 tons as compared with August. There were 246 persons engaged in this branch.

The production of lignite rose during the period under review by 1.333 tons to 4.889 tons and the sales by

1.020 tons to 4.410 tons. The total number of workmen employed in lignite production was 246.

PETROLEUM

— The situation in the petroleum industry in Poland showed a further improvement in September. The output of crude oil during the period under review was as follows (in tons):

| | |
|----------------|--------|
| Jasło district | 7.530 |
| Drohobycz | 44.638 |
| Stanisławów | 4.143 |
| Total: | 56.311 |

Of the above quantity the Drohobycz area accounted for 37.474 tons of Borysław Standard Crude and 7.164 tons of other brands. The corresponding figures for August were 38.465 tons and 7.207 tons. The average daily production at Borysław was 1.249 tons as against 1.240 tons in August.

Among the newly completed boreholes the following should be mentioned: Well No. 4 at the "Zygmunt" oilfield at Mrażnica gave on September 20th at a depth of 799 m an initial production of 16 tons per day which has subsequently stabilised at 12 tons; Well No. 1 at the "General Sikorski" oilfield at Mrażnica gave on September 23th at a depth of 1.115 m an initial production of 24 tons which fell subsequently to 20 tons per day; Well No. 9 at the "Alma" oilfield in Wietrzno, deepened by 25 m to 718 m, gave 15 tons per day. On the whole the drilling activity in September was about the same as in the preceding month, but considerable improvement was noticeable at Schodnica and Rypno. In the Drohobycz area five new wells have been commenced and the borings of four old ones have been resumed. 19 new wells are now being drilled (seven in the Borysław area, five at Schodnica and three at Rypno).

The number of workmen employed at the oilfields was 10.845 as against 11.065 in August.

The stocks of Borysław Standard Crude held by the storage companies and at the wells in the Drohobycz area declined from 1.581 tons in August to 1.141 tons in September. The stocks in the Stanisławów area were on the same level as in September amounting to 2.019 tons. The prices of petroleum products on the internal market remained unchanged.

The situation in the natural gas industry in September is illustrated in the following table:

| | August | Sept. |
|--|--------|--------|
| output of gas (in thous. of cub. m.) | 40.100 | 39.100 |
| throughput of gas (in thous. of cub. m.) | 24.306 | 23.673 |
| output of gasoline (in tons) | 3.133 | 3.143 |
| home consumption | 2.993 | 3.051 |
| number of workmen employed | 230 | 241 |

Similarly as in August there were 20 gasoline works in operation and the average yield of gasoline per 100 cub. m. of gas rose during the month from 12.9 kg to 13 kg. The output of ozokerite in September amounted to 89 tons and the deliveries came to 75 tons of which Germany took 74 tons. The stocks of this mineral at the end of September came to 113 tons. Prices remained unchanged. There were 548 workers employed in this industry.

The state of the refining industry in September may be gauged from the following table (in tons):

| | July | August |
|--|---------|---------|
| throughput of crude oil | 51.979 | 57.776 |
| output of petroleum products | 47.470 | 53.716 |
| home consumption | 35.163 | 40.546 |
| exports | 15.129 | 17.942 |
| stocks of petroleum products at the end of the month | 212.185 | 211.551 |
| number of workmen employed | 3.870 | 3.900 |

The throughput of crude oil was greater than the average monthly figure for last year (54.670 tons). There was an increase in the consumption of petroleum products as compared with the preceding month.

A detailed view of the state of the refining industry is given in the following table (in tons):

| | Benzine | Kerosene | Gas oil | Lubricating oil | Paraffine wax | Total |
|----------------------|---------|----------|---------|-----------------|---------------|---------|
| output | 10.916 | 15.729 | 9.987 | 6.358 | 2.548 | 53.716 |
| home consumption | 9.490 | 13.614 | 7.520 | 5.480 | 1.083 | 40.546 |
| exports | 4.592 | 2.656 | 4.320 | 2.725 | 2.054 | 17.946 |
| stocks on Sept. 30th | 25.651 | 32.605 | 12.404 | 31.2 | 6.5052 | 211.551 |

The exports of petroleum products continued to be below the average monthly figure for last year. They are given below (in tons):

| | |
|-----------------|--------|
| benzine | 4.592 |
| kerosene | 2.656 |
| gas oil | 4.230 |
| lubricating oil | 2.725 |
| paraffine wax | 2.054 |
| other products | 1.685 |
| Total: | 17.942 |

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

| | |
|-----------------|--------|
| Czechoslovakia | 4.521 |
| Austria | 1.464 |
| Germany | 1.177 |
| Switzerland | 792 |
| other countries | 4.181 |
| Danzig | 5.807 |
| Total: | 17.942 |

IRON

— There were no changes in the situation of the iron and steel industry in September as compared with August. The total output rose slightly owing to the greater number of working days than in the preceding month and is given in the following table (in percentages of the monthly average for 1913):

| | August ¹⁾ | Sept. ²⁾ |
|----------------|----------------------|---------------------|
| blast furnaces | 43.9 | 44.7 |
| steel works | 75.5 | 79.8 |
| rolling mills | 72.6 | 74.4 |

The production of the blast furnaces was much smaller than in the corresponding period of last year. The prospects for improvement in this respect are meagre owing to the continuance of the economic crisis and the existence of large stocks.

Under these conditions the output of iron ore also decreased. Figures for the production, imports and exports of iron ore, which latter were comparatively small, are shown in the following table (in tons):

| | Extraction | Imports | Exports |
|---------------------------|------------|---------|---------|
| August 1930 ¹⁾ | 33,358 | 21,815 | 6,236 |
| Sept. " ²⁾ | 35,043 | 38,347 | 6,000 |
| " 1929 | 48,319 | 49,400 | 5,533 |

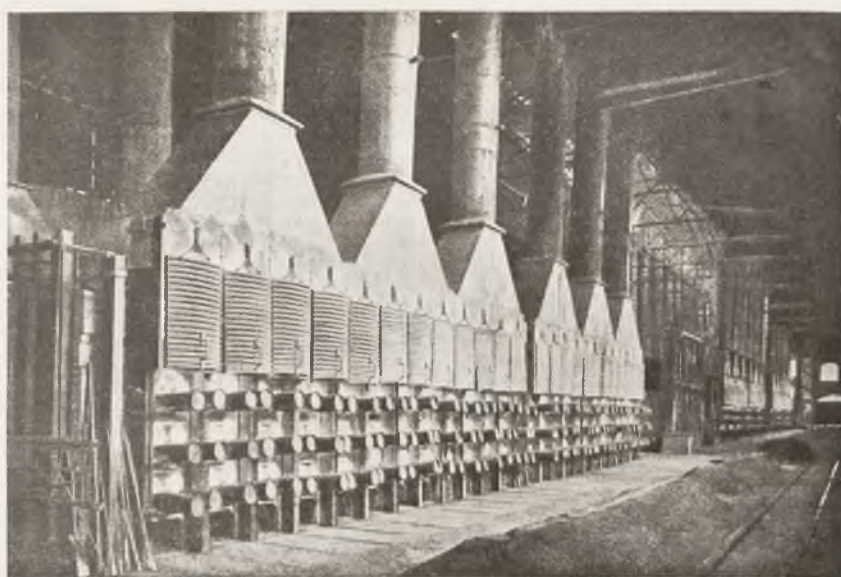
It will be seen that the output of ore rose by 1,685 tons or 5.1 per cent, but was 13,276 tons or 27.4 per cent less than in September of last year. The import of ore rose by 16,532 tons or 75.6 per cent as compared with August, but was 11,053 tons or 22.4 per cent less than in the corresponding month of 1929. The exports remained on the level of last month. The imports of manganese ore totalled 1,240 tons as against 2,303 tons in August,—a decrease of 46.1 per cent. The corresponding figures for September of last year was 3,734 tons. There were 19 iron mines in operation, which employed 3,968 workmen as against 3,846 in August.

The output of the iron foundries (in tons) and the number of workmen employed are shown in the following table:

| | Pig iron | Steel ingots | Rolled products | Pipes | Number of workmen employed |
|---------------------------|----------|--------------|-----------------|-------|----------------------------|
| August 1930 ¹⁾ | 37,762 | 104,641 | 75,765 | 7,294 | 43,505 |
| Sept. " ²⁾ | 38,434 | 110,514 | 77,632 | 8,071 | 43,226 |
| " 1929 | 58,078 | 103,515 | 77,325 | 9,176 | 51,020 |

It is seen that production increased in all sections although the number of workmen simultaneously dropped.

The output of pig iron rose by 1.8



OVENS IN AN UPPER SILESIA ZINC FOUNDRY

per cent as compared with August but was 19,644 tons, or 33.8 per cent less, than in September 1929.

The deliveries of pig iron to local consumers rose by 10 per cent. The output of steel ingots increased during the month by 5,873 tons or by 5.6 per cent, and was 6,700 tons, or 6.8 per cent greater than in September of last year. The output of rolled iron and sheets rose during the month by 1,867 tons or 2.5 per cent. The deliveries of iron and steel foundry products also increased, but the exports remained at last month's level and amounted to about 35 per cent of the total production. The output of pipes rose by 10.7 per cent and the deliveries increased solely due to a rise in export, as home sales decreased.

The number of workmen employed at the iron and steel foundries was about the same as in the preceding month and declined by 7,809, or 15.3 per cent, as compared with September of last year.

The volume of home orders was slightly greater than in August due principally to contracts received from Government departments. According to statistical returns of the Syndicate of Polish Iron Foundries (which do not cover foreign orders, pig iron and pipes) the orders amounted to 44,441 tons as against 35,110 tons in August, an increase of 26.6 per cent. Government orders rose from 2,742 tons in August to 15,236 tons in September, of which 12,000 tons represented rails and railway accessories. Orders from private firms dropped from 32,368 tons to 29,205 tons,

or 9.8 per cent, principally owing to a decline in the orders from industry from 10,321 tons to 5,922 tons, as the orders simultaneously received from the wholesale trade rose from 22,047 tons to 23,283 tons, or 5.6 per cent.

The imports and exports of foundry products in September as compared with August and September 1929 are given below (in tons):

| | Imports | | | Exports | | |
|--------------------------------|-------------|----------------|----------------|-------------|----------------|----------------|
| | August 1930 | September 1930 | September 1929 | August 1930 | September 1930 | September 1929 |
| pig iron | 312 | 133 | 276 | 20 | | 590 |
| rails, iron and steel articles | 1,983 | 4,758 | 4,227 | 23,307 | 20,614 | 11,370 |
| iron and steel sheets | 1,240 | 928 | 1,228 | 6,448 | 7,175 | 3,560 |
| pipes | 72 | 150 | 214 | 5,103 | 5,035 | 3,664 |
| Total: | 4,607 | 5,969 | 5,945 | 34,878 | 32,824 | 19,184 |

The exports of foundry products declined during the month by 2,740 tons. 70 per cent of the total was directed to Russia. Compared with September, 1929, there was an increase of 13,640 tons or 71 per cent. The total value of the exports amounted to £ 13,204,000 as against £ 13,584,000 in August, a fall of 2.8 per cent.

In September of last year the value of the exports was £ 8,445,000; the average value of one ton exported in September of last year amounted to £ 402 as against £ 440 in September of last year.

POLISH STEEL INDUSTRY AND THE BREAKDOWN OF THE INTERNATIONAL STEEL CARTEL. — The final instructions issued by the Steel Cartel led to the abandoning of con-

¹⁾ Corrected figures.

²⁾ Provisional figures.

ventional fines and of the regulation of prices together with the existing sales organisation. These steps, in conjunction with the present world crisis have taken away all practical importance from the contingent of production and the Polish steel industry considers that the cartel has been practically wiped out thereby. As is well known, Poland was never a member of the body in question and it is felt that its liquidation is the result of the exception economic situation in the whole world and is not due to any inherent instability in the idea of organising the steel industry on proper lines. The contrary even holds good and it is widely regarded as possible in Poland that at some future date the Cartel will rearise in a new and better form based upon the experience gained and it will then be possible for Poland to join it.

