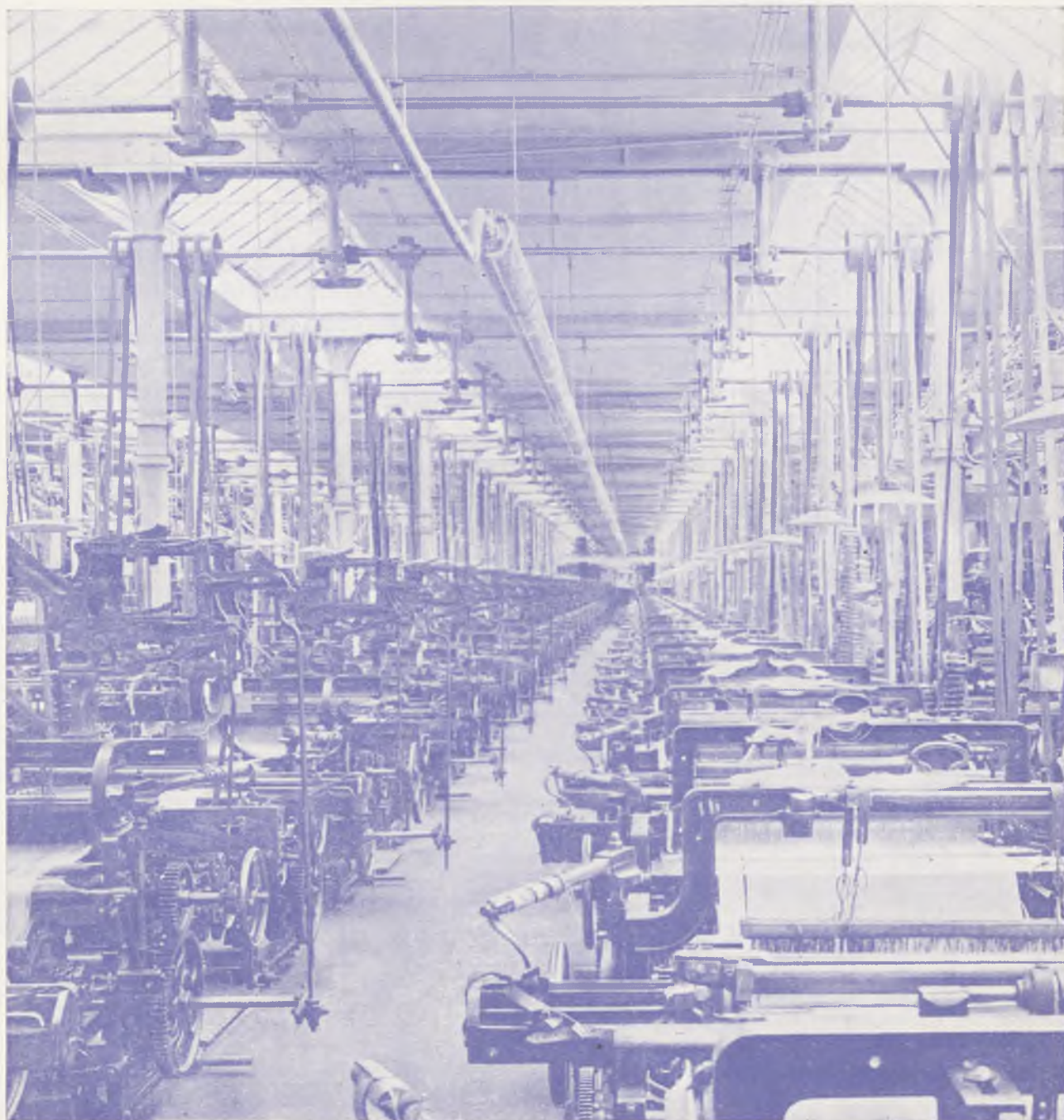
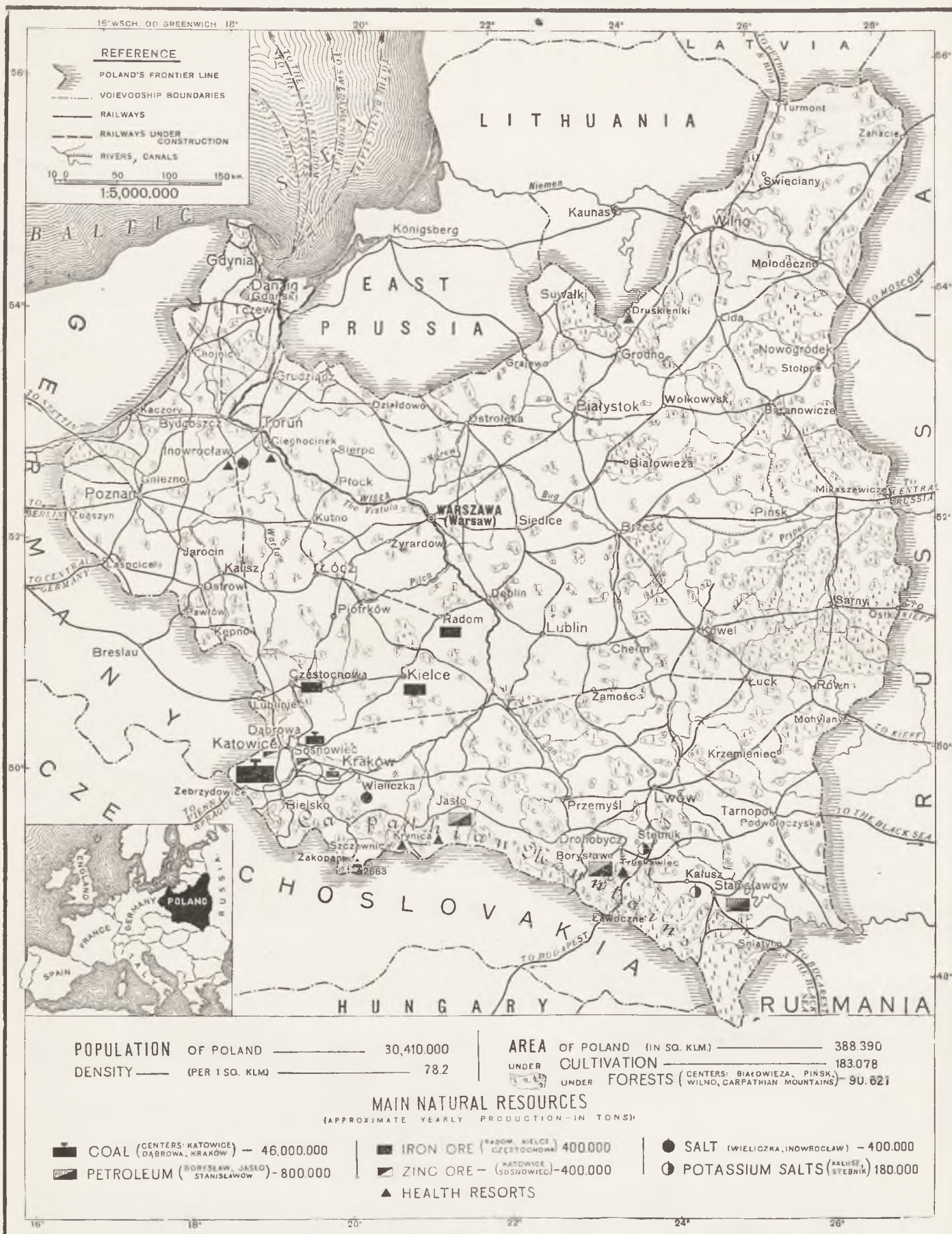


THE POLISH ECONOMIST





THE POLISH ECONOMIST

A MONTHLY REVIEW OF TRADE, INDUSTRY AND ECONOMICS IN POLAND
WARSAW — LONDON — NEW YORK

DATE OF THIS ISSUE: SEPTEMBER 30, 1931

HEAD OFFICE: 2, ELEKTORALNA, WARSAW. TELEPHONES: 423-61, 412-73
BRANCHES: 47-A, PORTLAND PLACE, LONDON. W. 1; 149 EAST 67TH STREET, NEW YORK

ANNUAL SUBSCRIPTION: 15/-, \$ 3'00, OR £ 30'—(IN POLAND) INCLUDING POSTAGE, REMITTANCES
IN CURRENCY NOTES OR CHEQUES TO BE ADDRESSED TO THE EDITOR: 2, ELEKTORALNA, WARSAW, POLAND

CONTENTS

* * *

COVER ILLUSTRATION: COTTON-WEAVING SHED AT ŁÓDŹ

REVIEW OF THE ECONOMIC SITUATION IN AUGUST	229
THE GENERAL ECONOMIC SITUATION IN POLAND. . .	231
DEVELOPMENT OF THE PORT OF GDYNIA	232

PRODUCTION AND TRADE:

STATE OF EMPLOYMENT	234
UNEMPLOYMENT RELIEF IN POLAND	235
GRAIN	235
BUTTER	236
EGGS	236
HOGS, BACON AND HAMS	236
SWISS IMPORTS OF POLISH CATTLE	237
TIMBER	237
COAL	237
PETROLEUM	238
IRON	238
ZINC & LEAD	238

MOVEMENT OF PRICES	239
VARIOUS	239
FOREIGN TRADE	240
ALCOHOL PRODUCTION & EXPORT	241
TRANSPORTS	241

FINANCE AND BANKING:

POLAND'S FINANCIAL CONDITION	243
NEW VICE-MINISTER OF FINANCE	243
THE ENGLISH CRISIS	243
BUDGET	244
TAXES	244
STOCK EXCHANGE	244
BANK OF POLAND	246
BANK OF DANZIG	222

LATEST NEWS	246
-----------------------	-----

ADVERTISEMENTS	I—VI
--------------------------	------

and cover

AUGUST was marked by the return of relatively normal conditions in Poland after the upheavals on foreign money markets (especially in Germany) which had, for that matter, only very slightly affected the country during July. The state of uncertainty, which had made itself felt in Poland to a certain extent, was overcome and confidence restored. Over and above these influences, August did not result in any further slackening in economic activity; in fact, in certain divisions of production, a considerable seasonal liveliness was noted. The processes of adapting output to demand, of liquidating stocks and lowering prices have in Poland already almost been completed. The restoration of economic equilibrium is still inhibited, and indeed made impossible for the time being, by a deterioration in credit and capital conditions. These are, however, closely connected with the international situation and, judging by events abroad, further deterioration can be expected as most probable.

The Money Market remained in a state of tension. July had been marked by a short-lived outflow of bank deposits and a rise in the rate for actual U. S. bank-notes. During August, these symptoms were not observed: the U. S. note rate returned to the level of drafts and transfers whilst deposits returned to the banks. In spite of this improvement, conditions on the market were far from satisfactory in August: the credit activities of the private banks tended to shrink (doubtless as a precautionary measure) and solvency to decrease.

The Bank of Poland reported a favourable balance of foreign exchange trading, partly made possible by direct credits received by the Bank.

Agriculture found its financial situation a most difficult one. Corn-prices dropped after the

harvests but began to rise again during the second half of August. Conditions in the breeding industries were fairly good. The lower volume of the crops this year makes a rise in price during the coming winter quite probable.

Industry showed no important changes in the state of employment: the number of out-of-work persons continued to shrink albeit very slowly. The output of consumers' commodities tended to rise but that of producers' goods to decrease.

Commerce, faced by the continued low buying ability of the rural and urban population, reported

trades, which even reported a slight rise in exports. Prices tended downwards during August, the trend having been chiefly evoked by lower prices for raw materials in the whole world having also dragged down with them the rates for semi-manufactures.