In this connection it should be mentioned that on previous occasions when Poland had been invited to join the Cartel, the Polish steel-masters demanded that their domestic market should be protected and that they should receive an export quota of 350,000 tons of steel ingots. The first demand was acceded to in principle, but the export quota was not agreed to, a counter-proposal of 300,000 tons being put forward and that with the rider that this amount would be reduced by 300 tons for every 1,000 tons increase in domestic sales over a certain figure. A practical examination of the data dealing with Polish internal trade showed that the figures taken as a basis for negotiations covered only a bare 60 per cent of Poland's normal domestic steel sales. Thus, while in 1926 the home turnover was a little over 500,000 tons, in 1928 it had risen to a million tons, a figure which cannot be considered as being even approximately near the presumed future limits. In these circumstances, if the proposition of the Cartel had been accepted the export quota for Poland would have dropped to 140,000 tons in 1928. Actually, however, during the first half of the current year, i. e., at a time when the buying capacity of foreign markets was much decreased, with low prices and with a lack of international agreements facilitating exports, Poland exported a total of 183,467 tons, of steel products consisting of 162,167 tons of rolled goods, 19,471 tons of pipes and 1,829 tons of steel conduits. Computing this amount in terms of steel ingots, the figure of 450,000 tons is obtained, i. e., 50 per cent above that offered by the cartel, and 230 per cent over the figure corrected by reductions. It should also be mentioned in this connection that while the Polish-German iron convention, which is closely bound up with the Polish-German Commercial Treaty, has not yet come into force, when it does, it will give Poland further opportunities for the increase of her steel exports. It follows as a matter of course that should the Cartel again be called into being and with the participation of Poland, the above figures will form the basis for negotiations.

Any future negotiations between the Cartel and the Polish foundries will in any case, be much facilitated since during the existence of the former it became very evident that domestic markets should be left strictly to the local producers. Polish steel interests are convinced that the Cartel will in the future exercise a control solely over export sales, leaving domestic trade outside the scope of any agreements, although national cartels might continue to apply the contingent system to domestic sales, as is done with considerable success by the European Rail Makers Association (E. R. M.). Should this conception come about, clauses making export quotas dependent on home sales would automatically disappear, to the satisfaction of the Polish foundries, which could never agree to the maintenance of such restrictions.

Polish steel interests have also pointed out that the International Steel Cartel exhibited a distinct tendency during the course of its existence to abandon its functions as a production cartel in favour of becoming an international price-fixing body or simply a sales syndicate. In the future, the Cartel will doubtless consist of a number of syndicates, organised on the model of the E. R. M. and supplementing quantitative control of exports by a suitable price control. It is the opinion of the Polish steel interests that only such a form of international cartelisation can give any gage of assured results and be in a position properly to reform the reigning conditions on the iron and steel markets of the world.

ZINC AND LEAD

— The situation in the Polish zinc and lead industry is closely bound up with that prevailing on the world market of these metals. During September the operations in the zinc industry were much on the same level as in the preceding month though there was a slight increase in sales. The financial situation of the smelting undertakings was unsatisfactory owing to the low price of zinc. At the same time efforts are being made to rationalise production in order to reduce overhead charges.

In the lead industry the situation deteriorated in the second half of September owing to a fall in prices. The profits arising from this industry have been greater than that of zinc, but of late sales difficulties have been experienced.

Under these conditions the extraction of zinc and lead ores is limited, and especially of the poorer grades which it does not pay to use at present. The output of ore during the month showed a slight increase as compared with August, but was considerably lower than in September of last year. The imports

of zinc ore decreased by 3.3 per cent from 18,496 tons to 17,880 tons and those of lead ores by 17.1 per cent, from 2,609 tons to 2,163 tons. The number of workmen employed in zinc and lead ore mining was 4,930 in September as against 5,549 in August and 5,641 in September of 1929. The following table shows (in percentages of the average monthly production for 1913) the output of raw zinc and lead for the last four months:

| | June | July | August ⁽¹⁾ | Sept. ⁽²⁾ |
|----------|------|------|-----------------------|----------------------|
| raw zinc | 88.9 | 90.4 | 90.3 | 87.9 |
| raw lead | 98.9 | 94.5 | 97.0 | 89.8 |

It is seen that the output of zinc declined by 2.5 per cent, which is accounted for by the smaller number of working days. The output of sulphuric acid showed a slight increase of 3 per cent as compared with August. The sale of this product continued to encounter difficulties in consequence of the reduction of work in the fertilizer industry. Nevertheless, there was some improvement in September as the deliveries amounted to about 80 per cent of the production.

The output of lead showed a slight decrease as compared with August, principally owing to the difficulty in obtaining lead ore.

The total number of workmen employed in the zinc and lead industries was 10,925, or slightly less than in August.

The exports of zinc and products thereof and of refined lead are given below (in tons):

| | | Zinc and zinc products | Refined lead | Total |
|-------------|-------------|------------------------|--------------|--------|
| August 1930 | tons | 11,899 | 2,731 | 14,630 |
| | thous. of £ | 8,554 | 2,307 | 10,861 |
| Sept. | tons | 17,513 | 1,472 | 18,985 |
| | thous. of £ | 12,418 | 1,191 | 13,609 |
| " 1929 | tons | 13,545 | 1,238 | 14,783 |
| | thous. of £ | 14,837 | 1,277 | 16,114 |

It will be seen from the above figures that the exports of zinc in September rose 47 per cent by weight and 45.2 per cent by value, while the exports of lead decreased 60.8 per cent in volume and 48.2 per cent in value. The average value of one ton of zinc exported in September was about £ 720 as against £ 1,090 in September of last year.

VARIOUS

POLISH SCIENTIFIC ORGANISATION WEEK ABROAD. — During the holding of the IVth International Congress of Scientific Organisation at

⁽¹⁾ Corrected figures.

⁽²⁾ Provisional figures.

Paris in June 1929, great interest was aroused by a paper read by one of the Polish delegates and by a film illustrating the application of harmonographs in the re-organisation of work at the Grodzkie colliery in the Dąbrowa coal-basin.

The harmonograph method, the inventor and pioneer of which is Prof. K. Adamiecki, has met with the full approbation of the most important workers in the domain of scientific organisation abroad. Presented at the Paris congress it soon became the centre of interest, the more so as it far outstripped all the other papers read by reason of its originality and interest and also because of the graphic manner in which the method was illustrated by film.

With a full appreciation of the importance of Polish work in the field of scientific organisation, the International Committee on Scientific Organisation

has applied to the Scientific Organisation Institute of Warsaw with the request that it arrange special "Polish weeks" in certain western European countries, during which the film shown at Paris would be presented in conjunction with lectures on the harmonograph method and its application to various branches of production.

"Polish weeks" will be held under the auspices of the International Committee on Scientific Organisation in France, Belgium and Holland at the following cities: Marseilles, Grenoble, Lille, Paris, Brussels, Liege, Charleroi, and in three Dutch centres.

The lectures will be given by Mr. J. Śmigieński, a member of the Warsaw Scientific Organisation Institute; the first of the series will be held at Marseilles on November 24th. The lectures will not only cover an explanation of the harmonograph method and a film demonstration of its

application in coal-mining, but will also depict the general development of scientific organisation in Poland and the work done in that direction in various branches of economic life; particular mention will be made of attainments on the railways, giving examples of results in the repair-shops and in switching work at certain more important railway junctions, of results attained in the building trade, in the iron and steel industries, the beet-sugar industry &c., in agriculture and in public administration.

In Europe, Poland occupies one of the premier positions as regards the development of the science of organisation, and the fact that other countries apply to Poland in order to learn her methods of rational economy is most gratifying, the more so as the subject is one which is receiving so much attention in the whole civilised world as an essential factor of economic and social progress.

MOVEMENT OF PRICES. — In September there was a further increase in the demand for ready money. The money market remained easy in spite of a largely increased demand for credit especially for the needs of agriculture. The commercial turnover increased only in the larger cities. In the provinces, however, and especially in the agricultural areas, the purchasing ability of the population continued to be low and the autumnal briskness in trade, usually appearing in September, failed to consummate. The decline in the prices of farm produce led to decreased buying on the part of the farmers and this in turn reacted unfavourably on the whole Polish market. The effects of the depression are being brought out with increased force by the continued drop in prices, shown by the following table of index figures (1914 = 100):

| | Wholesale price Index: | Retail price Index: | Cost of living Index: |
|----------------|------------------------------|------------------------|-----------------------------|
| September 1929 | 111.2 | 156.6 | 122.8 |
| October " | 110.4 | 156.3 | 123.5 |
| November " | 112.2 | 157.4 | 124.8 |
| December " | 109.2 | 158.2 | 126.1 |
| January 1930 | 104.5 | 154.2 | 120.9 |
| February " | 100.6 | 151.2 | 117.9 |
| March " | 101.7 | 149.1 | 116.7 |
| April " | 101.7 | 149.5 | 116.3 |
| May " | 99.8 | 148.8 | 115.2 |
| June " | 98.8 | 149.2 | 115.8 |
| July " | 99.4 | 154.0 | 118.8 |
| August " | 97.0 | 150.7 | 116.7 |
| September " | 94.5 | 148.4 | 116.8 |

As will be seen from the above, the index of wholesale prices fell by 2.6 per cent, that for retail prices by 1.6 per cent, whilst that for the cost of living rose by 0.02 per cent.

The decline in the wholesale price index was caused by drops of 4 per cent in the prices of farm produce, of 1.3

per cent in the prices of manufactured goods, and by a drop of 6.6 per cent in the price index of groceries. In the farm produce group the decrease was limited to plant products, the index of which fell by as much as 9.6 per cent, due to a serious drop in the prices of corn. In the animal products group, egg and butter prices rose considerably, whilst meat and its products declined. As a result of these fluctuations the index for the whole group rose by 4 per cent. In the industrial articles group, prices rose in all divisions with the exception of coal, the price of which remained constant. The prices of wood dropped by 3.4 per cent, the textile goods index fell by 2.4 per cent, metals by 0.5 per cent and miscellaneous items by 0.5 per cent.

The drop in the retail prices index was caused solely by a decline of 3.5 per cent in the farm produce index figure, that for industrial goods remaining unchanged.

The cost of living index showed a slight rise caused by the index for dairy produce increasing by 0.05 per cent. The remaining constituent elements of the cost of living, i. e., prices of clothing, fuel, rent, &c. remained constant.

THE BUCAREST AGRARIAN CONFERENCE. — The 2nd Conference of Agrarian Countries took place in Bucarest from October 17th to 20th and was attended by representatives from Bulgaria, Czechoslovakia, Estonia, Latvia, Yugoslavia, Poland, Rumania and Hungary. The object of the conference was to effect the realisation of the resolutions passed at the first agrarian conference held in Warsaw towards the end of last August. The resolutions

of the Bucarest conference were formulated in ten points, of which the following are the most important.

1. As regards the organisation of the export of agricultural produce, a special conference of the export institutes of the countries interested will be called at Belgrade in November of this year; this conference will take up the practical reconciliation of the export interests of the various countries of central and eastern Europe as regards certain selected products;

2. The above-mentioned countries have decided to prepare and present to the League of Nations a draft of a convention prohibiting the granting of export premiums on farm produce; Poland is to present the draft of such a convention with appropriate reasons and all the countries of Europe will be asked to vote in its favour;

3. The agrarian countries of Europe do not take up a negative position with regard to the international conference on the commercial convention of March 24, 1930 which is to be held in Geneva in November; they desire, however, to make their attitude dependent upon the simultaneous granting of a series of concessions for agrarian countries on the part of the industrial states of Europe;

4. As regards the World Corn Conference planned by the International Agricultural Institute of Rome, the agrarian countries of Europe demand that the term of the conference be speeded up in view of the critical situation of European agriculture;

5. The countries assembled in conference at Bucarest affirmed that in view of the difficulties encountered in the export of farm produce of European origin to the industrial countries of Europe, a contingent system should be introduced for certain industrial articles exported by Western European countries to the agricultural states of Europe; this in order to equalise the basis of mutual relations of the two groups of countries;



NEW DWELLING HOUSES FOR GOVERNMENT OFFICIALS

6. With regard to the question of international credits for agriculture a special conference of financial experts of the interested countries is to be called at Warsaw in November which will discuss the whole problem exhaustively.

7. The countries assembled in conference at Bucarest decided to accept and to approve the statutes of the Permanent Committee on Economic Studies: this Committee, in accordance with the resolution passed by the Warsaw Conference, is to act as a liaison body for all the states participating in the European agrarian understanding, and is to function during the intervals between the annual meetings of the responsible directing organs of the economic policies of these countries; the ratification of the statutes of this Committee marks the final consolidation of the economic understanding attained;

8. Finally a special resolution was passed calling for the most energetic steps to be taken in order to facilitate the sale of farm produce of European origin on the markets of the continent of Europe.

The next meeting of representatives of the countries participating in the agricultural understanding is expected to take place in Geneva before the November conference on the Commercial Convention of March 24th, 1930.

In this manner the Bucarest conference has fulfilled all expectations by creating a new link in the constant development of co-operation amongst the agricultural countries of central and eastern Europe, undertaken with a view to defending the most vital interests of the various countries during a time of agricultural crisis. There appears to be ground for believing that concrete results will be yielded by this co-operation and that the next few conferences will afford proof of this success.

FOREIGN TRADE

— The foreign trade of Poland together with the Free City of Danzig was closed in September with a favourable balance amounting to £ 21.4 million. The favourable balance for the first three quarters of the current year amounted to £ 125.3 million, while during the same period in 1929 there was an adverse balance of £ 354.4 million. The changes in 1930 as compared with the corresponding period of 1929 consist in a considerable decline in imports and in a comparatively small decline in exports which is shown by the following figures.

The average monthly value of imports was £ 266.4 million in 1929 and £ 191.2 million in 1930, the corresponding figure for exports being £ 227.0 million and £ 205.0 million. The value of the imports and exports in September did not vary much from the average monthly figures for the current year. The imports in September were 292,700 tons valued at £ 190.4 million. Compared with August there was a fall of 32,100 tons and an increase in value amounting to £ 1.9 million. The exports during the same month were 1,749,200 tons valued at £ 211.8 million which was 121,500 tons and £ 10.4 million less than in August. Compared with August there were decreases of £ 11.0 million in the imports of foodstuffs, mainly rye, and of £ 2.1 million in artificial fertilizers. On the other hand there were increases of £ 2.0 million in the imports of dressed and undressed furs, of £ 5.0 million in textile raw materials,

of £ 2.1 million in wool and silk, of £ 0.7 million in leather footwear and of £ 0.5 million in other footwear. The imports of foundry raw materials also rose, scrap iron rising by £ 2.1 million; rags and waste paper rose by £ 0.8 million, technical vegetable oils by £ 2.1 million and oil-bearing seeds by £ 0.4 million. On the export side there were increases in wheat, rye and barley totalling £ 4.1 million and declines in foodstuffs of £ 2.1 million, sugar of £ 6.2 million and oil-bearing seeds of £ 1.9 million. There was an increase of £ 1.4 million in pigs. The approaching winter brought about a rise of £ 2.8 million in coal. The exports of zinc increased by £ 3.7 million. Pulpwood and fertilisers declined by £ 1.1 million and £ 0.8 million respectively. The more important changes in the exports dealt with above are to be attributed to seasonal factors; as regards imports, and in particular of those of textile products and footwear, these were due to the approach of the winter season. The increase in the imports of the raw materials for foundries and papermills is an indication of an improvement in these branches.

On the import side, apart from the decline of rice by £ 11 million there were falls in lard, by £ 2.0 million and tobacco by £ 0.7 million each. On the other hand there were increases in herrings by £ 1.0 million, tea and coffee by a 0.3 million each and cocoa by £ 0.2 million.

The approach of the winter produced increases in tanned leather by £ 0.1 million, dressed furs by £ 0.9 million and leather footwear by £ 0.7 million. The imports of raw furs decreased by £ 0.6 million. Compared with the preceding month the imports of oil-bearing seeds rose by £ 0.4 million and of bulbs, vegetables, &c. by £ 0.9 million. The imports of chemicals decreased: artificial fertilizers dropped by £ 2.1 million including drops of £ 0.4 million in phosphate rock, £ 0.8 million in Norwegian saltpetre and £ 0.7 million in Thomas slag. On the other hand there was an increase of £ 2.1 million in technical oils and a rise of £ 0.7 million in pharmaceutical products and of £ 0.1 million in synthetic dyes. In the rubber group there were increases in goloshes by £ 0.5 million, tyres and inner tubes by £ 0.2 million, while at the same time there was a fall of £ 0.1 million in raw rubber imports.

Imports of iron ore fell by £ 0.2 million and of lead ore by a like

I M P O R T S

E X P O R T S

| G O O D S | Sept. 1930 | Jan.-Sept. | | Sept. 1930 | Jan.-Sept. | | G O O D S | Sept. 1930 | Jan.-Sept. | | Sept. 1930 | Jan.-Sept. | |
|----------------------------|---------------|------------------|-----------|---------------|------------------------------|-----------|--------------------------|---------------|------------------|------------|---------------|------------------------------|-----------|
| | | 1930 | 1929 | | 1930 | 1929 | | | 1930 | 1929 | | 1930 | 1929 |
| | | Volume — in tons | | | Value — in thousands of ₤ | | | | Volume — in tons | | | Value — in thousands of ₤ | |
| TOTAL:. | 202.707 | 2,653.086 | 4,014.520 | 190.443 | 1,721.019 | 2,997.479 | TOTAL:. | 1,749.213 | 13,721.890 | 15,295.687 | 211.841 | 1,846.914 | 2,043.045 |
| Foodstuffs | 21.454 | 281.286 | 321.928 | 22.094 | 278.375 | 335.129 | Foodstuffs | 158.682 | 1,324.075 | 885.768 | 64.183 | 566.581 | 535.775 |
| including: | | | | | | | including: | | | | | | |
| wheat | 215 | 7.915 | 28.162 | 65 | 2.993 | 12.489 | wheat | 11.094 | 23.387 | 992 | 3.054 | 7.937 | 463 |
| maize | 828 | 14.159 | 13.875 | 190 | 3.279 | 5.617 | rye | 51.931 | 299.602 | 128.798 | 8.627 | 57.820 | 39.245 |
| rice | 60 | 53.224 | 50.297 | 52 | 25.474 | 26.436 | barley | 24.583 | 163.552 | 149.101 | 4.975 | 39.115 | 53.678 |
| plums | 810 | 5.189 | 6.841 | 291 | 5.666 | 7.072 | oats | 511 | 56.343 | 23.667 | 91 | 10.639 | 7.171 |
| lemons and oranges | 549 | 13.719 | 12.302 | 409 | 9.130 | 10.014 | peas | 2.139 | 28.146 | 20.509 | 828 | 11.560 | 12.264 |
| nuts | 61 | 1.072 | 1.496 | 180 | 2.630 | 3.994 | beans | 746 | 8.189 | 8.777 | 353 | 4.798 | 6.567 |
| spices | 217 | 1.273 | 1.388 | 606 | 5.029 | 7.315 | potatoes and prod. | 1.309 | 22.216 | 62.078 | 346 | 5.659 | 8.751 |
| tea | 190 | 1.497 | 1.642 | 1.342 | 11.230 | 13.617 | sugar | 23.201 | 319.371 | 171.404 | 8.422 | 117.709 | 84.590 |
| cocoa | 533 | 4.379 | 4.466 | 1.102 | 9.462 | 11.723 | meat | 3.175 | 30.318 | 23.025 | 7.892 | 80.175 | 70.177 |
| coffee | 709 | 5.777 | 5.920 | 2.153 | 20.169 | 27.795 | including: bacon | 2.015 | 16.296 | 8.304 | 5.441 | 51.879 | 31.855 |
| fish | 203 | 4.134 | 3.281 | 385 | 6.933 | 7.011 | ham | 245 | 2.534 | 1.384 | 667 | 8.204 | 5.628 |
| herring | 5.830 | 62.729 | 65.213 | 3.667 | 36.029 | 36.547 | eggs | 5.737 | 45.589 | 43.452 | 14.509 | 106.641 | 107.874 |
| edible fats of animal orig | 1.144 | 14.031 | 14.096 | 2.512 | 34.565 | 36.967 | butter | 1.480 | 9.604 | 11.412 | 7.063 | 46.825 | 66.105 |
| lard | 703 | 11.962 | 10.905 | 1.603 | 29.808 | 29.526 | hops | 67 | 804 | 973 | 70 | 1.150 | 4.365 |
| edible fats of veg. origin | 1.153 | 11.940 | 14.794 | 1.529 | 17.226 | 23.858 | alcohol | 358 | 3.115 | 4.509 | 229 | 3.047 | 4.762 |
| tobacco | 945 | 15.186 | 12.930 | 3.220 | 48.138 | 43.320 | forage | 17.215 | 227.989 | 167.846 | 2.605 | 36.109 | 39.225 |
| forage | 2.921 | 21.245 | 32.215 | 758 | 5.907 | 11.920 | Live animals (head) | 400.019 | 1,545.385 | 1,880.615 | 18.809 | 133.241 | 147.392 |
| Live animals (head) | 1.494 | 73.510 | 211.911 | 114 | 2.416 | 3.190 | including: | | | | | | |
| Animal products | 3.611 | 29.103 | 23.315 | 22.300 | 150.777 | 179.342 | pigs | 69.336 | 496.101 | 784.721 | 13.519 | 99.198 | 149.585 |
| including: | | | | | | | geese | 262.215 | 578.982 | 717.746 | 2.085 | 4.610 | 6.869 |
| raw skins | 2.485 | 13.651 | 9.700 | 5.536 | 31.643 | 28.733 | Animal products (head) | 2.288 | 18.941 | 19.063 | 4.230 | 48.982 | 43.216 |
| furs (raw) | 270 | 2.379 | 2.640 | 2.425 | 24.501 | 30.959 | including: | | | | | | |
| tanned hides | 286 | 2.032 | 2.797 | 6.934 | 50.260 | 64.395 | dried skins | 880 | 8.356 | 3.768 | 2.378 | 23.103 | 13.380 |
| tanned furs | 33 | 132 | 197 | 4.406 | 18.446 | 25.410 | raw furs | 21 | 651 | 407 | 152 | 6.219 | 8.921 |
| leather footwear | 32 | 256 | 210 | 1.534 | 12.604 | 10.975 | Horse hair, bristles and | 74 | 1.747 | 2.027 | 846 | 15.020 | 13.889 |
| Timber and wood ware | 2.816 | 43.761 | 43.175 | 1.384 | 14.730 | 20.256 | feathers | 209.833 | 2,125.431 | 2,840.074 | 26.300 | 265.451 | 366.606 |
| Plants and seeds | 2.705 | 25.458 | 36.544 | 2.666 | 20.049 | 32.130 | including: | | | | | | |
| including: | | | | | | | pulpwood | 37.585 | 537.094 | 867.505 | 1.994 | 32.025 | 58.160 |
| oil seeds | 1.795 | 19.207 | 25.936 | 972 | 11.093 | 17.701 | pit props | 35.207 | 233.385 | 319.200 | 1.662 | 11.494 | 17.694 |
| Building materials, | 72.775 | 778.075 | 973.287 | 4.585 | 42.882 | 56.398 | round wood and logs | 10.814 | 232.226 | 427.634 | 1.308 | 25.031 | 46.409 |
| including: | | | | | | | planks, deals, battens | 90.582 | 713.683 | 750.291 | 14.695 | 122.296 | 154.181 |
| ceramic products | 7.091 | 57.775 | 98.010 | 1.845 | 14.887 | 21.964 | railway sleepers | 14.481 | 155.456 | 161.176 | 2.034 | 22.290 | 25.588 |
| glass | 359 | 6.259 | 7.262 | 720 | 8.592 | 10.300 | cooper's wares | 1.485 | 19.243 | 21.032 | 455 | 5.758 | 6.515 |
| Fuel and petroleum | 19.870 | 120.828 | 256.714 | 1.166 | 9.841 | 15.435 | furniture | 365 | 4.314 | 5.740 | 817 | 10.215 | 12.440 |
| products | 505 | 4.423 | 4.906 | 3.522 | 29.272 | 33.513 | veneers | 2.044 | 23.213 | 27.912 | 1.473 | 17.344 | 22.570 |
| Rubber | | | | | | | including: | 5.321 | 66.857 | 81.236 | 4.050 | 42.258 | 55.628 |
| including: | | | | | | | including: | | | | | | |
| Caoutchouc & gutta-percha | 257 | 2.382 | 2.842 | 800 | 8.497 | 10.745 | sugar beet seeds | 431 | 5.099 | 3.500 | 742 | 8.407 | 5.128 |
| Soft rubber | 20 | 192 | 337 | 338 | 3.383 | 3.800 | fodder plant seeds | 1.067 | 46.908 | 53.099 | 749 | 24.445 | 35.083 |
| Tyres and inner tubes | 195 | 1.715 | 1.621 | 1.853 | 15.145 | 15.330 | oil-bearing seeds | 3.048 | 7.489 | 16.287 | 2.270 | 5.213 | 11.938 |
| Rubber footwear | 31 | 112 | 166 | 489 | 1.840 | 2.919 | Building materials, | | | | | | |
| Chemicals | 50.920 | 449.132 | 821.431 | 22.038 | 198.111 | 270.213 | minerals, ceramic | | | | | | |
| including: | | | | | | | prod. | 22.545 | 268.109 | 493.899 | 1.093 | 12.054 | 13.040 |
| phosphate rock | 7.911 | 114.901 | 194.704 | 368 | 5.953 | 10.067 | including: | | | | | | |
| potassium salts | 2.551 | 22.748 | 110.978 | 519 | 4.788 | 17.552 | cement | 5.434 | 55.770 | 61.404 | 381 | 4.085 | 4.570 |
| Chilian saltpetre | 92 | 29.378 | 77.063 | 40 | 12.421 | 34.591 | glass products | 124 | 1.172 | 1.086 | 146 | 1.345 | 1.090 |
| Norwegian saltpetre | 2.000 | 48.395 | 43.728 | 770 | 19.245 | 16.624 | Fuel | 1.276.433 | 9,250.522 | 10,509.034 | 39.196 | 292.290 | 339.986 |
| Thomas slag | 25.061 | 123.665 | 265.814 | 2.622 | 13.043 | 32.585 | including: | | | | | | |
| vegetable fats | 3.669 | 21.494 | 22.740 | 4.697 | 30.819 | 34.644 | coal | 1.233.762 | 9,004.468 | 10,231.893 | 32.364 | 242.727 | 283.159 |
| tanning extracts | 1.561 | 14.824 | 11.167 | 1.549 | 12.418 | 10.788 | petroleum prod. | 12.646 | 112.861 | 146.402 | 5.281 | 41.095 | 48.614 |
| Pharm. chemicals, scents | 89 | 911 | 1.278 | 11.161 | 11.068 | 11.068 | petroleum | 2.588 | 18.662 | 35.448 | 524 | 4.112 | 7.010 |
| cosmetic products | 41 | 275 | 261 | 796 | 8.111 | 7.103 | lubricating oils | 3.128 | 49.432 | 66.874 | 807 | 10.854 | 13.017 |
| Dyes, colours varnishes | 676 | 5.424 | 6.892 | 1.634 | 14.252 | 17.876 | benzine | 4.394 | 27.645 | 26.262 | 1.652 | 10.783 | 10.750 |
| Ores, metals and metal | 93.328 | 754.116 | 1,074.283 | 21.063 | 182.922 | 291.397 | paraffine wax | 2.536 | 17.122 | 17.818 | 2.298 | 15.346 | 17.837 |
| products | | | | | | | including: | 87 | 989 | 972 | 1.080 | 8.586 | 7.537 |
| including: | | | | | | | including: | | | | | | |
| zinc ores | 17.880 | 153.998 | 148.080 | 2.573 | 27.827 | 37.304 | rubber footwear | 85 | 939 | 926 | 1.057 | 8.210 | 7.350 |
| iron ores | 18.304 | 295.416 | 573.073 | 1.205 | 17.552 | 32.404 | Chemicals | 17.047 | 170.528 | 124.698 | 4.431 | 50.732 | 45.894 |
| scrap iron | 46.530 | 213.832 | 457.917 | 5.629 | 28.307 | 67.291 | including: | | | | | | |
| iron, steel, rails | 4.758 | 30.741 | 36.942 | 1.310 | 9.228 | 12.588 | artificial fertilizers | 12.153 | 113.167 | 59.956 | 2.406 | 24.242 | 13.036 |
| iron and steel wire | 441 | 3.940 | 3.058 | 533 | 5.022 | 7.002 | organic chemicals | 1.577 | 24.012 | 29.504 | 828 | 13.290 | 15.591 |
| mechanical appliances | 67 | 717 | 1.147 | 562 | 6.391 | 8.916 | Metals and metal | | | | | | |
| copper and copper prod. | 967 | 6.977 | 11.066 | 3.589 | 30.259 | 48.702 | products | 53.340 | 448.939 | 297.217 | 28.813 | 241.429 | 240.246 |
| tin | 71 | 602 | 644 | 448 | 4.381 | 6.016 | including: | | | | | | |
| Machinery and electr. | 2.834 | 25.436 | 51.689 | 14.484 | 133.223 | 238.604 | iron and steel rails | 20.614 | 186.449 | 67.029 | 6.538 | 57.834 | 22.839 |
| appliances | | | | | | | iron and steel sheets | 7.175 | 70.942 | 30.459 | 2.889 | 28.876 | 17.738 |
| including: | | | | | | | pipes | 5.035 | 40.400 | 49.973 | 3.777 | 31.310 | 33.259 |
| engines | 324 | 2.656 | 5.276 | 1.504 | 11.858 | 21.327 | zinc and zinc dust | 16.646 | 108.151 | 106.943 | 11.682 | 84.600 | 117.838 |
| electrical machinery | 173 | 1.930 | 3.278 | 1.529 | 15.944 | 23.963 | zinc sheets | 867 | 9.964 | 10.200 | 736 | 10.319 | 13.983 |
| wood and metal working | | | | | | | Machinery and electr. | | | | | | |
| machinery | 150 | 1.965 | 5.175 | 627 | 8.499 | 233 | | | | | | | |