Railway freights yielded a seasonal growth in volume, the transport of bulk articles having increased markedly during the month; the gain was not sufficient, however, to bring this year's figures above those for last year, the branches of production most affected having been agriculture

REVIEW OF THE GENERAL ECONOMIC SITUATION IN POLAND

AUGUST 1931

	UNIT	AUGUST 1930	JULY 1931	AUGUST 1931 *)
STATE OF EMPLOYMENT:				
UNEMPLOYED		176,810	261,509	251,608
PRODUCTION:				
COAL	thous. metric tons	3,062.0	3,197.0	3,302.0
OIL		56.9	54.2	53.6
PIG IRON		37.8	28.3	29.8
AGRICULTURAL INDICES:				
(CROP ESTIMATES)				
RYE	thous. metric tons	6,820	.	5,160
WHEAT		1,910	.	1,980
BARLEY		1,380	.	1,480
OATS		2,180	.	2,460
PRICES:				
WHOLESALE PRICE INDEX	(1914 = 100)	97.0	83.4	82.1
INDEX OF COST OF LIVING IN WARSAW		116.7	105.4	104.3
FOREIGN TRADE:				
IMPORTS	million zł	188.5	127.8	109.1
EXPORTS		201.5	174.5	150.1
EXCESS OF EXPORTS (+) OR IMPORTS (—)		+13.0	+46.7	+41.0
TRANSPORTS:				
RAILWAY TRAFFIC	wagon loaded (15 tons) reg. ton	478,452	444,044	447,981
PORT TRAFFIC (DANZIG AND GDYNIA)		583,557	642,079	612,433
BUDGET:				
RECEIPTS	million zł	215.2	192.8	169.1
EXPENDITURE		214.5	218.2	182.5
MONEY CIRCULATION:				
BANK OF POLAND NOTES	million zł	1,355.2	1,254.3	1,245.1
COVER IN GOLD AND FOREIGN CURRENCIES ..	‰ ‰	58.15	49.04	48.48
TOKEN MONEY	million zł	230.5	236.9	240.0
CREDIT:				
(BANK OF POLAND)				
BILLS DISCOUNTED	million zł	616.5	643.3	643.6
OFFICIAL DISCOUNT RATE	‰ ‰	6.5	6.5	6.5
FOREIGN CURRENCIES:				
(WARSAW STOCK EXCHANGE AVERAGE RATES)				
U. S. A. DOLLAR	zł	8.90	8.92	8.92
POUND STERLING		43.40	43.36	43.37

a very low level of turnovers. Foreign trade continued to shrink in volume, this applying especially to industrial export (raw materials and semi-manufactures) which decreased by 26 per cent. during the first eight months of this year as against the corresponding period of last year. The greatest drop was reported in the timber and agricultural groups (excluding raw materials and by-products) and in the chemical industry; export conditions for the textile trades were somewhat worse and only very little worse in the foundry

and the timber trade. Port traffic remained at a higher level than during the corresponding month of last year.

State finances yielded a deficit during August. It was, however, smaller than in previous months. Thanks to the Government's economy measures, the execution of the Budget was marked by improvement even during the least favourable summer months.

*) Provisional figures.

THE GENERAL ECONOMIC SITUATION IN POLAND

THE ECONOMIC upheavals which have shaken Europe during the past few months, typified by the crises in England and Germany, have had no appreciable influence upon the internal situation of Poland.

The financial breakdown of Germany in fact yielded many positive indications of Poland's economic strength and stability; it demonstrated the far-reaching economic independence of Poland by the fact that the Polish banking system not only retained the full confidence of its clients but even

regards Poland is diametrically contrary to what was planned: Poland has consolidated and strengthened her economic structure; her industries have found new markets to supplant the artificially barred German one; Poland has become economically independent of German interests.

As regards the English financial crisis, there was never any serious danger of Poland being greatly affected; economic relations have been hardly close enough, whilst the gold exchange standard of the Bank of Poland was only in a most negligible degree based on the pound sterling. There can be no doubt, however, that the perturbations experienced by such a powerful economic unit of world-wide importance as Great Britain, cannot but exercise



STACKING CORN IN WESTERN POLAND

About 70 per cent. of the population of Poland is engaged in agriculture. This explains why unemployment is so low in the Polish Republic and the lack of wide-spread distress during the crisis.

improved its standing by attracting much business formerly conducted through German institutions. This economic independence of Poland as an assured fact is an undoubted blow to German policies, which have been consistently directed towards the virtual if not actual maintenance of Poland as an economic vassal of the Reich. Strange to say, the fuller economic freedom of Poland is due not only to her own efforts in the domain of domestic organisation and consolidation but also to the prolonged Customs War waged by Germany against the Polish Republic and the Reich's inexplicable procrastination in ratifying its commercial treaty with Poland. The net result of Germany's negative policies as regards Poland has been an increase in Polish industrial self-sufficiency at the cost of German exports of manufactures to Poland. The outcome of Germany's economic policies as

an adverse albeit indirect influence on Polish conditions insofar as international commerce and exchange are concerned. There are many divisions of trade and production which will undoubtedly be affected in one way or another; the coal trade is a case in point, credit relations, the sugar industry, marine freights, etc. are further examples. It is therefore obviously to Poland's interest, as to that of the whole world, that equilibrium in British economic life be restored as soon as possible.

The internal economic situation of Poland is still marked by the working of the general crisis. The demand for manufactured commodities continues to be abnormally low and, allowing for a certain seasonal liveliness, presents little immediate chance of fundamental recovery. The cause of this state of affairs is to be found in the hard times experienced by the farming classes; it is true that the prices

of farm produce have risen and that the gain has been maintained, but the rise has not been sufficient to restore the former buying ability of the rural population. As a natural sequence of the critical conditions in industry and agriculture, commerce feels the full weight of the depression, the more so as export possibilities offer little relief in view of the state of affairs abroad.

In spite of the difficult economic situation, conditions in Poland are marked by the absence of panic and nervousness. It is generally realised that improvement, when it comes, can only be and must be world-wide, and that, in the meantime, the country is successfully coping with the crisis because the basic elements of its economic system are sound and unassailable.

Thus, the financial system of the Polish Republic continues to operate normally, based as it is upon a stabilised currency which never lost a point during the drops in German and English exchanges. The Złoty has the full confidence of the public and there is not the slightest sign of any flight from the currency. The banks have been and are functioning normally with adequate cash reserves and continually increasing deposits. The gold bullion and exchange cover of the Złoty continues well to exceed the legal minimum.

The stability of the currency continues to be assured by a balanced Budget, which by rigid economy and reduction of expenditures is kept within the limits of any decreases of revenue. Work upon the 1932/33 Budget is in full swing and the estimates will be presented to the Sejm on October 1st. as usual. The budget for next year will naturally be adapted to the lower revenues expected and the maintenance of budgetary equilibrium will continue to be guaranteed by the cautious policies of the Polish Government, its fearless application of rational economies and by the existing cash reserves of the Treasury.

The problem of unemployment has been attacked by the Government: an original and rational plan of reducing the number of out-of-work persons and of relieving distress has been formulated. The scheme is described in another place in this issue and its success appears to be certain in view of the extremely humane and reasonable attitude of the general public, of the employers and of labour itself. Many cases have come to our notice where workmen have voluntarily asked for shorter shifts in order to enable unemployed men to receive work. Such sacrifices, and they are real sacrifices in these hard times, speak volumes for the patriotism and common-sense of all classes of the Polish community. They also show how great is the determination of the country to aid in overcoming current difficulties and combating the crisis. The confidence which the nation has in its government is strengthened by the certainty that the cautious and economical policies of the Polish Treasury assure both budgetary and currency equilibrium.

It is a fact which cannot too often be reiterated that Poland is actually coping with the evil effects of the crisis with a surprising degree of success, especially if her position be compared with that of other countries. Unobtrusively and without the blare of propaganda, the Polish nation is hard at

work, consolidating its position, relying on its own resources, frugally adapting private and national expenditure to income, punctiliously meeting all obligations, and succeeding in making both ends meet.

DEVELOPMENT OF THE PORT OF GDYNIA

THE WORLD-WIDE economic crisis, which has so universally cut down commercial turnovers, has not held up the continued development of Poland's sea-borne commerce. Throughout the year 1930, the two Polish ports—Gdynia and Danzig—made steady and gratifying progress; 1931—the year of crisis—has seen no change for the worse but a further development from month to month. A realisation of this striking fact will serve to demonstrate how essential it is for Poland to have her own unhampered access to the sea-board.

The great progress shown by the Port of Gdynia is in direct connection with the extension of its port-works and equipment. Commenced only seven years ago, the construction of the Port is nearing its close. At present the building of the final, third outer basin is being ended, and additional breakwaters are arising which will assure optimal conditions of safety to vessels using the Port. Within the interior part of the Port the construction of a second large, inner basin is rapidly nearing conclusion and the Ship Canal is being extended inland in order to reach the industrial district of Gdynia. All these works will be completed within a year, and the Port will then possess over 10 kilometres of fully exploitable berthing space (as against 7,720 metres at present) and will occupy over 750 acres of enclosed water area having a depth of from 8 to 12 metres.

The docks and quays of the Port are at present served by a network of railway lines (about 70 km. in length), 41 portal cranes, 15 large warehouses of over 80,000 sq. m. capacity, etc. This already important auxiliary equipment will be greatly extended during the coming year by further special arrangements which will finally complete the plans of the Port Authorities; these will comprise a ship-building and repair yard, a second corn elevator, a marine railway-terminus, fish depôts, etc. The existing chief facilities owned by the Port or by private interests include: a large port cold-storage warehouse, fish-auction halls equipped with refrigerator storage, special tobacco, sugar and rice warehouses, etc., molasses reservoirs, ship-repairing works, several factories, including the large rice-husking plant, oil mills, etc.

Concurrently with the growth of the port itself, the town of Gdynia has arisen and grown surprisingly from a small fishing village (of some few hundred inhabitants) to over 50,000 population within the short space of ten years. The town is modernly planned and arranged and satisfies every cultural need.

It can be stated that Gdynia is only now reaping the full fruits of many years of intensive work and investment; this is shown by the steadily growing returns of ship and goods traffic reported

by the Port. Before 1928, the construction works in the Port had not yet proceeded far enough for normal ship traffic to make use of it. The following table therefore gives data only for the period 1928—1930 and for the first half of 1931 as regards the goods-turnovers of the Port (in metric tons):

A. IMPORTS OF GOODS THROUGH THE PORT OF GDYNIA

	1928	1929	1930	1931 (Jan.—June)
Total imports	192,711	329,644	504,117	573,607
rice	57,427	56,665	46,864	42,266
tobacco	—	2,035	982	2,253
herrings	—	—	—	952
phosphates	3,100	22,600	13,835	5,334
Thomas slag	101,855	132,203	85,315	29,310
paving blocks	7,488	1,744	5,115	1,227
saltpetre	6,552	39,299	13,991	4,005
iron ores	2,826	18,180	41,230	4,425
pyrites	—	—	10,973	—
scrap iron	11,161	49,582	272,479	173,667
cotton	—	—	564	1,623
general cargo	2,302	7,336	12,769	8,545

The above table demonstrates the growth of import turnovers in absolute aggregate figures: the following table shows how the range of exports handled by the Port has grown (in metric tons):

B. EXPORTS OF GOODS THROUGH THE PORT OF GDYNIA

	1928	1929	1930	1931 (Jan.—June)
Total exports	1,765,058	2,492,858	3,121,631	2,022,169
rye	—	—	8,259	18,005
husked rice	300	4,109	3,594	5,308
potatoes	—	—	—	3,511
sugar	—	23,577	89,766	65,434
rice meal	—	1,008	9,309	2,056
salt	1,760	6,748	2,000	—
bacon	—	—	11,196	25,588
ham	—	—	1,058	3,497
butter	—	—	1,469	767
eggs	—	—	484	1,845
beet-pulp	—	1,196	15,196	3,598
timber	2,140	—	2,058	7,122
cement	1,000	—	150	1,208
coal	1,665,793	2,324,504	2,808,829	1,758,922
bunker coal	92,439	123,391	145,552	95,867
coke	—	—	8,872	3,663
potassium salts	—	—	1,986	9,330
nitrites	—	—	3,086	2,472
zinc	—	—	132	9,249
general cargo	1,626	8,325	10,635	9,387

The steady rise in the turnovers of the Port is indisputable; the second half-year is always more favourable than the first and the total turnover of the Port in 1931 will probably amount to over 5 million m. tons.