amount. On the other hand, there was an increase of zł 2.1 million in scrap iron. Iron and steel rails declined by zł 0.4 million, copper and products thereof by zł 0.4 million, copper alloys by zł 0.2 million, tin and tin products by zł 0.2 million and aluminium by the same amount. The imports of boilers rose by zł 1.0 million, causing an increase in the total for machinery and apparatus. Machinery for the foodstuffs industry rose by zł 0.2 million, pumps by zł 0.1 million, motors by zł 0.8 million, electrical machinery and apparatus by zł 0.3 million and textile machinery by zł 0.9 million. There were increases in electrical appliances, especially in telephone apparatus by zł 0.5 million — due to the reconstruction of the Warsaw telephone system, of zł 0.2 million in radio-apparatus and parts thereof and of zł 0.1 million in electrical meters. Owing to the revival in the textile industry and increased sales, the stocks of textile raw materials declined and the imports of cotton waste accordingly rose by zł 2.4 million, of combed wool by zł 1.1 million, of cotton yarns by zł 1.0 million and of woolen yarns by zł 0.5 million. There were also increases in cotton fabrics by zł 0.5 million, woolen piece goods by zł 0.6 million, silk fabrics and knitted wares by zł 0.1 million, each. The imports of jute fell by zł 0.5 million and of woolen rags by zł 0.9 million.

On the export side there was a seasonal fall in sugar by zł 6.2 million, of wheat by zł 2.9 million, of rye by zł 0.6 million, and of barley by zł 3.6 million. There was a fall of zł 2.6 million in beans due to the introduction of a high customs duty in Germany in August. Butter rose by zł 0.3 million, bacon and eggs by like amounts. The exports of wheat and rye flour rose by zł 0.5 million and zł 0.6 million respectively. The improvement in the pig export trade observed in August was maintained in September. Pigs rose by zł 1.7 million and geese by zł 0.7 million; in the latter case the improvement was due to seasonal factors. In the group of animal products, raw hides rose by zł 0.2 million, horse hair and bristles by zł 0.1 million and feathers and down by zł 0.4 million, while at the same time there was a fall of zł 0.1 million in tanned leather. The exports of timber were on a low level and the differences in the particular classes of timber were comparatively small as compared with August. There were falls in pulpwood by zł 1.1 million, telegraph poles by zł 0.1 million and railway sleepers by zł 0.4 million.

On the other hand, pit props rose by zł 0.6 million, and logs by zł 0.2 million. Owing to the severe competition from Russia the prospects for the Polish timber trade are rather discouraging. In the fuel group coal rose by zł 2.8 million, petroleum by zł 0.1 million, benzine by zł 0.4 million and paraffine wax by zł 0.5 million. The increase in the export of coal is attributed to increased requirements for the winter season, chiefly on the part of the Scandinavian and the Baltic countries which absorbed about 49 per cent of the total exports. The imports of zinc rose by zł 3.7 million and those of lead by zł 1.1 million. In the group of chemicals there was a seasonal fall of fertilizers by zł 0.8 million and an increase in carbide by zł 0.1 million and matches by zł 0.1 million. There was also an increase in the export of rubber footwear amounting to zł 0.3 million.

The textile industry has of late concentrated its attention on the home market so that there were only small increases in export. Thus, cotton piece goods rose by zł 0.5 million, woolen piece goods by zł 0.2 million, woolen rags by a like amount and silk fabrics by zł 0.4 million.

Apart from the above changes in the imports and exports there were no particular points of interest in the import and export trade balance for September.

POLISH-ITALIAN TRADE RELATIONS. — Compared with last year, trade between Poland and Italy has fallen off considerably, this having been especially marked during the first half of the current year when the decrease approximated 20 per cent of last year's figures. Polish exports of plywood decreased in view of English and Italian home competition. Thus whilst Poland exported plywoods and veneers to Italy for the value of zł 1,866,000 during the first six months of 1929, the corresponding figure for this year came to only zł 845,000. The export of coal and petroleum products also fell, the respective figures being zł 9,407,000 and zł 6,919,000. Metals and metal goods dropped from zł 2,813,000 in the first half of 1929 to zł 1,361,000 in the corresponding period of 1930. Exports of textiles to Italy over the same periods dropped from zł 1,569,000 to zł 867,000.

An improvement in these conditions may however, be expected with the approach of winter since coal exports to Italy will doubtless increase in spite of the keen English competition. Another favourable factor to be considered is the signing of a Polish-Italian veterinary convention in July this year which should do much considerably to increase Polish exports of cattle and pigs to Italy.

ORGANISATION OF POULTRY EXPORTS. — A model export poultry farm has recently been opened at Opátówek, near Kalisz. Besides possessing special equipment for feeding and fattening poultry, the farm has its own slaughter house equipped with a cold storage and a refrigerating plant, with mechanical appliances for plucking feathers, &c. The farm can stock 11,000 geese and 7,000 turkeys at once. In order to assure a constant supply of poultry, a contract has been entered into with the "Gęś Polska" Co. of Tuchola (which represents the goose-breeding industry in the Kaszub district of Poland) and with agricultural organisations in the voivodship of Wolyń where turkey breeding is widespread. Incubating plants have also been installed from which one-day chicks will be furnished to local farmers with a view to raising the level of poultry farming in the district. Contact has been established with important English importers of slaughtered poultry, very favourable financial terms having been secured. The formation of a Syndicate of Poultry Breeders embracing the whole of Poland is being considered, it being expected that the development and rationalisation of this branch of Polish export trade will thereby be most furthered.

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 any transactions concluded.

Ref. No. 321: Polish manufacturers of iron and copper cables, nets &c. are desirous of getting into touch with foreign buyers interested in these lines.

Ref. No. 322: Polish manufacturers of steel wire for the manufacture of ropes are desirous of getting into touch with foreign importers.

Ref. No. 323: Polish manufacturers of presses of all kinds are desirous of extending their foreign relations.

Ref. No. 324: Polish manufacturers of railway accessories wish to open relations with foreign importers working in this line.

Ref. No. 325: Polish manufacturers of metal toys are desirous of extending their foreign connections.

Ref. No. 326: Polish manufacturers of machinery and transport equipment for the mining industry are desirous of getting into touch with foreign importers.

Ref. No. 327: Polish manufacturers of machinery for the building industry are desirous of getting into touch with those interested in this line.

CUSTOMS DUTIES

SUPPLEMENTARY REGULATIONS IN RESPECT OF EXPORT DUTIES ON FEATHERS AND DOWN.

A supplementary regulation dated September 17th., 1930 has been issued in connection with the order of June 20th., 1930 in respect of export duties on feathers and down. The export of feathers for decorative and sartorial purposes, of pillows and cushions owned by private parties, and of feathers to be used as manure has been entirely freed from export duty.

The need for this supplementary regulation arose out of the fact that the existing customs tariff had the appropriate item worded "all feathers and eiderdown" with the result that the various customs houses had therefore levied duty on all the above-mentioned articles.

TRANSPORTS

RAILWAY TRAFFIC IN SEPTEMBER showed an increase as compared with August due to a rise in the movement of bulk agricultural products, chiefly sugar-beets and potatoes, to the factories — which usually occurs at the beginning of the autumn. As however, in the previous month there had been a rise in the railway traffic, it is not unlikely that the September increase was not only of a seasonal character, but was also due to an improvement in business generally. The average of daily car-loadings in September was 17.239 as against 15.434 in August.

The average daily car loadings of 15-ton wagons in September as compared with August in September of last year were as follows:

| | Sept. 1929 | August 1930 | Sept. 1930 |
|--------------------------------------|---------------|----------------|---------------|
| Loaded on the Polish State Railways: | | | |
| destined for home stations | 12.924 | 10.589 | 11.887 |
| destined for abroad | 4.223 | 3.116 | 3.467 |
| Total: | 17.147 | 13.705 | 15.354 |
| received from abroad | 640 | 461 | 449 |
| transit via Poland | 1.338 | 1.268 | 1.436 |
| Total: | 19.125 | 15.434 | 17.239 |

The average daily car-loadings destined for Polish stations rose by 1.298 and those destined for abroad by 351. At the same time the average daily number of transit wagons showed an increase but that of loaded wagons received from abroad showed a further fall. The

average daily car-loadings destined for home station according to the class of goods are given below:

| | Sept. 1929 | August 1930 | Sept. 1930 |
|---------------------------------------|---------------|----------------|---------------|
| coal, coke and briquettes | 3.800 | 3.117 | 3.619 |
| crude oil and petroleum products | 199 | 192 | 195 |
| timber | 1.002 | 610 | 709 |
| agricultural products | 875 | 808 | 1.097 |
| raw materials and industrial products | 2.796 | 2.114 | 2.258 |
| various | 4.252 | 3.748 | 4.009 |
| Total: | 12.924 | 10.589 | 11.887 |

It will be seen that there were increases in all the different groups of goods, the largest being in coal. The following table shows the average daily number of wagons of the different groups of merchandise despatched to foreign stations:

| | Sept. 1929 | August 1930 | Sept. 1930 |
|-----------------------|---------------|----------------|---------------|
| coal | 3.019 | 2.391 | 2.709 |
| crude oil | 52 | 29 | 40 |
| timber | 801 | 348 | 366 |
| agricultural products | 108 | 132 | 114 |
| various | 243 | 216 | 238 |
| Total: | 4.223 | 3.116 | 3.467 |

The above table also confirms the statement that the increase in the railway goods traffic was also partly due to a slight improvement in business conditions.

Among the exports the largest increase was in coal though all other articles showed increases with the exception of agricultural consignments.

OPENING OF TWO FURTHER SECTORS OF THE COAL FIELDS—BALTIC RAILWAY LINE. — During October Mr. A. Kühn, Minister of Communication, inspected the newly completed Herby — Zduńska Wola sector of the Upper Silesia — Gdynia main railway line and decreed its provisional opening as from November 8th. Work on the Nowa Wieś — Bydgoszcz — Gdynia sector has proceeded so quickly that it is hoped to open it for traffic on November 9th.

PORT TRAFFIC. — The traffic in the Polish ports of Danzig and Gdynia remained on a high level though there was a slight decline as compared with August.

In Danzig arrivals numbered 587 of 392.369 net reg. tons (363.201 net reg. tons in August) and departures 554 of 345.252 net reg. tons (367.343 net reg. tons in August). The employment of cargo space was 10.5 per cent, in the case of imports and 96 per cent in the case of exports. During the first three quarters of the current year the movement of ships was greater than in the corresponding period of 1929: arrivals numbered 4.573 of 3,107.893 net reg. tons as against 3.903 of 2,840.705 net reg. tons

during the period January — September 1929. The nationality of the ships in September was as follows:

| | Arrivals: | | Departures: | |
|-----------------|-----------|---------------|-------------|---------------|
| | ships | net reg. tons | ships | net reg. tons |
| Poland & Danzig | 27 | 42.028 | 21 | 30.071 |
| Germany | 195 | 99.164 | 183 | 84.669 |
| Finland | 13 | 9.683 | 13 | 10.007 |
| Estonia | 16 | 5.919 | 18 | 6.493 |
| Latvia | 26 | 21.889 | 27 | 25.144 |
| Lithuania | 3 | 1.809 | 3 | 1.809 |
| Sweden | 140 | 74.101 | 133 | 67.058 |
| Norway | 28 | 20.696 | 24 | 14.476 |
| Denmark | 99 | 68.553 | 93 | 64.750 |
| Great Britain | 18 | 20.712 | 18 | 18.739 |
| Holland | 9 | 5.999 | 9 | 5.430 |
| France | 3 | 2.886 | 3 | 2.886 |
| Spain | 2 | 4.058 | 2 | 4.058 |
| Italy | 1 | 3.397 | 2 | 5.889 |
| Greece | 5 | 10.756 | 3 | 3.354 |
| Czechoslovakia | 2 | 419 | 2 | 419 |
| Total: | 587 | 392.369 | 554 | 345.252 |

Out of 17 the Polish flag occupied the 4th place coming after Germany, Sweden and Denmark. This was the second month in succession in which the Polish flag occupied so important a place in the traffic of Danzig. According to provisional figures the amount of goods handled in September rose by 19.540 tons to 702.993 tons as compared with the previous month. There was a fall in the imports amounting to 77.760 tons and an increase in exports amounting to 625.233 tons.

On the import side the chief item was ore — 45.824 tons or 6.000 tons less than in August. There was a considerable rise in scrap iron which rose to 13.459 tons. The next important item was artificial fertilizers of which 4.872 tons were received.

On the export side as usual the greater portion was coal, the exports of which rose during the month by 20.000 tons to 482.602 tons, as compared with August. The exports of timber totalled 66.539 tons or slightly more than in August.

At the beginning of the year the timber trade in Danzig developed satisfactorily but of late there has been a steady falling off. The export of sugar ranked second with 47.425 tons. The sugar export season has not as yet commenced and the quantity shipped was very small (910 tons). The exports of mineral oils totalled 2.579 tons and of general cargo 25.178 tons. The exports of coal (bunker coal not included) were as follows (in tons):

| | |
|---------|---------|
| Sweden | 138.125 |
| Denmark | 104.697 |
| France | 54.121 |
| Latvia | 28.631 |
| Norway | 23.230 |
| Finland | 19.319 |
| Italy | 13.797 |
| Holland | 6.073 |
| Russia | 5.870 |
| Africa | 5.840 |
| Germany | 3.093 |
| Belgium | 2.480 |
| Iceland | 2.161 |
| Estonia | 1.865 |
| Total: | 409.302 |

The passenger movement is shown in the following table:

| <i>Arrivals: Departures:</i> <i>per s o n s</i> | | |
|--|-------|-------|
| Danzig-Gdynia-Hel | 1,021 | 1,635 |
| Copenhagen | 7 | 347 |
| London | 159 | 353 |
| Hull | 17 | 1 |
| New York | 28 | 605 |
| Memel | — | 6 |
| Helsingfors | 16 | — |
| Total: | 1,248 | 2,947 |

In Gdynia the amount of goods handled in September amounted to 357.029 tons as against 361.090 tons in the preceding month. The number of incoming ships declined from 237 to 220 and the net registered tonnage from 216.955 to 198.992, or by 17.963. The number of outgoing vessels decreased from 232 to 227.

The nationality of the ships which called and departed, as compared with August, is shown in the following table:

| | <i>Arrivals:</i> | | <i>Departures:</i> | |
|-----------------|------------------|--------------|--------------------|--------------|
| | <i>August</i> | <i>Sept.</i> | <i>August</i> | <i>Sept.</i> |
| Poland & Danzig | 52 | 42 | 53 | 41 |
| Sweden | 74 | 68 | 74 | 68 |
| Germany | 42 | 42 | 44 | 43 |
| Denmark | 17 | 23 | 17 | 23 |
| Norway | 15 | 15 | 14 | 17 |
| Latvia | 13 | 8 | 10 | 8 |
| France | 8 | 5 | 8 | 5 |
| United Kingdom | 5 | 1 | 5 | 2 |
| U. S. A. | 3 | 5 | 3 | 5 |
| Finland | 2 | 5 | 1 | 5 |
| Estonia | 2 | 5 | 2 | 6 |

| | | | | |
|---------|---|---|---|---|
| Holland | 1 | 1 | 1 | — |
| Austria | 1 | 1 | — | 1 |
| Greece | — | 1 | — | 1 |

As regards the total net reg. tonnage of the incoming and outgoing vessels, Poland occupied the first place, then came Sweden, Denmark, Germany, Norway, &c.

The imports amounted to 64.958 tons as compared 73.804 tons in August. The greater portion of the imports consisted of bulk goods including scrap iron (44.035 tons), Thomas slag (10.655 tons), purple ore (4.084 tons), iron ore (2.830 tons), lard, paper, stone paving blocks, &c. The general cargo landed totalled 442 tons.

The exports rose during the month to 292.870 tons and similarly as on the import side, consisted of bulk goods, i. e., coal (267.704 tons), bunker coal (15.546 tons), timber (1.957 tons), polished rice (1.930 tons), rice meal (1.240 tons), bacon (1.315 tons), butter (411 tons), eggs (112 tons), beet pulp (607 tons), ammonium sulphate (326 tons), pipes, &c. The general cargo cleared amounted to 75 tons.

The number of passengers landed fell by 123 to 883 as compared with the previous month and that of persons departing by 1.813 to 1.077.

POLISH LINE RECEIVES MAIL CONTRACT. — The Ministry of Posts and Telegraphs has recently awarded the outgoing Polish Canadian and Polish United States mail contracts to the Polish Transatlantic Steamship Line sailing from Gdynia to North American Ports.

AERIAL COMMUNICATION IN SEPTEMBER. — Although there was only a slight deterioration in weather conditions in September as compared with August, the regularity of flights declined from 99.8 to 99.4 per cent. The number of flights was almost the same (517 in September as against 515 in August) and the distance covered fell slightly from 133.184 km to 132.076 km. Similarly the number of passengers fell from 1.553 in August to 1.246. On the other hand, the amount of goods carried in September rose from 15.823 kg to 27.849 kg and that of mail from 7.845 kg to 10.996 kg.