A fundamental feature characterising the goods turnovers of the Port of Gdynia is the great excess of out-going over incoming goods. This, however, cannot be changed, for the whole foreign trade of Poland has always been characterised by this quantitative excess of export over import. Poland, on the whole, exports cheap bulk products but imports expensive industrial products: her exports

are therefore quantitatively high but relatively qualitatively low, whilst her imports show the reverse.

The chief out-going bulk article forwarded through Gdynia is coal destined mostly for the Scandinavian markets. This trade is excellently organised and finds the ultra-modern loading equipment of Gdynia highly efficient in use and cheap in operation. Gdynia does not enjoy the natural advantages of Danzig as regards the export of timber, especially in the round state, but shipments of sawn material are often loaded at Gdynia and serve to supplement the cargoes of out-going vessels. Corn export shipments have only of recent times been directed through Gdynia and even so in small quantities. Danzig with its old traditions of the corn trade and extensive storing facilities will probably always occupy a premier position in that respect and Gdynia only expects an increased turnover in corn shipments in the event of Poland's grain exports increasing considerably.

The Polish beet-sugar industry, however, sends most of its export consignments to Gdynia for overseas shipment: Danzig was never an important shipping centre for sugar since the commodity had been sent through Stettin and Hamburg. Gdynia has made a successful bid for this trade, has built large sugar warehouses and out-going sugar shipments through the new Port are steadily rising in volume.

The Port of Gdynia has become an important point where export shipments of perishable food-stuffs are concentrated before embarkation. We allude to the trade in bacon, hams, poultry and game, butter, eggs, etc., most of which goes to Great Britain. That this trade has developed so well and rapidly during the past two years is due in no small measure to the superlative facilities offered by Gdynia. Gdynia has the second-largest and the most modern refrigerator and cold-storage portal warehouse in the world. A regular weekly service of three refrigerator steamers handles this trade between Gdynia and British ports. The further development of this branch of trade is expected to continue in the future. Other farm products which are exported through Gdynia are potatoes, beet pulp, seeds, and so on; these commodities have not yet built up a large trade and represent trial shipments for the most part.

Other goods which are shipped through Gdynia in smaller batches are cellulose, cement, salt, iron foundry goods and manufactured articles produced by the iron, textile, haberdashery and chemical industries. It is felt that a large and growing trade could be built up by Gdynia in respect of many of these goods and systematic work is being conducted in preparing the Port for the trans-loading of such commodities. Gdynia has supplanted Stettin already as regards Polish exports of zinc and zinc sheets; rails, pipes, locomotives, potassium and nitrogen fertilisers, are exported through Gdynia in steadily growing volume.

The chief articles imported through Gdynia are raw materials for the iron foundries and artificial manures. The flow of these imports into Poland has, however, been declining steadily as a result of the economic crisis. The incoming volume of scrap-

iron for the foundries is well maintained and is fully concentrated at Gdynia; this has resulted in the new Polish port becoming the largest scrap-iron receiving port in Europe. In attaining this position, Gdynia has been aided by the very cheap dock labour available locally.

The rice-husking and oil-milling industries existing at Gdynia furnish active turnovers in the goods traffic of the Port. The oil-mills import the seeds and export oil-cakes, whilst the rice-plants

trade since it has been decided to avoid the costly indirect route through Bremen; special cotton warehouses are being constructed for the needs of the Polish cotton industry.

It is an interesting fact that the volume of general cargo handled at Gdynia is steadily increasing both in export as in import. Experience has shown in the past that any larger volume of this trade is difficult of attainment for a new port and usually marks the final stages of its develop-



AN UP-TO-DATE BELT CARRIER COAL LOADING CRANE AT GDYNIA

Gdynia is one of the best and safest ports on the Baltic, not only because of its rational technical construction but also because of the ultra-modern equipment used in the port.

imports large quantities of rice from India and exports much husked rice and rice-meal. Since July this year, all the tobacco imports of Poland have been directed through Gdynia, where a large and up-to-date special warehouse has recently been erected. The Port is preparing to develop a cotton

ment and organisation. The gratifying increase in the dimensions of that trade at Gdynia would appear to indicate that the new Polish port has already reached a high level of efficiency in record time without, however, having exhausted its possibilities for further development in the future.

PRODUCTION AND TRADE

STATE OF EMPLOYMENT. — Conditions on the Polish labour market during July and August showed further improvement; the number of totally unemployed registered at the State Labour Exchanges dropped to 276,378 on July 1st., to 261,059 on August 1st. and to 251,608 on September 1st.. These figures are, however, still much above the level of previous years and indicate that the effects of the world-wide depression have lost nothing in force. Similarly the peak of unemployment during the coming winter is expected to surpass all previous years. The number

of short-time workers has decreased as can be seen from the following table:

	Totally unemployed		Short-time workers	
	1930	1931	1930	1931
January	186,427	303,148	36,663	103,707
February	249,462	345,295	88,722	94,434
March	282,568	365,648	117,973	94,148
April	295,612	379,021	109,519	118,753
May	273,351	355,102	142,647	109,442
June	228,321	320,109	127,511	153,991
July	207,258	276,378	94,065	151,077
August	194,279	261,059	78,117	119,518
September	176,810	251,608	89,811	128,491
October	167,454		63,183	
November	167,349		119,498	
December	211,918		97,127	

These changes indicate that production had increased concurrently with a growth

in employment, but the fact that the oscillations shown by these statistics are normal for this season of the year, shows that the adverse business cycle has not advanced towards recovery.

Out of the 128,491 persons employed on short-time as on September 1st., 6,292 worked one day in the week, 8,518 two days, 34,641 three days, 37,869 four days and 41,171 five days in the week. The average number of days worked per person in this group came therefore to 3.9 days per week.

The following table furnishes absolute figures by trades of totally unemployed

persons as on July and September 1st. this year:

	July 1 9 3 1	Sept. 1	+ Increase — decrease
mining	13,610	13,800	+ 190
foundry	2,571	2,503	— 68
metal	22,766	21,420	— 1,346
textile	23,094	21,209	— 1,885
building	21,130	15,858	— 5,272
clerical	28,281	31,687	+ 3,406
miscellaneous	164,926	145,131	— 19,795
Total:	276,378	251,608	— 24,770

The seasonal growth in the demand for coal at home and abroad resulted in a drop in unemployment amongst the miners. A slight deterioration was noted in employment conditions for miners of other categories, with the exception of the petroleum industry, which remained firm.

Considerable improvement was noticeable in the iron founding industry during July but August proved worse and with a drop in output and orders, employment also receded. Conditions in the machine and metallurgical industries were less satisfactory; the nail, rivet and screw plants were well occupied but the agricultural machine and tool works found conditions very difficult. On the whole, however, the seasonal liveliness in this division of production was not disappointing and the number of out-of-work persons dropped somewhat.

The textile trades reported an increase in employment. This may not last since sales are very slow in the face of expected cuts in prices; wholesale and retail stocks are not, however, large and this factor will doubtless force the merchants to increase their purchases. The woolen trade commenced its busiest season and was fully occupied: sales were on a high level, with home and foreign buyers very active.

The building trade yielded a revival during July and August and also accounted for a considerable share in the drop of unemployed miscellaneous workers. Unemployment amongst the ranks of office and clerical workers continued to increase, augmented to a certain extent by dismissals of Government and municipal employees in connection with economy campaigns.

Wages and salaries continued to decline. Piece-rates were cut by 3—4 per cent in the Upper Silesian iron industry by an arbitration award. In the western provinces of Poland, industrial and commercial workers' pay was cut by 10—12 per cent.

UNEMPLOYMENT RELIEF IN POLAND. — As in the rest of the world, the general crisis has resulted in relatively wide unemployment in Poland. In July this year, there were about 222,000 workmen unemployed, i. e.

approximately 27.5 per cent. of the industrial group of trades. The unemployed in Poland benefit by out-of-work insurance only if strictly qualified according to the terms of the scheme. Thus, in 1930, only about 30 per cent. of the unemployed received assistance from this form of social insurance; there were therefore between 180,000 and 251,000 workers deprived of means of sustenance at some period of the year, or, together with dependents, about 750,000 persons. Compared with other countries, these figure are not excessive in the relative sense, whilst local conditions, such as the strong bonds of the industrial workers with the rural population being still of recent origin, do much in time of crisis to relieve the direct hardships of unemployment.

Unemployment reaches its peak figures during the winter months (mostly in the period January—March) and then much undoubted hardship exists for a certain proportion of the unemployed. The question of aiding and relieving this class is a problem which has been recognised in Poland as being of the greatest current interest. Thus, in June this year, the Economic Committee of the Cabinet appointed a special commission which worked out ways and means of reducing unemployment and organising relief measures. The Government has decided to base its action fully upon the findings and recommendations of the inquiry and has now announced the general lines of its plan. A concerted effort is to be made by the whole nation and social service will be demanded not only from the general public, but also from social and philanthropic organisations, from labour and from industry and commerce. Just as the Polish people have wholeheartedly backed up the Government in its financial and economic policies, so have they now expressed the fullest spirit of cooperation in the humane action of unemployment relief.

The action undertaken will be concentrated in and directed by the specially formed Supreme Unemployment Committee which will stand at the head of a national network of provincial committees. Its activities fall under two general headings: the attainment of at least the minimum means for existence by the maximum number of workers, and the furnishing of direct relief in kind to those without work.

Understandings will be attained with employers as regards the following postulates that adult labour be substituted for juvenile work as far as possible; that, whenever practicable, over-time be eliminated and additional workers be engaged instead; that the number of working days in the week be reduced and a larger personnel be engaged; that the anomaly of persons earning wages from two or more sources in the face of other workers remaining unemployed be abolished, as also the employment of partial dependents of persons actually in work. The conduct of these reforms should, it is expected, do much to yield a more equitable distribution of wage-earning. The Committee has placed special emphasis, he it noted, on avoiding enhanced production-costs as a result of

bureaucratic changes in labour relations each and every case will be considered individually and technical or local conditions will receive the fullest consideration.

For the class of workers failing to benefit by the above measures, an ambitious program of pecuniary and commodity aid has been drawn up. The unproductive nature of purely pecuniary aid to uninsured out-of-work persons has been realised and the relief afforded will be mostly in kind. The plan foresees the feeding and clothing of 800,000 persons during the four winter months at a cost of about £53,000,000. About £10,000,000 will be furnished by the State Emergency Unemployment Relief Fund, whilst further financial help may come from private philanthropy and from certain extraordinary receipts of the Treasury. The remaining sum necessary will be secured by accepting payment in kind from tax-payers absolutely unable to pay off tax-arrears in cash but possessing stocks of unsaleable essential commodities.