It is seen from the above figures that aerial communication in Poland is developing along healthy lines, for despite a slight decline in the number of passengers and the distance covered, which is to be solely attributed to the setting in of colder weather, the weight of goods and mail carried increased considerably.

FINANCE AND BANKING

THE DEPARTURE OF MR. CHAS. S. DEWEY.—Three years have passed since Mr. Charles S. Dewey arrived in Poland in order to assume his duties as Financial Adviser to the Polish Government and Foreign Member of the Council of the Bank of Poland. Our readers will remember that the Stabilisation Plan of 1927 had included a paragraph calling for the appointment of such an adviser for the space of three years during which time he was to assist the Government in the realisation of the Plan.

The contents of an exchange of letters between Mr. Dewey and the Minister of Finance have just been published and from these it is learned that the Adviser plans to leave Poland on November 20th, i. e., on the third anniversary of his arrival. Mr. Dewey has announced that he will publish a final report and states "that in his opinion the Polish Government has strictly kept to the execution of the

Plan and that the working of its various paragraphs has been so far advanced that a continuance of the Adviser's stay in Poland appears to be unnecessary".

Mr. Dewey's activities in Poland were as extensive as they were fruitful hence it can be confidently stated that he is today one of the best-informed specialists in the economics of the Polish Republic. His personality is such that he possesses an actual and sincere popularity amongst all classes in Poland and it can be affirmed without fear of contradiction that should his departure lead to the severance of the existing bonds of friendship with our country, the keenest feelings of regret would be evoked amidst the business and economic circles of Poland.

M. I. Matuszewski, Minister of Finance, therefore only expressed the general desire of the Polish nation when he wrote to Mr. Dewey asking him "to visit Poland from time to time

in the future and to publish short reports on the conditions noted by him on the spot". In his reply, Mr. Dewey agreed to the above request adding that it coincided in his own personal desires in that respect and that he would wish to maintain and strengthen those ties which had so closely bound him up with Poland during his three-year sojourn.

The Council of the Bank of Poland has elected Mr. Dewey as its honorary member, and in this connection it should be added that Mr. Dewey's departure is not so much a rupture of the existing contact he has with Poland, as a mere change in its character. Thus it can be presumed that Poland will continue to benefit by the profound economic erudition of the Financial Adviser and that other countries will continue to find in his reports an impartial and authoritative source of information regarding the economic situation of Poland.



THE POSTAL SAVINGS BANK BRANCH AT KATOWICE

THE STATE REVENUE AND EXPENDITURE in September are given below (in millions of zł):

Budgetary receipts in September 1930 came to zł 222.6 million or zł 7.4 million in excess of the zł 215.2 million re-

ceived in the preceding month. This increase is due to larger receipts from both public levies and monopolies.

Compared with September 1929, the receipts decreased by zł 16.2 million (from zł 238.8 million to zł 222.6 million), i. e., by a lesser amount than the decreased receipts from public levies and monopolies. This was due to the fact that in the month under review larger receipts were attained from the Ministries of Finance, Public Works and of Foreign Affairs.

The total revenue of the State during the first half of the 1930/31 fiscal year came to zł 1.363.1 million, or 44.85 per cent of the estimates for the whole year.

Compared with the receipts for the for the corresponding period of 1929/30 there was a decrease of zł 89.4 million (from zł 1.452.5 million to zł 1.363.1 million), i. e., 6.15 per cent. It should be borne in mind, however, that this decrease was mainly caused by the drop of zł 73.3 million in customs receipts.

The revenue of the State during the first six months of the 1930/31 fiscal year came to 44.97 per cent of the receipts in 1929/30, 45.30 per cent of the total received in 1928/29 and 49.24 per cent of those in 1927/28.

Budgetary expenditure during September 1930 was carefully adapted to current income and amounted to zł 1.222.1 million.

Compared with August 1930, it rose by zł 7.6 million (from zł 214.5 million

| | Revenue | | Expenditure | |
|--|---------|-----------------------|-------------|-----------------------|
| | actual | estimated for 1930/31 | actual | estimated for 1930/31 |
| A) Civil service | 139.4 | 1.901.4 | 221.5 | 2.922.0 |
| The President of the Republic. . . | 0.0 | 0.3 | 0.4 | 4.6 |
| The Parliament | 0.0 | 0.2 | 0.2 | 11.9 |
| State Control | 0.0 | 0.2 | 0.6 | 7.9 |
| Council of Ministers | 0.0 | 0.0 | 0.5 | 4.9 |
| Ministry of Foreign Affairs | 2.6 | 13.2 | 3.6 | 52.3 |
| „ War. | 0.2 | 5.2 | 61.7 | 827.1 |
| „ the Interior | 1.3 | 13.3 | 19.6 | 252.9 |
| „ Finance | 122.5 | 1.728.6 | 11.3 | 145.2 |
| „ Justice | 3.8 | 42.5 | 9.3 | 133.2 |
| „ Industry and Commerce . . . | 1.1 | 14.5 | 6.0 | 54.4 |
| „ Transport | 0.1 | 2.1 | 1.8 | 18.2 |
| „ Agriculture | 0.6 | 9.1 | 3.7 | 59.8 |
| „ Religious Cults and Edu- cation | 0.2 | 3.7 | 34.5 | 471.6 |
| „ Public Works | 5.0 | 34.3 | 11.4 | 161.3 |
| „ Labour and Social Pro- tection | 0.0 | 0.9 | 8.7 | 81.1 |
| „ Land Reform | 0.1 | 5.6 | 4.1 | 61.7 |
| „ Posts and Telegraphs . . . | 0.0 | 0.0 | 0.2 | 2.7 |
| Pensions | 1.9 | 27.7 | 12.5 | 111.1 |
| Grants to disabled soldiers . . . | — | — | 15.3 | 163.3 |
| State liabilities | — | — | 16.1 | 296.8 |
| B) State enterprises | 5.8 | 180.4 | 0.6 | 18.9 |
| C) Monopolies | 77.4 | 956.9 | — | — |
| Total A + B + C: | 222.6 | 3.038.7 | 222.1 | 2.940.9 |



INTERIOR OF THE NEW BIELSK COUNTY
COUNCIL BUILDING

to zł 222.1 million), but in comparison with the corresponding month of 1929 it fell by zł 14.2 million (zł 236.3 million).

Total expenditure during the first half of the 1930/31 fiscal year came to zł 1.358.3 million, this being 46.18 per cent of the estimates.

The above sum was expended as follows: administrative needs (Group A of the budget) zł 1.355 million, and zł 3.3 million to State enterprises.

The expenditure came to 46 per cent of the annual estimates. Administrative charges were given priority over the needs of State enterprises.

In comparison with the first half of 1929/30, disbursements decreased by zł 78.7 million (from zł 1.437 million to zł 1.358.3 million): expenses for the administration of the various government bureaux and ministries were cut down but those in connection with pensions, disablement grants for soldiers and the service of the national debt remained at about the same level.

Expenditure during the first half of the current fiscal year came to 45.39 per cent of the actual disbursements during the whole year 1929/30, 47.83 per cent of those for the year 1928/29 and 53.2 per cent of those for the 1927/28 fiscal year.

In view of the limitation of expenditure and its adaption to the current monthly receipts, the first half of the 1930/31 fiscal year was closed with a surplus of about zł 4.7 million, of which zł 0.5 million arose in September.

TAXES. — In September the revenue from taxation and monopolies came to zł 185.5 million, a total of zł 9.0 million more than in August. Direct taxes and public levies yielded zł 2.6 million more, whilst receipts from monopolies increased by zł 6.4 million.

Compared with September 1929 the revenue of the State showed a falling off of zł 27.4 million (zł 185.5 as against zł 212.9 million). Public levies declined by zł 16 million, of which zł 13.6 million were in respect of customs dues although on the other hand receipts from monopolies rose by zł 11.4 million.

During the first half of the fiscal year 1930/31 public levies yielded zł 718.6 million and monopolies zł 414.8 million, a total of zł 1.133.4 million or 44.10 per cent of the budget estimates. The failure to attain the theoretical ideal standard of 50 per cent for six months was caused by a drop in customs receipts to 34.88 per cent of the estimates and of 9.9 per cent of the Property Tax, the remaining items of the budget estimates covering 47.02 per cent of their quota.

Compared with the first half of the 1929/30 fiscal year, the corresponding period for 1930/31 yielded zł 135.5 million less revenue from public levies and the monopolies (zł 1.133.4 million instead of zł 1.268.9 million). This decrease is composed of a drop of zł 106.1 million in receipts from public levies (zł 718.6 million as against zł 824.7 million) and one of zł 29.4 million in payments from the monopolies (zł 414.8 million as against zł 444.2 million). Over the half

year period in question it will be seen that the customs dues item accounts for the chief drop amounting to zł 73.5 million (from zł 208 million to zł 134.7 million). Further decreases affect those items for which relief measures of payment were granted to the taxpayers. Thus the Industrial Tax decreased by zł 22.2 million (falling from zł 172.7 million to zł 150.5 million), receipts from the Capital and Unearned Income Tax fell off by zł 2.7 million (zł 4.5 million as against zł 7.2 million), minor receipts, such as fines on arrears of direct and indirect taxation, fell off by zł 3.9 million. Prolongations of payment dates of dues in other items should also be taken into consideration as also the automatic decrease in receipts from the 10 per cent Extraordinary Supplementary Tax.

The revenue from taxes and monopolies for September as compared with the monthly average for the year and the revenues in the preceding month and in September 1929, is given in the following table (in millions of zł):

| | Actual revenue: | | | $\frac{1}{10}$ th of the yearly budget for 1930/31 |
|--|-----------------|-------|---------|--|
| | August | Sept. | 1929 | |
| 1930 | 1930 | 1929 | 1930/31 | |
| Direct taxes | 52.9 | 49.6 | 48.8 | 55.7 |
| Indirect taxes | 11.8 | 15.0 | 16.2 | 15.5 |
| Customs duties | 19.3 | 19.6 | 33.2 | 32.2 |
| Stamp fees | 13.1 | 15.0 | 17.1 | 16.3 |
| Total of the ordinary public levies: | 97.1 | 99.2 | 115.3 | 119.7 |
| 10 per cent Extraordinary Tax | 1.1 | 1.4 | 0.0 | 6.3 |
| Property Tax | 7.3 | 7.5 | 7.9 | 8.4 |
| Total of the ordinary public levies: | 8.4 | 8.9 | 8.8 | 14.7 |
| Monopolies | 71.0 | 77.4 | 88.8 | 79.7 |
| Total of public levies and monopolies: | 176.5 | 185.5 | 212.9 | 214.1 |

REDUCTION OF TURNOVER TAX ON EXPORTS OF PULPWOOD.

On the strength of art. 94 of the State Industrial Tax Act, the Ministry of Finance has decreased the application of the Industrial Turnover Tax to $\frac{1}{2}$ per cent on export transactions in pulpwood during the whole of the current calendar year. Exports of aspen wood are excluded from the application of this reduction.

STOCK EXCHANGE

— The high quotations for dollar notes which were observed in the second half of September aroused considerable interest on the market. There were several reasons for this increase in the rate. The first was an increased demand for notes from the local banks for the payment in specie of dollar transfers made by emigrants in the United States to their relatives in Poland; the demand at this time was unusually large on account of the Jewish holidays. Another

| | | 29.8 | 1-5.9 | 8-12.9 | 15-19.9 | 22-29.9 | 30.9 | par value |
|--------------------------|-------------|------------------------------------|------------------------------------|------------------------------------|-------------------------------------|------------------------------------|-----------------------------------|-----------|
| Warsaw Exchange | | | | | | | | |
| London | £ 1 | 43.39 | 43.37 ¹ / ₅ | 43.36 | 43.36 ³ / ₂₀ | 43.35 ¹ / ₅ | 43.35 ¹ / ₄ | 43.38 |
| New York | \$ 1 | 8.902 | 8.904 ¹ / ₅ | 8.909 ³ / ₅ | 8.912 ³ / ₅ | 8.912 | 8.912 | 8.90 |
| New York Cabel | | 8.912 | 8.914 ¹ / ₅ | 8.921 ¹ / ₃ | 8.922 ² / ₃ | 8.922 | 8.922 | — |
| Paris | Fr. Fr. 100 | 35.05 ¹ / ₂ | 35.04 ³ / ₄ | 35.02 | 35.05 | 35.02 ¹ / ₃ | 35.01 | 172.00 |
| Brussels | Belg. 100 | 124.56 | 124.54 ¹ / ₃ | 124.41 ¹ / ₂ | 124.39 ⁴ / ₂₅ | 124.38 ³ / ₅ | 124.41 | 123.95 |
| Zurich | Sw. Fr. 100 | 173.27 | 173.21 | 173.04 ¹ / ₅ | 173.11 ¹ / ₁₀ | 173.08 ² / ₃ | 173.13 | 172.00 |
| Milan | Lir 100 | 46.69 | 46.68 ¹ / ₃ | 46.72 ¹ / ₂ | 46.73 ³ / ₈ | 46.72 ¹ / ₅ | 46.73 | 172.00 |
| Amsterdam | Fl. 100 | 359.09 | 359.07 | 359.06 | 359.35 ³ / ₄ | 359.77 ² / ₅ | 359.92 | 358.31 |
| Vienna | Sh. 100 | — | 125.93 ¹ / ₅ | 125.93 ¹ / ₄ | 125.96 ⁷ / ₈ | 125.92 ¹ / ₂ | 125.91 | 125.43 |
| Prague | Kc. 100 | 26.44 | 26.43 ³ / ₁₀ | 26.46 ¹ / ₂ | 26.47 ¹ / ₂ | 26.47 ¹ / ₂ | 26.47 | 180.62 |
| Stockholm | Kr. 100 | 239.68 | 239.65 | 239.69 ¹ / ₂ | 239.70 ¹ / ₃ | 239.67 ² / ₅ | 239.68 | 238.89 |
| Foreign Exchanges | | | | | | | | |
| London | £ 1 | 43.41 | 43.38 ⁴ / ₅ | 43.35 ¹ / ₅ | 43.36 | 43.36 ¹ / ₃ | 43.37 | 43.38 |
| New York | \$ 100 | 11.23 | 11.23 | 11.23 | 11.23 | 11.21 ³ / ₅ | 11.20 | 11.22 |
| Zurich | £ 100 | 57.70 | 57.72 | 57.74 | 57.76 ¹ / ₂ | 57.75 | 57.75 | 58.14 |
| Vienna | £ 100 | 79.34 | 79.35 | 79.37 ¹ / ₅ | 79.33 ³ / ₄ | 79.37 | 79.36 ¹ / ₂ | 79.55 |
| Prague | £ 100 | 377.00 ¹ / ₄ | — | 377.00 ¹ / ₄ | — | 376.05 | — | 55.36 |
| Berlin | £ 100 | 47.00 | 46.83 | 47.08 | 47.05 | 47.05 ¹ / ₂ | 47.10 | 47.09 |
| Danzig | £ 100 | 57.62 | 57.65 ¹ / ₁₀ | 57.69 ¹ / ₁₀ | 57.67 ¹ / ₅ | 57.66 ⁹ / ₁₀ | 57.67 | 57.63 |

reason was the receipt of orders from abroad — notably from Berlin — for the purchase of large quantities of dollar notes. As there was a considerable difference on the Berlin market between the rate on New York and the quotations for notes, it became profitable to purchase dollars in Poland where the difference was much less. The net result of these influences was a rise in the Warsaw quotations. Towards the end of the month the situation on the Berlin market returned to normal, with the result that the rates on Warsaw declined.

The rates for foreign currencies ruling on the Warsaw Stock Exchange in September were rather irregular, and followed the quotations on the chief world money markets. Compared with the quotations for the end of August, ordinary and cable transfers rose as follows: on New York by gr 1 per dollar, on Prague by gr 3, on Milan by gr 4, and on Amsterdam by gr 83. On the other hand, the following rates dropped: on Vienna by gr 3, on Paris by gr 4.5, on Zurich by gr 14, on Brussels by gr 15 (all per 100), and on

London by gr 33¹/₄ per pound. The rate on Stockholm remained unchanged.

The volume of business on the foreign exchange in the first half of the month was moderate, a considerable increase being, however, recorded in the latter half. The zloty was firm on the majority of the money markets. In London the rate was equivalent to that ruling in Warsaw. In New York and Prague there was a slight decline, while at Zurich, Vienna, Berlin and Danzig the zloty showed an upward tendency.

| S H A R E S | 29.8 | 1-5.9 | 8-12.9 | 15-19.9 | 22-29.9 | 30.9 | Nominal |
|---|--------|--------|--------|---------|---------|--------|---------|
| Bank Polski | 168.50 | 167.30 | 167.50 | 164.75 | 164.50 | 162.50 | £ 100.— |
| Bank Dyskontowy Warszawski | — | — | — | — | — | — | £ 100.— |
| Bank Handlowy w Warszawie | — | 108.— | 108.— | — | 110.— | — | £ 100.— |
| Bank Zachodni | — | — | — | 72.— | 71.50 | — | £ 100.— |
| Bank Zw. Sp. Zarobkowych | — | — | — | — | — | — | £ 100.— |
| Warsaw Society of Coal Mines | — | — | 44.— | 42.50 | 40.25 | 40.25 | £ 100.— |
| Chodorów | 127.— | — | — | — | — | — | £ 100.— |
| Cegielski | — | — | — | — | — | — | £ 100.— |
| Zjednocz. Fabryki Maszyn, Kotłów i Wagonów L. Zieleniewski i Fitzner-Gamper | — | — | — | — | — | 30.60 | £ 100.— |
| Norblin, Buch & Werner | 40.— | — | — | 45.— | 48.— | — | £ 100.— |
| Starachowice | — | — | 14.50 | — | 12.— | 11.— | £ 50.— |
| Lilpop, Rau & Loewenstein | — | 25.50 | 25.50 | 25.— | 25.— | 24.50 | £ 25.— |
| Ostrowiec (b series) | — | — | — | 54.— | 54.— | — | £ 50.— |
| Modrzejów | 9.— | 9.— | 8.40 | 8.— | 8.— | — | £ 50.— |
| Rudzki | — | — | — | — | 13.— | — | £ 50.— |
| Warsz. Sp. Akc. Budowy Parowozów | — | — | — | — | — | — | £ 25.— |
| Borkowski (Elibor) | — | 3.75 | — | — | 3.75 | — | £ 25.— |
| Wysoka | — | 140.— | 140.— | — | 140.— | — | £ 100.— |
| Siła i Światło | 73.— | — | 71.— | — | — | — | £ 50.— |
| Zakłady Chem. Ludwik Spiess & Syn | — | — | — | — | — | — | £ 100.— |
| Zjedn. Brow. Warsz. Haberbush & Schiele | 123.— | 122.— | 120.75 | 116.— | 115.— | — | £ 100.— |

SHARES

— Similarly as in foreign markets the situation on the share market in Warsaw was unfavourable. The economic crisis through which the majority of the European and North America countries are passing contributed to this end. For this reason operations in shares were on a small scale, and a large number of shares were not dealt in at all. Under these conditions the quotations for the month under review do not illustrate fully the position on the market especially when it is borne in mind that the quotations registered concerned, for the most part, comparatively small parcels. The shares of Norblin, Buch & Werner and those of Bank Handlowy gained a few points. Ostrowiec, Borkowski and "Wysoka"

shares remained unchanged and all the other shares either fell in price or were not quoted.

STATE, MUNICIPAL AND LAND LOANS

— Of the Government securities quoted on the Warsaw Stock Exchange, the 7 per cent Stabilisation Loan showed an upward tendency, due to a firmer demand. The 5 per cent Conversion Loan, the 6 per cent Dollar Loan, the 10 per cent Railway Loan and the bonds of the State Banks remained unchanged. The Premium Loans, namely the 4 per cent Investment Loan and the 5 per cent Dollar Loan were somewhat weaker. At the end of the month the 3 per cent Premium Building Loan was introduced on the Stock Exchange; transactions were at nominal

value. The Ministry of Finance is empowered to float an internal loan amounting to 100 million gold zlotys. Up to the present the Ministry of Finance has issued the first series of the 3 per cent Premium Building Loan to the amount of 50 million gold zlotys. The existence of a premium is favourable to the holders and accounts for the popularity of the bonds of this loan.

Securities of private institutions exhibited a slight downward tendency and the supply was greater than the demand.

A heavy fall was registered in the 8 per cent bonds of the Credit Society of the City of Warsaw, owing to large offers. This is accounted for by the considerable loans being raised by property owners for repairs, improvements, &c.

| State, Municipal & Land Loans | 29.8 | 1—5.9 | 8—12.9 | 15—19.9 | 22—29.9 | 30.9 | Nominal |
|--|--------|--------|--------|---------|---------|--------|----------------|
| 5% Conversion Loan | 55'50 | 55'50 | 55'50 | 55'50 | 55'50 | 55'50 | zł 100'— |
| 7% Stabilisation Loan | — | 88'50 | 87'35 | 88'— | 88 90 | 89'— | \$ 100'— |
| 6% External Dollar Loan 1920 | — | — | — | — | 78'— | — | \$ 100'— |
| 3% Prem. Poż. Budowlana | — | — | — | — | 50'— | 50'— | gold zł 50'— |
| 4% Premium Investment Loan | 113'— | 112'45 | 112'65 | 111'20 | 110'15 | 109'— | gold zł 100'— |
| 5% Premium Dollar Loan (2nd series) | 59'75 | 59'— | 59'90 | 58'40 | 57'20 | 58'50 | \$ 5'— |
| 10% Railway Loan (1st series) | 103'50 | 103'50 | 103'50 | 103'70 | 103'65 | 103'50 | gold fr. 100'— |
| 8% National Economic Bank Bonds | 94'— | 94'— | 94'— | 94'— | 94'— | 94'— | gold zł 100'— |
| 8% State Land Bank Bonds | 94'— | 94'— | 94'— | 94'— | 94'— | 94'— | gold zł 100'— |
| 8% Com. Oblig. of the National Economic Bank | 94'— | 94'— | 94'— | 94'— | 94'— | 94'— | gold zł 100'— |
| 8% Land Credit Association Bonds | — | — | — | — | — | — | zł 100'— |
| 4% Land Credit Association Bonds | — | — | — | — | 43'— | — | zł 100'— |
| 4% Land Credit Association Bonds | 57'75 | 57'20 | 55'95 | 55'90 | 54'80 | 54'75 | zł 100'— |
| 8% Credit Soc. of the City of Warsaw Bonds ... | 76'— | 75'35 | 74'90 | 74'15 | 73'05 | 71'25 | zł 100'— |
| 5% Credit Soc. of the City of Warsaw Bonds ... | — | 59'50 | 57'65 | 57'10 | 56'35 | 54'50 | zł 100'— |
| 4% Credit Soc. of the City of Warsaw Bonds ... | 54'75 | — | 53'50 | 53'— | 52'50 | — | zł 100'— |

BANK OF POLAND

— It was stated in the last report that since June the deficit in the foreign currency transactions of the Bank of Poland has decreased and that in August there was even a fairly large excess of purchases over sales. This was attributed to a weakening in the trend of business, to the shrinkage of imports, to the decline in merchants' credits and, finally, to the easing on the money market and the consequent redemption of foreign credits, &c.