This new and original scheme appears to have many good points: it will help to relieve the defaulting tax-payer of worry and to clear out his tax arrears; it will help to reduce State expenditure on unemployment relief; it will diminish unsold stocks depressing the market; the tax-payer will be credited by a fair price (at or above the market level) being granted for the commodities he turns in for the use of the Committee. The Treasury will lose nothing, since only arrears hopeless of collection will be ceded to the Committee in this manner. As a result the vicious circle of unsold stocks, further price-depression, insolvent tax-payers, large State relief expenditure and want amongst the unemployed classes will be at least partially interrupted.

The whole scheme will thanks to the concentration of the action in one organisation be most economically carried out and it is fully expected that no deficit will result which would adversely affect the budgetary expenditure of the country. The system described above is already entering into force and upon the Sejm passing the necessary legislation in the very near future, should very quickly yield the favourable results awaited from it.

GRAIN

— The Chief Bureau of Statistics has estimated this year's grain crops in Poland to be provisionally: 19.8 million metric quintals of wheat, 51.6 million m. quintals of rye, 14.8 million m. quintals of barley and 24.6 million m. quintals of oats. These figures show that this year's crops are smaller than last year's by 11.5 and 25.8 per cent. in the case of wheat and rye, but 1.2 and 4.9 per cent. higher in the case of barley and oats.

Grain prices slumped as usual during August, not only in Poland but also in the whole world; the continued low trend of these prices is without

doubt due to the further existence of large unsold stocks from previous seasons, coupled with a steady shrinkage of consumption. Wheat prices appear to have been most affected, and in Poznań were quoted below the level for rye. Rye prices were well maintained at $\text{z}21$ during the first half of September due to an enhanced local demand. Brewery barley exhibited a firm upward trend in price with few oscillations, but fodder types were weak and tended downwards in the face of Danube and Russian competition. Oats, in view of the good crops harvested, remained at a low price level.

Grain exports from Poland during August came to 10,375 m. tons valued at $\text{z}2,228,000$ as against 11,805 m. tons ($\text{z}3,126,000$) in July. In August, 7,250 m. tons of the corn export was accounted for by rye, 600 tons by barley and 73 m. tons by oats.

AVERAGE POLISH AND FOREIGN CORN QUOTATIONS (per 100 kg)

Date 1931		Poland	Berlin	Chicago
		z	\$	\$
W H E A T				
July	23—31	21.81	2.45	4.79
Aug.	1—8	20.50	2.30	4.50
	9—15	19.80	2.22	4.99
	16—22	20.00	2.24	5.29
	23—31	21.42	2.40	5.10
Sep.	1—8	21.45	2.41	5.00
	9—15	20.96	2.35	5.16
R Y E				
July	23—31	21.50	2.41	3.68
Aug.	1—8	17.89	2.02	3.45
	9—15	20.25	2.27	3.93
	16—22	20.30	2.28	4.01
	23—31	21.29	2.39	4.01
Sep.	1—8	21.89	2.46	4.10
	9—15	21.25	2.38	4.32
B A R L E Y (brewing)				
July	23—31	—	—	1.95
Aug.	1—8	—	—	2.00
	9—15	21.75	2.44	—
	16—22	21.50	2.41	—
	23—31	22.17	2.49	—
Sep.	1—8	22.0	2.47	—
	9—15	23.00	2.58	—
B A R L E Y (ordinary)				
July	23—31	18.75	2.10	3.41
Aug.	1—8	17.10	1.92	3.36
	9—15	17.00	1.91	3.69
	16—22	17.45	1.96	3.72
	23—31	18.46	2.07	4.76
Sep.	1—8	18.48	2.07	3.72
	9—15	19.25	2.16	3.69
O A T S				
July	23—31	27.79	3.12	3.63
Aug.	1—8	19.00	2.13	3.42
	9—15	16.50	1.83	3.64
	16—22	16.15	1.81	3.63
	23—31	16.50	1.83	3.42
Sep.	1—8	17.64	1.98	3.26
	9—15	18.25	2.05	3.30

BUTTER

— During the second half of August the prices of butter were distinctly weak. 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. The demand from local consumers was very small as a direct result of the



FINE SPECIMENS OF LOWLAND CATTLE

Poland is not only an important breeder and exporter of pigs; her dairy and cattle trade is progressing excellently in spite of the crisis.

general depression and the large supply of fruit at low prices.

In the first half of September a slight improvement took place on account of cold weather and a consequent falling off in supplies. On the other hand the demand from local consumers showed an increase in connection with intensive operations on the land and the return to the towns of people who had been on their summer holidays.

The prices of first quality butter in the chief centres of production during the period under review are given in the following table (in kg.).

	August	September
	15th—31st	1st—15th
Warsaw	4.00—3.60	3.80—4.20
Poznań	4.40	4.40
Łódź	4.10—4.20	4.20
Katowice	4.40—4.60	4.60
Lwów	3.80—3.40—2.30	3.20—3.40
Lublin	3.60	3.80
Wilno	3.80—3.40	3.00—3.20

Export to the different countries presented itself as follows: Germany took 830 tons, Great Britain 243 tons, Switzerland 205 tons, Belgium 73 tons, etc., for a total amount of 1,387 tons valued at $\text{z} 6,225,000$.

EGGS

— In the second half of August prices of eggs showed an upward trend. The supplies showed a steady tendency to fall.

In the first half of September the firm tendency continued due to a further fall in supplies. This improved movement of prices became particularly

accentuated towards the middle of the month thanks to a greater demand from foreign markets. The export trade developed satisfactorily. Preserved eggs did not appear on the market in large quantities.

The prices ruling on the different egg markets in Poland are given below (in z per case of 1,440 eggs):

	August	September
	15th—31st	1st—15th
Bochnia	115—120	145—150
Kraków	145	150—155
Katowice	165	—
Tarnów	130	—

During August, exports of Polish eggs came to 4,079 tons valued at $\text{z} 6,843,000$ and were distributed as follows: Great Britain 1,174 tons, Austria 313 tons, Czechoslovakia 646 tons, Germany 1,195 tons, France 222 tons. Italy took smaller quantities.

HOGS, BACON AND HAMS

— The farmers were busy with their harvests during July and August, and the supply of hogs on the Polish market tended to fall off with a somewhat firmer price trend noticeable. The price for heavy-weight hogs was however, maintained at a high level. Foreign markets purchasing Polish hog material (both live and slaughtered) proved very slack during the two months in question, and the Czechoslovakian market was absolutely closed to Polish pigs during July, as a result of the

high duties imposed there. The Austrian market was rather disappointing likewise since the working of the most-favoured nation clause in the Austro-Hungarian and Austro-Yugoslav commercial treaties gave little relief to the Polish hog exporters. Whilst during July 30,776 live and 7,270 slaughtered hogs were forwarded to Austria, this volume fell during August to 16,606 and 6,000 head respectively. During August, prices improved on the Czechoslovakian market and 7,556 slaughtered and 3,893 live pigs were sent to that country. A drop in price in September, however led to a further drop in this type of export.

The bacon market in England was favourable for the Polish product, the effects of the June depression in prices having passed away by July. Prices rose from 38s. to 45s. per cwt. to 45s.-52s. in the middle of July and to 60s.-64s. at the beginning of August. The level dropped towards the end of August to 45s.-56s. under the pressure of increased Danish shipments. The number of killings in the bacon industry of Poland during July came to 73,966 and to 81,652 in August. Exports to England came to 38,750 tons in July and to 39,121 tons in August, with Poland occupying second place after Denmark.

Conditions in the ham industry were far from satisfactory and exports amounted to only 564 tons in August as against 713 tons in the month before. During September, however, it was expected that the supply of hogs would increase and with lower prices for pork, would enable the Polish exporters to increase their turnovers.

SWISS IMPORTS OF POLISH CATTLE. — A recent visit to Poland by the Chief of the Swiss Veterinary Service has led to the Swiss market being opened to Polish breeding products and cattle. The inspection proved that the Polish veterinary system is fully as well organised as in other Western European countries, whilst the type of cattle bred is in many respects highly suitable for the Swiss market. In the expectation of a new and important market being developed, some of the strongest member-firms of the Syndicate of Polish Hog and Cattle-exporters have decided to develop that trade by a strict selection of suitable material duly inspected by the Polish Veterinary Service in accordance with Swiss standards. It is believed that this new trade will grow to the mutual profit of both countries.

TIMBER

— Concurrently with the opening of the summer slack season in July, prices were maintained and became more stabilised on the timber market although transactions in round-wood fell off in



TIMBER RAFTS IN SOUTHERN POLAND

The mountain slopes of the Carpathians are famous for their pine-forests which furnish valuable timber of a high quality

volume considerably under the double pressure of the general crisis and seasonal conditions. The prices now reigning are so low, moreover, that further declines in the level appear to be most improbable.

Domestic sales of timber continued to be small and the expected increase in business due to the building of wooden houses failed to come up to expectations. Export conditions took a turn for the worse. The French market was unexpectedly closed to foreign timber, the German demand was still further contracted, whilst the Austro-Hungarian understanding made trade with Poland difficult. All these factors made export trade in this division extremely unprofitable and uncertain. The pulpwood demand abroad continued to be unsatisfactory in spite of the fact that July and August are usually the best months for that trade. Thus, this year's export of that timber scarcely exceeds 10 per cent. of the turnover in normal years.

The export of sawn material found itself in a relatively good position thanks to the energy of the exporters in developing their foreign markets. They have in a great measure already made good the loss of the German market but conditions for the future are still uncertain and hardly promising in the light of French import restrictions and the English financial crisis affecting the British market.

COAL

— The situation of the coal-mining, coke and briquette industries during

August was marked by a fairly large growth of sales evoked by the usual seasonal improvement. Domestic sales increased for both the household and the industrial types of fuel, and it is of interest that the seasonal liveliness this year is greater than a year ago. Exports grew in spite of tariff restrictions in certain other countries. As a result of all these movements, production increased by 3.28 per cent. in spite of the shorter working month as against July.

The following table affords data covering extraction, sales and pit-head stocks in August as against July (in thous. of m. tons):

Coal mining districts	Output	Home consumption	Exports	Stocks at pit-heads
Upper Silesia	2,498	1,217	1,100	1,502
Dąbrowa	612	335	197	627
Kraków	192	166	1	60
Total:	3,302	1,718	1,298	2,189
July	3,197	1,563	1,267	2,179
Aug. in relation to July	+ 105	+ 155	+ 31	+ 10

The number of miners employed in the coal industry remained practically constant at 106,132 persons at work and, as on August 30th., only 13,800 unemployed miners were registered. Rates of pay likewise remained firm with only small local differences. The output per man-shift during August came to 1,515 kg. in Upper Silesia and to 1,388 kg. for the whole of Poland.

Data in respect of coal exports from

Poland are afforded by the following table (in thous. of metric tons):

Countries	1928	1929	1930	1 9 3 1	1 9 3 1
	A u g u s t			J u l y	
				Aug.	Aug.
Northern markets:	616	644	583	635	717
Sweden	273	271	279	317	333
Norway	54	63	34	64	56
Denmark	152	168	138	131	166
Finland	63	68	70	61	83
Latvia	51	57	45	42	39
Lithuania	14	6	8	6	11
Estonia	—	—	—	1	5
Memel	9	7	4	4	5
Russia	—	—	1	6	12
Iceland	—	4	4	3	7
Central markets:	377	490	305	249	261
Austria	226	306	182	139	174
Hungary	69	111	59	46	33
Czechoslovakia	82	73	64	64	54
Other markets:	157	196	142	275	229
France	31	74	79	132	123
Italy	40	54	29	74	54
Rumania	17	12	9	3	3
Switzerland	10	10	11	11	8
Holland	2	5	8	14	14
Belgium	14	—	—	24	8
Bulgaria	1	—	—	—	—
Yugoslavia	5	9	—	14	15
Algeria	5	—	—	4	13
Brazil	—	9	—	8	—
Turkey	—	—	—	2	2
Danzig	34	38	25	31	35
Bunker coal	70	61	86	75	56
Total:	1,254	1,429	1,141	1,266	1,298

Both domestic and export prices remained unchanged, the latter having been f.o.b. Gdynia-Danzig 12s. 0d. for Upper Silesian large and 11s. 3d. for the Dąbrowa type. Railway and marine freights remained firm except for quotations to Denmark and Norway, which tended to decline.

PETROLEUM

— The production of petroleum during August came to 53,571 m. tons and 54,248 m. tons in July of which 33,117 m. tons and 33,731 tons respectively were Boryslaw Standard Crude. During July, the refineries were fully as well occupied as in 1930 and export sales increased greatly in volume, yet in spite of that, stocks on hand tended to rise. Domestic sales tended to decrease in volume.

In August, wages in the petroleum industry were reduced by a further 4 per cent. but no labour conflicts were reported; employment was well maintained at the figure of 9,453 men at work. Boring operations were rather slack and only a few derricks were erected during July and August. Two new borings resulted in important supplies of natural gas being tapped, but in view of the small demand, the pipes were capped until better times return. The price of crude petroleum was maintained at £1,606 per 10-ton cistern, both home and domestic rates remaining unchanged.

The activities of the refineries during July and August are depicted in the following table (provisional data in m. tons):

	July	August
	1931	
throughput of crude oil	52,643	52,054
output of petroleum products	47,997	48,258
home consumption	28,237	33,207
exports	20,357	20,856
stocks of petroleum products at the end of the month	246,793	243,341
number of workmen employed	3,716	3,752

The following table quotes figures of Poland's export trade in petroleum products during August this year (in m. tons):

Country	Gasoline	Kerosene	Gas oil	Lubric. oil	Other prod.	Total
Austria	1,050	112	310	68	310	1,850
Czechoslovakia	4,569	3,524	—	646	71	8,810
France	89	—	184	15	—	288
Germany	13	—	—	26	1,00	1,042
Switzerland	177	—	937	15	49	1,178
Other countries	568	182	40	551	570	1,911
Danzig	474	2,199	1,193	633	1,278	5,777
Total:	6,940	6,017	2,664	1,954	3,281	20,856

From the above it will be seen that the out-going trade in the products concerned was at a relatively high level and in fact surpassed the average monthly figure for last year which came to only 16,015 metric tons.

IRON

— Conditions in the iron and steel industries improved somewhat during July but deteriorated in August with worse conditions of sale and production. Exports were well maintained, however, and accounted for about half of all sales. Orders from the U.S.S.R. were a great help to the foundries during this period, as was also a 25,000 ton order for rails from Holland. Production in the blast furnaces during August was 34.8 per cent. of the 1913 figure (32.9 per cent. in July), whilst the steel works and rolling mills reported 72 and 70.3 per cent. respectively. From these data, it will be noted that pig-iron output was still at a low level.

The iron-ore mines restricted production in order to cover only current demand the extraction having been 22,712 metric tons as against 28,631 m. tons in July. Imports of iron-ore came to 25,006 m. tons in the month under review, this figure being 3,019 tons below that returned for July. The number of mines in operation was 12 as against the 20 noted for July last year.

The output of the fundamental divisions of the iron and steel industry was as follows (in metric tons):

	Extraction	Imports	Exports
June 1931 ¹⁾	28,063	17,792	3,726
July 1931 ²⁾	28,631	28,025	3,760
August 1930	22,712	25,006	3,500
" "	33,358	81,815	5,276

Conditions in the rolling-mills were on the whole better than during the first half of the current year and the output in August this year was only 3.2 per cent. lower than in the corresponding month of last year.

Foreign trade in iron and steel products during July and August is depicted in the following table (in metric tons):

	Imports			Exports		
	July 1931	August 1931	1930	July 1931	August 1931	1930
pig iron	638	114	312	328	273	20
rails, iron and steel articles	2,077	3,309	2,983	29,488	31,371	23,307
iron and steel sheets	565	372	1,240	12,234	8,858	6,448
pipes	90	72	72	3,762	4,123	5,103
Total:	3,370	3,867	4,607	45,812	44,625	34,878

Since total exports in June this year amounted to 48,062 m. tons, the out-going trade in July and August, as shown above, shows a slight drop of 5 per cent. in July and of 3 per cent. in August. The drop in world prices is shown by the average price per ton, which came to £348 in August this year as against £390 a year ago. The total value of Polish iron and steel exports in July and August this year amounted to £15,607,000 and £15,525,000 respectively.

ZINC AND LEAD

— Conditions in the Polish zinc and lead industries during July and August this year yielded no important changes. The new international cartel began to function as from August 1st. and in connection with an all-round cut in production of 45 per cent., the Polish member-firms were forced to reduce their output to the same extent, i. e. to 8,500 tons per month. This limit was almost reached in August, when the total production (excluding zinc dust) came to about 9,058 metric tons. Zinc prices dropped to £11.10s.0d. whilst the price of lead slumped by 26s.0d. Zinc production came to 56.6 per cent. of the average monthly output in 1913 during August this year, whilst the figure for lead was as much as 91.2 per cent.

The zinc and lead ore mines continued sharply to restrict their production; extraction came to 41,062 m. tons in July and to 31,406 m. tons in August, as

¹⁾ Corrected figures.

²⁾ Provisional figures.

against 86,226 m. tons a year ago. Imports of zinc ore came to 15,077 m. tons in August and to 2,000 tons in the case of lead ore.

The output of the zinc and lead foundries during July and August this year is given in the following table (in metric tons):

		Sulphuric acid 50° Bé	Zinc	Zinc sheets	Raw lead	Silver (kg)
July 1931 ¹⁾		14,398	10,213	1,938	2,813	208
August " ²⁾		13,348	9,058	1,712	3,261	1,352
" 1930		21,452	14,434	1,734	3,467	1,577

Zinc exports in July and August this year came to 11,909 and 8,034 m. tons

respectively, the latter figure being about 27 per cent below that returned for August last year.

The production of lead tended to rise in volume during August rather considerably and was only 6 per cent. less than a year ago. Exports rose to 2,800 m. tons, and stocks on hand dropped by 60 per cent.

The number of workmen employed in the zinc and lead foundries amounted in July to 8,111 as against 7,900 in August and 11,065 in August 1930, the decrease in the course of last year amounting to 28 per cent.

Exports of the fundamental zinc and lead products during July and August

this year are shown in the following table:

		Zinc (dust Incl.)	Zinc sheets	Refined lead	Total
July 1931	tons	11,985	824	1,641	14,450
	thous. of £	6,173	616	907	7,696
August "	tons	10,272	1,119	2,271	13,662
	thous. of £	5,775	831	1,276	7,882
" 1930	tons	11,164	735	2,731	14,630
	thous. of £	7,944	610	2,307	10,861

As can be seen from the above, the export volume has been steadily decreasing but a slight improvement in unit price is noticeable as against this year's figures so far. The average price per ton exported in August 1931 came to £ 576 as against £ 740 a year ago.

MOVEMENT OF PRICES.—The trend of prices during the first two months of the second-half year was a downward one. This was evoked by lower agricultural prices in conjunction with the continued drop in industrial prices. It will be remembered that during the first six months of the current year, the prices of farm produce had been slowly but steadily improving on the whole.

The following table of price indices shows fluctuations during the past year, the basic 100 representing the 1914 level:

	Wholesale price index	Retail price index	Cost of living index
August 1930	97.0	150.7	116.7
September "	94.5	148.4	116.8
October "	92.9	147.3	117.2
November "	93.1	149.4	119.2
December "	90.7	145.2	117.7
January 1931	84.8	135.9	109.6
February "	85.8	135.5	109.4
March "	86.6	135.2	108.6
April "	88.9	137.4	108.7
May "	88.4	137.8	108.8
June "	86.9	136.3	107.3
July "	83.4	132.3	105.4
August "	82.1	129.8	104.3

The drop of 3.8 per cent. in wholesale prices during July was almost entirely caused by lower corn prices reigning during the harvest season: prices of breeding products during the period here reviewed showed an upward trend, whilst manufactured goods yielded a very slight drop (0.2 per cent.). In August, prices dropped relatively by 1.6 per cent., i.e., much less than in July, this increase was chiefly caused by a further drop in industrial prices (2.3 per cent.), the chief articles affected being raw materials and textile semi-manufactures, which dropped by 4.9 per cent., zinc and lead, raw hides

and leather, and certain building materials (bricks, etc.). Farm produce prices as a group declined by 2.1 per cent., but the level of corn prices (with the continued exception of oats) rose sharply, especially for rye, during the second week of August. Prices of animals and products rose by 0.9 per cent.

Retail prices were lower chiefly as a result of reduced farm produce rates (3.4 per cent. in July and 3.5 per cent. in August) since industrial prices decreased by only 1.5 and 1.7 per cent. respectively during July and August. The cost of living index declined during July by 1 per cent., as a result of lower food prices (1.6 per cent.), clothing (1.7 per cent.), etc. In August the index dropped by 0.9 per cent., this change having been evoked by cheaper food-stuffs (1.6 per cent.), a drop in fuel prices (1.2 per cent.), clothing (0.5 per cent.), etc.

VARIOUS

— The Polish State Railways yielded a profit of £191,802,015 during the operating year 1930/31, of which sum £30 million were paid in to the Polish Treasury and the remainder used for various investment works. In the face of the economic depression which has so seriously and adversely affected most of the other European lines, this result is considered to be most gratifying. (Iskra)

— The Polish-U.S.S.R. Chamber of Commerce at Warsaw has announced that the Soviet authorities have concluded several important transactions with Polish iron foundries, including a \$300,000 order for rails, permanent-way equipment and water-pipes.

— The Polish Government has proposed the construction of a new railway bridge over the Danube in order to facilitate traffic between the Baltic and the

Aegian Seas. A conference is to be arranged in which Poland, Bulgaria, Roumania and Greece will participate as the countries most interested in the scheme. (Orient)

— As from January 1, 1932, only the sale of thermometers exclusively bearing the Centigrade scale will be permitted in Poland. The vending of Réaumur or Fahrenheit scale thermometers will be forbidden whether the Centigrade scale is also given or not.

— The Zieleniewski, Rudzki and the Królewska & Laura steelworks have received a credit of £300,000 from Hambros Bank (London) in order to enable them to execute bridge orders for the Polish Road Fund.

— A first shipment of narrow-gauge locomotives constructed in Poland was recently delivered at Libau for the Latvian lines; trial runs have given every satisfaction and further orders are expected.

— The Municipality of Warsaw has commenced negotiations with the Saurer Automobile Co. (Switzerland) with a view to securing a \$3,000,000 credit for the development of the City's traction system. The credit is to consist of motor-buses to the value of one million dollars, whilst the remainder will be in cash for the construction of garages, workshops, street-improvement, etc.