However, in September, the favourable tendency became adverse, for the excess of the sales over the purchases of foreign currency amounted to zł 69'5 million. It should be stated that the favourable balance in foreign currency in August amounting to zł 25'5 million, was also partly due to accidental causes

for in the course of the month the Bank of Poland transacted rediscount business with the International Bank at Basle. The adverse position was not, therefore, a result of a decline in the inflow of foreign currencies and drafts, which actually rose from zł 138'8 million to zł 155'4 million, but was owing to a considerable increase in the sales, which rose from zł 113'3 million to zł 225'0 million. The augmented receipts of foreign currencies were due to an increase in the transfers from Government Departments (from zł 14'5 million to zł 27'5 million).

On the debit side, one of the main causes was the large demand for dollar notes for the payment of transfers from emigrants to their relations in Poland and partly to the increased requirements for dollar bills from Berlin and other foreign markets. Here it should

be explained that owing to the increase in the dollar rate in Berlin, which lasted for some days, speculation assumed fairly large proportions and many sellers were forced to cover themselves in Warsaw. The actual sales of foreign currencies by the Bank of Poland in September were zł 54'3 million as compared with 23'7 million in August.

The net result of these operations was a decline in the foreign currency reserve by zł 49'5 million. The portion of the foreign currency reserve forming part of the cover of the note issue and sight liabilities declined by zł 45'5 million, whereas the remainder of the reserve decreased only by zł 4 million. In order to increase its foreign currency reserves the Bank of Poland sold zł 141'6 million of its foreign gold holdings and added the proceeds to the

| | August 31st | | September 10th | | September 20th | | September 30th | |
|---|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|
| Assets: | | | | | | | | |
| Bullion: | | | | | | | | |
| gold in vaults - - - - | 484,378.282.09 | | 484,426.863.08 | | 484,459.729.04 | | 484,488.637.30 | |
| " abroad - - - - | 219,045.501.15 | | 219,045.501.15 | | 219,045.501.15 | | 77,396.230.55 | |
| silver (gold value) - - | — | | — | | — | | — | |
| | 703,423.783.24 | | 703,472.364.23 | | 703,505.230.19 | | 561,884.867.85 | |
| Foreign currency, drafts and assets - - - - | 225,727.604.96 | 929,151.388.20 | 211,078.544.62 | 914,550.908.85 | 176,242.051.86 | 879,747.282.05 | 321,852.711.24 | 883,737.579.09 |
| Foreign currency, drafts and assets not included in the cover - - - - | — | 119,248.824.32 | — | 117,898.000.80 | — | 120,497.204.68 | — | 115,229.069.58 |
| Silver and token coins - - | — | 2,987.347.72 | — | 2,408.288.72 | — | 2,495.400.62 | — | 2,360.895.81 |
| Bills of exchange - - - - | — | 616,493.389.42 | — | 633,912.541.56 | — | 654,123.383.86 | — | 704,758.233.71 |
| Loans against securities - | — | 79,546.960.23 | — | 73,336.117.23 | — | 73,974.440.23 | — | 79,740.135.38 |
| Own interest-bearing securities - - - - - | — | 8,099.190.16 | — | 7,809.243.14 | — | 8,705.733.34 | — | 8,650.817.35 |
| Reserve funds invested in securities - - - - | — | 86,570.457.53 | — | 86,570.457.53 | — | 86,570.457.53 | — | 86,570.457.53 |
| 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 - - - - - | — | 195,242.942.53 | — | 178,002.367.18 | — | 164.5.3.905.79 | — | 147,293.525.24 |
| | | 2,082,349.500.11 | | 2,059,487.925.01 | | 2,035,627.808.10 | | 2,073,340.713.69 |
| Liabilities: | | | | | | | | |
| Capital - - - - - | — | 150,000.000.— | — | 150,000.000.— | — | 150,000.000.— | — | 150,000.000.— |
| Reserve fund - - - - - | — | 110,000.000.— | — | 110,000.000.— | — | 110,000.000.— | — | 110,000.000.— |
| Sight liabilities: | | | | | | | | |
| current accounts of State institutions - - - | 93,048.807.19 | — | 72,703.592.46 | — | 87,344.952.98 | — | 64,125.993.61 | — |
| outstanding current accounts - - - - - | 123,764.221.35 | — | 171,720.627.55 | — | 160,049.365.60 | — | 99,240.838.59 | — |
| silver purchases a/c - - - | 13,000.000.— | — | 13,000.000.— | — | 13,000.000.— | — | 13,000.000.— | — |
| State credit fund a/c - - | 4,942.268.85 | — | 4,942.268.85 | — | 3,942.268.85 | — | 3,342.268.85 | — |
| various accounts - - - - | 7,775.775.23 | — | 9,702.699.78 | — | 7,683.549.93 | — | 12,432.720.37 | — |
| | 242,531.072.62 | — | 272,069.188.64 | — | 272,020.137.36 | — | 192,141.821.42 | — |
| Notes in circulation - - - | 1,355,192.210.— | 1,597,723.282.62 | 1,301,344.610.— | 1,573,413.798.64 | 1,258,508.900.— | 1,530,529.037.36 | 1,372,963.800.— | 1,565,105.621.42 |
| Special account of the Treasury - - - - - | — | 75,000.000.— | — | 75,000.000.— | — | 75,000.000.— | — | 75,000.000.— |
| Other liabilities - - - - - | — | 149,617.217.49 | — | 151,074.126.37 | — | 170,098.770.74 | — | 173,235.092.27 |
| | | 2,082,340.500.11 | | 2,059,487.925.01 | | 2,035,627.808.10 | | 2,073,340.713.69 |

reserves which rose during September from z 345.0 million to z 437.1 million. Similarly, the foreign currency reserve included in the cover for the note issue and sight liabilities was increased from z 225.7 million to z 321.8 million.

The value of the gold held abroad — which had remained untouched from March to the middle of September — declined at the end of the month from z 219.0 million to z 77.4 million. There was a small increase of z 0.1 million in the gold kept in the vaults which rose to z 484.5 million. The total gold reserves of the Bank decreased in September by z 141.5 million.

The changes in the bullion and foreign currency cover for the note issue and sight liabilities were as follows (in millions of z):

| | January 1st | August 31st | Sept. 30th |
|------------------------------------|-------------|-------------|------------|
| gold | 700.5 | 703.2 | 703.4 |
| foreign currencies and liabilities | 418.6 | 221.8 | 225.7 |
| Total: | 1,119.1 | 925.0 | 929.2 |

In relation to the value of the notes in circulation and sight liabilities the gold and foreign currency reserves

stood at 56.47 per cent, the corresponding figure for August being 58.15 per cent. The statutory minimum is 40 per cent. The gold cover alone at the end of September was 35.90 per cent as against 44.03 per cent at the end of August (the statutory minimum is 30 per cent).

The fall in the percentage of the cover in September was smaller than that in its value, due to a simultaneous slight reduction in the aggregate value of notes in circulation and sight liabilities from z 1,597.7 million to z 565.1 million. The decrease was only in respect of sight liabilities which fell from z 242.5 million to z 192.1 million, while the note issue rose from z 1,355.2 million to z 1,373.0 million.

The fall in sight liabilities was solely due to the fall in the deposits on current accounts from z 216.8 million to z 163.4 million. It may be added that decreases were recorded in the balances of the Government Cash Offices from z 93.0 million to z 64.1 million, and in those on the accounts

of private firms and individuals, from z 123.8 million to z 99.2 million.

The increase in the note issue in September despite a considerable outflow of foreign currencies was the reflection of the decrease in deposits on current accounts and also of the rise in the credits granted by the Bank. The bills discounted during the month rose from z 616.5 million to z 704.8 million and loans against securities by z 0.2 million to z 79.7 million. Although the increase in bills discounted was partly caused by bookkeeping entries in connection with re-discount transactions with the International Bank of Basle, the amount of credits actually granted was considerable. The increase in credit facilities granted by the Bank was in response to the greater demand for short term credit which has been observed since the end of July. In order to prevent an excessive rise in credits and having regard to the loss of foreign currencies, the Bank of Poland increased the discount rate by 1 per cent.

Of the remaining items of the bank

cover for the note issue and sight liabilities the value of silver and token coins purchased by the Bank decreased from zł 3.0 million to zł 2.4 million, whilst that of interest bearing securities rose from zł 8.1 million to zł 8.7 million. The debt of the Treasury remained unchanged at zł 25.0 million.

| | January 1st | August 31st | Sept. 30th |
|--|----------------|----------------|---------------|
| billets | 704.2 | 616.5 | 704.8 |
| Polish silver coins and token money | 0.2 | 3.0 | 2.4 |
| loans against se- curities | 76.9 | 79.5 | 79.7 |
| own interest-bear- ing securities | 5.9 | 8.1 | 8.7 |
| liability of the Treasury | 25.0 | 25.0 | 25.0 |
| Total: | 812.2 | 732.1 | 820.5 |

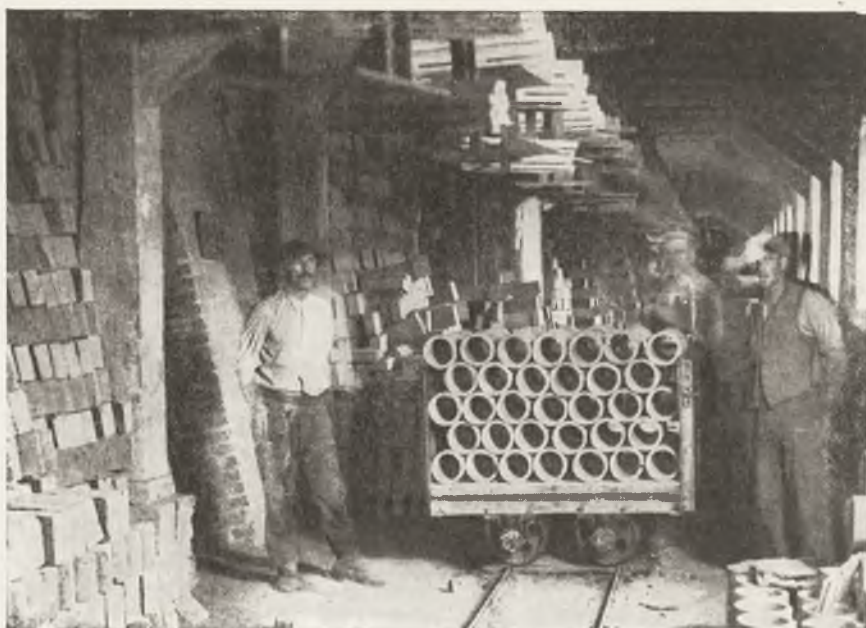
INCREASE IN THE BANK RATE.

The Council of the Bank of Poland decided on October 2nd. to increase the bank rate from $6\frac{1}{2}$ per cent to $7\frac{1}{2}$ per cent and the rate on collateral loans from $7\frac{1}{2}$ per cent to $8\frac{1}{2}$ per cent, both increases entering into force as from October 3, 1930.

The necessity for this increase was brought about by the greatly increased demand for short-term credits on the market, which had evoked a very

sudden and considerable growth in the bill portfolio of the Bank of Poland. The Bank was forced to take this step in view of the continued outflow of

foreign exchange and in order to assure the sound development of the present business situation by slackening the excessive growth of credits.



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BANK OF POLAND:

| ASSETS: | 10.10.30 | 20.10.30 |
|---------------------------------|------------------|----------------------------|
| Gold reserve zł | 561,911.527.16 | zł 561,935.649.94 |
| Foreign balances ... „ | 297,110.004.45 | „ 287,044.184.11 |
| (not included in the cover) „ | 117,312.923.33 | „ 120,166.092.48 |
| Bills of exchange ... „ | 720,330.401.97 | „ 708,256.354.73 |
| Loans against securities „ | 73,892.533.38 | „ 75,158.994.38 |
| LIABILITIES: | | |
| Notes in circulation ... „ | 1,336,498.500.00 | „ 1,291,327.100.00 |
| Current accounts ... „ | 181,173.278.63 | „ 201,724.401.26 |
| Other sight liabilities ... „ | 24,734.235.14 | „ 25,651.295.41 |
| BANK NOTES COVER | | |
| (gold & foreign currencies) | 55.69% | 55.90% |

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