— A belt-carrier coal-loading system installed at Gdynia by the Port Authorities handled 680 metric tons of coal per hour during a recent trial performance.

— The Ministry of Public Works has prepared a ten-year plan of river regulation and canal construction which will call for an expenditure of about £650 million.

— The Chrzanow Locomotive Works have started work on an order of twelve units for the Moroccan lines of the Orleans Ry. Co. The contract is for about Fr. 10,000,000 and was granted

¹⁾ Corrected figures.

²⁾ Provisional figures.

to the Polish company in spite of severe international competition as a result of the moderate tender quoted and the high reputation of the Polish product.

— The rapidly growing importance of Gdynia has made it necessary for a number of countries to open consulates there. At present, Great Britain, France, Sweden and Norway have vice-consulates at the Port, whilst Denmark, U.S.A., Czechoslovakia, Holland and Finland are expected to follow suit very shortly.

— In connection with a drop in the cover held by the Bank of Danzig from 9,434,000 guildens on August 31st. to 5,774,000 guildens, the note-circulation has been decreased by 3,783,000 guildens. (P.A.T.).

— Import duties have been fixed as from October 1, 1931 on printed matter

and photographs entering Poland. The measure is intended to protect the Polish graphic and printing industry against the foreign competition of matter printed in the Polish language, books and periodicals especially being envisaged. ("Dz. Ust. R. P.", No. 84, 1931).

FOREIGN TRADE

— The balance of trade on the Polish Customs area (which includes the Free City of Danzig) continued to be favourable during August this year. Exports aggregated 1,585,008 metric tons having a declared value of £150,110,000 and imports totalled 259,888 tons valued at £109,102,000. The favourable balance

therefore amounted to £41,008,000 during the month in question.

Compared with July, exports declined by 150,420 m. tons in volume and £24,417,000 in value. Imports decreased by 24,783 m. tons and by £18,651,000 in value. More important changes in the foreign trade of Poland were accounted for by a drop of £7.9 million in the imports of foodstuffs; of this sum, £5.5 million represented a drop in rice imports. Incoming shipments of herrings, however, rose by £1.2 million.

Imports of raw and dressed hides and furs fell off by £1.4 million, those of rags and waste-paper for the paper industry by £0.8 million raw materials for the textile industries dropped off

I M P O R T S							E X P O R T S						
G O O D S	A u g u s t		July	Aug.	January—Aug.		G O O D S	A u g u s t		July	Aug.	January—Aug.	
	1 9 3 1			1930	1931	1930		1 9 3 1			1930	1931	1930
	tons	Value—in thousands of £						tons	Value—in thousands of £				
TOTAL:	259,888	109,102	127,753	188,503	1,011,803	1,530,576	TOTAL	1,585,008	150,110	174,527	201,486	1,274,909	1,634,473
Foodstuffs	23,189	13,908	21,865	34,208	155,319	258,280	Foodstuffs	65,048	34,689	47,541	63,696	371,366	502,396
including:							including:						
rice	7,671	2,431	7,964	11,077	16,559	25,421	wheat	2,452	623	1,562	183	9,767	4,883
tea, cocoa, coffee	1,012	2,796	3,758	3,796	29,716	36,265	rye	7,250	1,470	1,449	7,986	16,386	49,193
herrings	3,424	2,139	958	2,676	16,880	32,362	sugar	22,675	5,844	7,364	14,609	56,954	109,287
tobacco	500	2,029	2,250	3,950	20,835	44,918	bacon	3,071	5,994	7,556	5,092	68,866	46,438
							ham	654	1,618	2,491	1,231	16,264	7,537
Animal products	1,794	9,084	10,466	20,001	86,019	128,477	butter	1,387	6,225	9,619	6,791	41,181	39,762
including:							eggs	4,079	6,843	10,153	14,479	67,080	92,132
raw skins	1,324	2,282	2,800	5,486	21,496	26,107	Live animals (head)	281,498	4,910	6,469	15,921	63,015	114,432
raw furs	162	1,362	1,700	2,995	18,502	22,076	including:						
tanned hides	94	2,491	2,780	5,975	21,408	43,326	pigs	20,493	2,882	4,632	11,804	38,878	85,679
Minerals not specially designated	47,178	3,608	3,914	6,481	33,089	58,383	Animal products (head)	1,077	3,302	4,143	3,648	35,872	44,132
including:							Timber and wood ware	165,260	21,736	27,084	26,947	159,702	239,151
iron ores	25,006	1,467	1,570	1,182	11,485	12,827	including:						
Chemicals	35,092	12,088	13,879	21,429	105,667	176,078	planks, deals, battens	81,107	11,669	15,249	14,668	88,776	107,601
including:							railway sleepers	25,184	3,625	3,299	2,396	16,824	20,256
inorganic chemicals	28,858	3,426	3,464	7,645	20,047	61,265	Fuel	1,243,336	33,529	35,925	35,743	249,998	253,092
artificial fertilisers	26,805	2,390	1,972	5,643	8,919	46,095	including:						
organic chemicals	5,561	6,285	7,228	10,968	64,727	91,210	coal	1,194,501	28,787	30,876	29,605	217,705	210,363
technical plant oils	1,715	1,650	1,524	2,618	18,725	26,122	gasoline	6,805	1,277	1,565	1,225	7,719	9,131
technical animal fats	995	892	1,090	2,530	9,996	17,287	paraffine wax	1,398	970	907	1,816	9,158	13,048
tanning extracts	1,117	875	1,070	1,508	8,365	10,869	Chemicals	18,339	3,499	3,277	5,028	32,473	46,301
Metals and metal products	38,273	8,632	10,642	12,604	77,819	112,547	including:						
including:							inorganic chemicals	14,647	1,918	1,665	3,841	19,003	28,600
scrap iron	33,234	3,166	3,809	3,517	24,960	22,678	artificial fertilisers	12,006	1,336	1,135	3,205	14,235	21,836
copper and products	279	659	1,501	2,017	10,119	16,949	organic chemicals	3,146	1,019	1,055	762	9,412	12,462
Machinery and electr. appliances	1,617	9,082	9,868	14,087	73,513	118,739	Metals and metal products	61,703	25,284	25,489	27,178	182,330	212,616
including:							including:						
engines	358	1,320	931	2,264	6,757	10,360	iron and steel rails	31,371	8,989	8,115	7,060	54,727	51,296
electrical machinery	108	1,359	2,136	1,802	10,528	14,415	iron and steel sheets	8,858	3,656	4,952	2,749	30,620	25,598
electrotechn. appliances	265	4,276	3,226	4,414	36,098	48,672	pipes	4,123	2,745	2,567	3,766	20,009	27,533
Means of communication	327	2,269	2,480	6,256	21,802	51,196	lead	2,271	1,276	907	2,307	9,442	9,072
including:							zinc, zinc dust and zinc sheets	10,272	5,775	6,173	7,944	47,428	72,919
motor cars	233	1,658	1,558	3,647	13,821	32,504		1,119	831	616	610	5,101	9,583
Paper and paper ware	2,949	2,197	3,294	5,232	25,534	37,288	Paper and products	2,037	852	1,101	389	7,126	7,091
including:							Textiles and textile products	2,079	13,832	14,181	15,570	96,905	131,308
waste paper	1,576	624	1,434	2,180	9,671	12,698	including:						
Textiles and textile products	8,038	33,318	35,617	45,832	311,724	374,820	woollen yarns	373	4,490	4,726	4,696	33,766	41,717
including:							cotton fabrics	395	3,843	3,294	3,124	18,055	20,789
cotton and waste	4,407	9,950	10,342	18,142	94,810	126,283	Clothing and fancy wares	103	1,593	1,530	943	8,659	6,547
woollen rags	445	3,763	2,431	3,211	27,058	23,865							
combed wool	167	2,349	2,455	3,189	18,727	20,479							
cotton yarns	191	3,162	3,059	3,223	22,210	22,690							
woollen yarns	28	1,468	1,945	1,240	15,622	9,968							
silk yarns	71	1,293	1,605	1,838	16,368	19,815							
silk fabrics	24	3,575	3,522	2,919	33,152	34,442							

by £2.3 million, of which sum raw cotton accounted for about £400,000 and wool for £500,000, although combed wool grew by £1.3 million. The import of scrap iron during August decreased by £0.6 million and that of copper by £0.8 million. An increased import was returned for instruments, electrotechnical goods, etc., which grew to the extent of £1.1 million.

Exports declined in volume in the chief divisions of the provision and foodstuff trade (by £12.8 million), timber shipments shrank by £5.3 million, coal by £2.1 million and machines, etc. by £2.5 million.

ALCOHOL PRODUCTION & EXPORT. — Potatoes constitute the chief raw material for the production of alcohol in Poland, grown as they are in all parts of the Republic. The annual crop is about 30,000,000 metric tons — more than sufficient for home needs and enough to create an important export business in the surplus of alcohol output. During 1930, 686,500 m. tons of potatoes were used for the manufacture of alcohol, 15,590 tons of barley and 784 tons of rye, beets and molasses.

The plants producing the alcohol in Poland can be roughly classified under two headings: agricultural stills (using potatoes, etc.) and industrial plants utilising molasses for the most part. The former category accounts for 95 per cent. of the Polish alcohol output and appears to be pushing the industrial type out of existence as can be seen from the following table:

Year	Agricultural stills	Industrial stills	Total
1924/25	1,231	51	1,282
1928/29	1,392	32	1,424
1929/30	1,445	26	1,471

Various improvements in manufacture during recent times have contributed to a steady increase in productivity and to a more extended use of potatoes as the basic raw material.

During the 1928/29 campaign, the throughput of potatoes amounted to 581,500 m. tons; the throughput of potatoes per hectolitre of alcohol came to 0.865 tons in 1928/29 and to 0.828 m. tons last year, whilst the total output of 100^o alcohol came to 728,000 hl. in 1928/29 and to 878,000 hl. in 1929/30.

There are 47 alcohol distilleries in Poland of which four are state-owned and the remainder private. The necessity of taking up the raw alcohol supplied by the agricultural stills in view of the special crisis in farming coupled with the difficulty of disposing of stocks has caused large quantities of the spirit to accumulate in the warehouses of the distilleries, the present figure being in the neighbourhood of 600,000 hectolitres.

In Poland, the output of alcohol, whether for medicinal, industrial or beverage consumption, is a monopoly of the State. The manufacture of vodka (diluted purified alcohol) is also monopolised by the State, but the production of brandies, liqueurs, and the like is left to private enterprise although the raw

alcohol must also be acquired from the Spirits Monopoly.

The number of enterprises engaged in the production of brandies, etc. is relatively large; many of them have been in existence for scores of years and produce beverages of very high quality; for this reason, the home market is entirely in the hands of the Polish distilleries and exports are steadily increasing in volume. Polish alcoholic beverages are chiefly exported to France, Belgium, Canada, Great Britain, Germany, Rumania, the United States, etc. An interesting feature of the trade is that exports of vodka are growing consistently and the outgoing trade in spirits is not confined to brandies solely.

Foreign sales of Polish alcohol are centralised with the Spirytus Co. Ltd. of Warsaw, 25 per cent. of the shares of which are owned by the State Spirits Monopoly. In connection with the crisis, exports of alcohol have tended to drop of recent times; apart from this factor, it should be noted that many foreign countries have developed their alcohol industry to a great extent and have become more self-sufficient in that respect. There is also the feature of over-production in the whole world and this has evoked keen competition for foreign markets. Attempts have been made to attain an international understanding in this but so far without concrete results being achieved; as a result, the price of alcohol in foreign trade is declining steadily.

The following table shows the quantities of alcohol exported by Poland to various countries during 1928/29 and 1929/30 (in thous. hectolitres):

	1928/29	1929/30
Switzerland	2.2	35.4
Germany	10.2	—
France	15.2	—
Italy	0.1	—
Belgium	—	0.1
Latvia	18.5	—
Danzig	3.5	1.9
other countries	20.6	15.9
Total	70.3	53.5

The total value of Polish alcohol exports fluctuates between four and six million zlotys per annum. In addition a certain quantity of fusel oil is disposed of in other countries by the Polish State Spirits Monopoly every year.

TRANSPORTS

RAILWAY TRAFFIC. — Freight consignments on the Polish railway lines during July and August yielded a further growth over the gain reported in June. The average number of 15-ton wagons loaded daily came to 14,324 in July and to 14,451 in August as against 13,501 in June this year. This increase in freight traffic was due to seasonal factors and was in fact expected.

The growth was exclusively due to a larger volume of loadings for Polish stations, chiefly as a result of enhanced coal shipments, as can be seen from the following table which quotes freight

consignments to Polish destinations by commodity groups (in 15-ton wagons):

	August 1930	July 1931	August 1931
coal	3,177	2,746	3,114
crude oil	192	178	191
timber	610	601	524
farm produce	808	675	726
manuf. prod.	2,114	1,809	1,792
various	3,748	3,310	3,322
Total:	10,589	9,319	9,669

The drop in consignments destined for foreign stations was inconsiderable as can be seen from the following data of loadings (by commodity groups) to foreign points (in 15-ton wagons):

	August 1930	July 1931	August 1931
coal	2,391	2,736	2,757
crude oil	29	57	49
timber	348	342	281
farm prod.	132	31	75
various	216	228	221
Total:	3,116	3,394	3,383

The average daily number of 15-ton wagons received from foreign lines for delivery in Poland fell from 392 15-ton wagons in July to 326 in August. Railway transit traffic likewise fell off in volume, this being indicated by the average figure of 1,073 wagons per day in August as against 1,234 during July this year.

PORT TRAFFIC. — Ship traffic in the Port of Danzig was somewhat larger during August than in July and the returns exceeded those for the corresponding month of last year. Entrances came to 596 vessels of 383,336 net reg. tons (361,166 net reg. tons) and clearances to a like figures but with an aggregate tonnage of 371,711 net reg. tons (377,850 net reg. tons). The net tonnage of all vessels entering and clearing the Port during the first eight months of the current year came to 5,340,815 net. reg. tons, as against 5,443,157 net reg. tons last year.

The flags of the following countries were represented in the port traffic of Danzig during July and August this year:

	Arrivals: ships	net reg. tons	Departures: ships	net reg. tons
Poland & Danzig	61	57,914	60	56,935
Germany	339	149,659	339	155,762
Finland	28	25,269	26	22,166
Russia	1	12	11	2,053
Estonia	36	17,234	35	16,883
Latvia	58	52,274	35	46,789
Lithuania	6	2,723	6	2,723
Sweden	275	138,439	267	140,988
Norway	54	45,051	52	41,301
Denmark	204	139,624	199	135,021
Great Britain	24	24,670	28	30,312
Holland	19	13,195	17	12,564
France	27	29,449	28	30,397
Spain	3	7,201	4	8,791
Italy	4	12,485	4	12,485
Yugoslavia	1	1,805	2	5,392
Greece	10	12,802	11	25,301
U. S. A.	1	1,379	1	1,339
Panama	1	2,280	1	2,280
Hungary	1	129	1	749,561
Total:	1,153	744,497	1,147	749,561



COAL CRANES AT THE PORT OF GDYNIA

During May, June and July this year, record monthly figures of over 1,000,000 tons of coal were loaded at Danzig and Gdynia. This volume could never for technical reasons be handled by Danzig alone and explains why the turnovers of Gdynia are constantly expanding

According to provisional data, the goods traffic of the Port came to 745,840 m. tons during August (806,953 m. tons in July). Export shipments dropped from 723,223 m. tons to 692,198 m. tons whilst exports declined from 83,730 m. tons in July to 53,642 m. tons in August. Coal exports through Danzig came to 563,548 m. tons as against 556,887 m. tons in July. Timber shipments fell from 130,624 m. tons to 84,664 m. tons. Exports also included 1,967 m. tons of mineral oils, 19,472 m. tons of corn and 22,547 m. tons of general cargo. Imports included 40,110 m. tons of iron ores (nearly 30,000 m. tons less than in July, 4,820 m. tons of artificial fertilisers, 810 m. tons of scrap-iron and 7,902 m. tons of general cargo. Passenger traffic accounted for 6,382 arrivals and 7,001 departures during the month, both figures including coast-wise and Gulf traffic.

In Gdynia the ship traffic of the port during August this year came to 309 vessels entering with a total tonnage of 244,948 net reg. tons (286 vessels of 259,058 net reg. tons in July) and 295 clearances aggregating 240,722 net reg. tons (as against 293 vessels of 264,229 net reg. tons in July). In spite of the crisis, the port traffic and goods turnovers of the Port are growing steadily and creating new records year by year.

The nationality of vessels entering and clearing from the port during July

and August is given in the following table:

	Arrivals:		Departures:	
	July	Aug.	July	Aug.
	1	9	1	9
	3	1	3	1
Poland & Danzig	36	32	37	31
Great Britain	15	11	15	10
Denmark	27	25	28	26
Estonia	14	13	14	12
Finland	7	12	7	9
France	5	2	5	2
Greece	2	—	2	1
Holland	2	—	1	1
Lithuania	3	1	3	1
Latvia	9	8	13	8
Germany	53	63	62	55
Norway	11	18	13	14
U.S.A.	3	3	3	3
Sweden	98	119	90	121
Hungary	1	1	—	1
Total:	286	308	293	295

The goods traffic of the Port came to 482,739 metric tons in August, which is somewhat below the record figure of 507,029 tons in July, but nevertheless exceeds all previous months.

Imports dropped from 70,398 m. tons in July to 55,089 m. tons in August. During the month under review rubber imports appeared for the first time, Thomas slag accounted for 14,430 m. tons as against 13,138 m. tons in July; raw cotton imports came to 587 m. tons; scrap iron to 29,416 m. tons as against 28,311 m. tons in July. Rice shipments totalled only 8,431 m. tons (24,080 m. tons in July), this being a bulk shipment which fluctuates greatly in volume month by month.

Exports decreased from 432,704 metric tons in July to 425,924 metric tons in August, the whole drop having been accounted for by lower

coal exports (383,735 metric tons as against 390,244 metric tons in July). Shipments of husked rice grew from 1,736 m. tons to 1,956 m. tons, sugar exports from 317 m. tons to 2,672 m. tons, etc. Exports of potassium salts amounted to 3,680 m. tons. Bacon to England was returned at 3,506 m. tons and hams at 621 tons.

Passenger traffic was normal and came to 1,755 arrivals in August (1,791 in July) and to 1,383 departures (1,119 in July).

AERIAL COMMUNICATION IN AUGUST. — In spite of the setting in of the unusually cold weather at the beginning of August the aerial traffic during the month diminished its intensity only very slightly and in some items even showed increase. This is mainly to be attributed to the fact that people leaving for their summer holidays used the air-lines very freely.

The number of flights (scheduled and extra) amounted to 569 as against 587 in July and the distance covered to 157,180 km. (165,830 km. in July). The regularity of flights rose from 98.9 per cent in July to 99.6 per cent in August and the number of passengers carried from 1,940 to 2,006. The amount of goods carried decreased, on the other hand, from 41,874 kg. in July to 38,025 kg. in the month under review and that of mail remained almost on the same level (7,487 as against 7,545 kg.).

FINANCE AND BANKING

POLAND'S FINANCIAL CONDITION.

— The remarkable manner in which Poland has so far weathered the world-wide economic crisis and the financial shocks which have accompanied it, is often commented on in the press of other countries. During a recent interview, M. Flandin, the French Minister of Finance, gave unstinted praise to the Polish Government for its wise and firm measures in maintaining the economic and financial stability of the country. In that work, the whole nation has stood behind its Government, he stated, and the resulting unimpaired budgetary and commercial equilibrium has brought credit to all concerned. He emphasised the fact that Poland has at no time been in financial difficulties; has not been forced to solicit the aid of other countries as have many other apparently stronger organisms; that the Polish nation has known how to reconcile expenditure with income and to live within its means.

Another striking indorsement of Poland's economic policies was furnished by the Hon. Charles S. Dewey, former Asst. Secretary of the U. S. Treasury, during a recent speech in Chicago. "Poland is attracting universal attention", he stated, "because of the exceptional strength of her finances based upon the firm foundation of her currency. Poland has attained that position, not by any miraculous means, but by hard work. There was a time when Poland had no reserves and the currency had to be stabilised, but all this had been set right within the course of a few years. In 1927, when prosperity was still with us, the richer countries readily granted loans to poorer states. The latter often most incautiously took all they could, sometimes borrowing for quite unproductive and unnecessary purposes. Poland also received offers of loans but her answer was almost always a refusal. She preferred to fend for herself and balancing her foreign trade, she also stabilised her budget on a very firm basis. Today, Poland has sound finances and a sound currency. This is more than many other countries can show. One of the most eloquent proofs of Polish enterprise and economic development is afforded by the rise and growth of Gdynia. I believe that Poland with her 30 millions of population, with her culture and industry, will occupy a premier place in Europe in respect of finances and order".

NEW VICE-MINISTER OF FINANCE



PROF. DR. W. M. ZAWADZKI

Vice-Minister of Finance; Chairman of the Scientific Committee of the Ministry of Finance

Born in 1885 at Wilno, Prof. Zawadzki studied in Poland and abroad, devoting himself to an academic career as a professor of the new school of scientific thought in political economy. His works on the application of the exact sciences to economic matters attracted much attention and for some time past he has been at the head of the Scientific Committee of the Polish Ministry of Finance. His nomination as a vice-minister of that ministry is regarded as a distinct step towards the attainment of a really rational and scientific form of government especially in the domain of economic life.

THE ENGLISH CRISIS. — It is obviously too early to appraise the full results of recent events in England and much time must pass before the sterling rate attains its natural economic level.

For some time past, the situation in England had been giving cause for concern based upon a certain inherent weakness in the sterling rate and in a lack of budgetary and economic equilibrium, due partly to internal and partly to external causes. The backbone of England's economic structure—her industries—lost many markets during the War, but there had even before 1914 been a distinct tendency for foreign markets to build up their own industries with a view to self-

sufficiency and ultimately to compete with the English manufacturers on foreign markets. A certain lack of adaption to the ever-changing aspects and demands of life still further weakened British export trade.

Today, it seems evident that the restoration of sterling to full parity in 1925 had been a mistake. It proved too great a strain on the country, hindered export and facilitated import. Chronic unemployment, stabilised at a minimum of a million idle workers, proved a great drain upon the country's resources and morale.

The British balance of trade has of course always been adverse and since 1925 the annual deficit has been one of about £400 million. This had always been more than made good for by the large favourable balance of invisible trade which is usually over £500 million per annum. This year, however, the adverse trade balance is expected to be very great due to the world-crisis: exports have dropped greatly but imports, largely composed of foodstuffs have if anything increased. The favourable balance of payments, which was only £39 million in 1930, will probably be replaced by an adverse balance. Income from shipping has slumped heavily, debtor-countries have defaulted under the strain of low prices and decreasing revenues. London as the banker of the world found itself faced by a loss in confidence brought to a head by Germany's real or imagined insolvency. Over £70,000,000 of British short-term credits alone were frozen up in Germany. Just as in private business-life, so in the case of England this large potential loss shook her credit and capital began to flee from her, the more so as Germany's insolvency was well advertised and the sight-sightedness of the English and American bankers received its due share of the news. The American banking system has so far withstood the shock fairly well, backed up as it is by a huge stock of gold.

But this reserve did not exist in England, which has since the War sent £322 million of gold to the United States and paid off £280 million in war-indebtedness. Withdrawals of deposits followed on a large scale with continual selling of sterling until the rate was forced down to the gold export point. Then gold began to flow out of the country until finally, in self-protection, the gold standard had to be suspended. Unsupported by gold exports, the sterling rate began to fall steadily until it reached \$3.45 in New York (parity \$4.86²/₃) and £32 in Warsaw (parity £43.38). The currencies of many countries based on the gold exchange standard, with sterling predominant, slumped in sympathy with sterling until finally, the only currencies of international importance to retain their full parity were the U. S. dollar, the French franc, the Polish zloty and the Dutch florin.

What the future holds, none can say; but the Polish currency has maintained its parity without the slightest sign of weakness. The fruits of Poland's cautious monthly budget system are now apparent. Public and international confidence has even been strengthened and the Polish banking system stands as firm as a rock backed up by large cash reserves and a growing volume of deposits.

As regards England, much will depend on the English themselves. As matters stand now, their competitive ability is higher than before, exports should increase and imports be cut down. Unemployment should drop in volume. But if prices go up and wages and the dole follow them, these benefits will become extremely problematical. In so far as Poland is concerned, there is little possibility of loss in export trade since prices will adjust themselves to the current sterling rate. Undoubtedly Polish exporters will suffer losses on international contracts expressed in sterling but this cannot last for long. The Polish coal trade, however, will now meet with keener competition from England and will have to count more and more on its up-to-date methods and greater efficiency. British exports to Poland should increase in volume and this is heartily to be desired.

The situation in England still calls for a concerted national effort and this the English nation is undoubtedly capable of. As Poland has already done, not only national but also private expenditure must be made to coincide with income. It is sincerely to be hoped that conditions in Great Britain will soon become stabilised and that the difficulties of the present will make the British work all the harder for a better future. In this work, the whole world must co-operate for, as Mr. Snowden rightly stated: "the existing economic system cannot be maintained if everybody tries simultaneously to liquidate their investments."

STATE REVENUE AND EXPENDITURE. — Budgetary receipts during August this year were £23.7 million below the July figure and £46.1 million below the August 1930 level. Administrative receipts declined by £13.7 million below the August 1930 figure, but the various State enterprises increased their dotations to the Treasury by £0.8 million. Total budgetary revenue during the period April — August 1931 came to £966.5 million, which sum includes, besides public levies and the Monopolies, £120.6 million from administrative receipts and £64.2 million from State enterprises.

Receipts netted so far constitute 33.71 per cent. of the Budget estimates and are £174 million below the sum collected during the corresponding period of last year. The drop was caused by lower income from public levies and the Monopolies (£166.4 million), by £21.8 million less from administrative receipts, etc. State

STATE REVENUE AND EXPENDITURE

	Revenue (in millions of £)		Expenditure (in millions of £)	
	actual August 1931	annual 1931/32 budget estimates	actual August 1931	annual 1931/32 budget estimates
A) Civil service	96.9	1,848.1	180.9	2,851.9
including:				
Ministry of Foreign Affairs	0.9	11.4	6.0	51.1
" War.	0.3	5.2	63.2	836.2
" the Interior	1.2	12.7	17.7	253.3
" Finance	85.4	1,692.7	9.3	137.3
" Justice	3.5	44.5	7.8	129.8
" Industry and Commerce	1.1	14.4	2.2	33.8
" Agriculture	0.4	9.7	1.9	48.8
" Education and Religions	0.1	4.9	28.1	445.2
" Public Works	1.2	18.6	4.3	118.6
" Labour and Social Wel- fare	0.0	1.0	5.3	104.3
" Land Reform	0.1	6.8	1.5	51.1
Pensions	2.7	24.9	12.0	131.4
Grants to disabled soldiers	—	—	12.0	163.5
State liabilities	—	—	7.7	315.1
B) State enterprises	13.1	136.6	0.6	14.0
C) Monopolies	59.1	882.0	—	—
Total A + B + C:	169.1	2,866.7	182.5	2,865.9

enterprises, however, paid in £14.2 million more so far this year than in the corresponding period of 1930.

Compared with July this year, expenditure was less by £36.7 million and less than in August last year by £32 million. Total expenditure during the period April — August 1931 came to £1,082 million or 37.65 per cent. of the estimated expenditure in the 1931/32 budget, and to 38.5 per cent. of the actual disbursements during the 1930/31 fiscal year. Expenditure has therefore been closely watched over and kept as far as possible proportionate to current income: shrinkage in receipts has been compensated for by economies in personnel expenditure and in material disbursements, the savings thus effected during the five-month period in question having been £54.2 million.

TAXES. — Public levies yielded £14.7 million during August this year, that is, less than in July and £21.3 million less than in August 1930. In both cases the drop was caused by a decreased volume of revenue from direct taxation, Customs and stamp fees. The Monopolies paid in £4.2 million more to the Treasury than in July, but £11.9 million less than in August a year ago. The total yield of public levies during the period April — August 1931 was £510.5 million, and the Monopolies gave £271.1 million, i. e. a total of £781.6 million. The total yield for the corresponding period of

last year was larger by £166.4 million, the decline having been caused by a drop of £66.4 million in monopoly payments, and of £100 million in public levies, of which sum Customs accounted for a decrease of £39.8 million, and the Industrial Tax for £23.3 million. Two-thirds of the drop in Monopoly payments is accounted for by the smaller turnover of the Spirits Monopoly.

The revenue from public levies and monopolies in August as compared with July 1931, August of last year and the monthly average for the 1931/32 budget is given in the following table (in millions of £):

	Actual revenue:			^{1/3} th of the annual budget for 1931/32
	July 1931	August 1931	1930	
Direct taxes	48.4	42.6	52.9	58.8
Indirect taxes	12.9	11.7	11.8	15.5
Customs duties	14.8	11.5	19.3	29.2
Stamp fees	13.3	10.7	13.1	15.1
Property Tax	1.6	0.8	1.1	3.6
10 per cent Extra- ordinary Tax	7.9	6.9	7.3	9.4
Total of public levies:	98.9	84.2	105.5	131.6
Monopolies	54.9	59.1	71.0	73.5
Total:	153.8	143.3	176.5	205.1

STOCK EXCHANGE

— The critical state of German finances and the closing of stock exchanges in the whole of the Reich, caused an enhanced demand for U.S. currency in virtually every country in Europe.

* In spite of the rise in the rate for actual dollar currency, the Polish Zloty remained absolutely firm and quotations of drafts and transfers on New York were kept at the normal figures.

The strength shown by the Polish currency soon had its effect on speculators and hoarders and the price of U.S. banknotes slumped back to par; in the middle of July the rate was 9'10, dropped to 9'02½ by the end of that month, to 8'92½ by the end of August and to 8'90½ during the second week of September.

During August, London exchange rose by ¾ *gr* per pound, Paris by 1 *gr*, Brussels by 2/3 *gr*, Amsterdam by 23 *gr* and Vienna by 1 *gr* per 100. The other exchanges were rather weaker: New York (drafts and cable transfers) dropped by 1 *gr* and Zurich finished the month with a loss of 45 *gr* per 100 francs.

Transactions in foreign exchanges were rather livelier in the first half of the month and slackened off towards the end. At no time did they vary exceptionally from the normal level.

Quotations of the Zloty abroad remained without change on the whole. London, New York, Zurich and Prague reported no change as against the end of July, Berlin reported higher prices whilst Vienna and Danzig finished the month with a slightly lower Zloty quotation.

The considerable drop in the sterling rate during September was fully reflected in the Polish market and the Zloty retained its full par value unimpaired. No tendency to drop in sympathy with sterling was observed as in the case with Scandinavian and in fact with most other currencies. The Zloty remained absolutely firm in company with

S H A R E S	July 31st	August (average)	August 31st	Nominal
Bank of Poland	116'50	113'50	112'—	zł 100 —
Potassium Salts Exploitation Co. ...	—	90'—	—	zł 100'—
Częstocickie Tow. Fabr. Cukru ...	31'50	31'50	—	zł 100'—
Warsaw Coal-mining Co.	—	18'—	18'—	zł 100'—
Lilpop, Rau & Loewenstein	—	13'90	—	zł 25'—
Ostrowiec ("B" series)	—	33'50	—	zł 50'—
Warsaw Parowozy Locomotives ...	—	10'50	—	zł 25'—
Starachowice Steel	—	7'50	—	zł 50'—
Haberbusch & Schiele Breweries ...	—	64'50	—	zł 100'—

the U.S. dollar, the French franc, and the Dutch florin.

S H A R E S

The stock market during August was characterised by the usual vacational

volume of offerings declined parallelly with the demand. Holders of scrip still considered the moment unsuitable for unloading their stocks. The number of small transactions concluded was,

State, Municipal & Land Loans	July 31st	August (average)	August 31st	Nominal
5% Conversion Loan	—	44'30	44'50	zł 100 —
7% Stabilisation Loan	73'—	70'—	69'50	\$ 100'—
6% External Dollar Loan 1920 ...	—	70'—	—	\$ 100'—
3% Premium Building Loan	36'50	32'75	—	gold. zł 50'—
4% Premium Investment Loan	—	82'85	83'—	gold. zł 100'—
10% Railway Loan (1st series) ...	—	105'15	106'50	gold fr. 100'—
8% National Economic Bank Bonds	94'—	94'—	94'—	gold. zł 100'—
8% State Land Bank Bonds	94'—	94'—	94'—	gold. zł 100'—
8% National Economic Bank Communal Bonds	94'—	94'—	94'—	gold. zł 100'—
4% Land Credit Association Bonds	—	37'50	36'50	zł 100'—
4½% Land Credit Association Bonds	48'75	49'20	—	zł 100 —
8% City of Warsaw Credit Association Bonds	69'—	69'15	96'50	zł 100'—
5% City of Warsaw Credit Association Bonds	54'50	53'20	—	zł 100'—
4½% City of Warsaw Credit Association Bonds	—	49'30	—	zł 100'—

slackness. Transactions concluded were few and little interest was shown by buyers; in this respect Poland was no exception during the summer, and the

however, fairly large but these failed to reach the required minimum necessary for an official quotation. For that reason, many shares although dealt in, are not quoted by us.

E X C H A N G E S	par value	July 31st	August (average)	August 31st
Warsaw Exchange				
London £ 1	43'38	43'36	43'37½	43'39¼
New York \$ 1	9'90	8'922	8'924	8'921
New York Cable\$ 1	—	8'926	8'927 ⁹ / ₁₀	8'925
Paris Fr. Fr. 100	34'93	34'99	35'00 ³ / ₁₀	35'—
Brussels Belg. 100	123'95	—	124'49 ¹ / ₃	124'50
Zurich Sw. Fr. 100	172'00	174'17	173'99 ² / ₃	173'72
Milan Lire 100	46'92	—	46'72¼	46'71
Amsterdam Fr. 100	358'31	359'80	360'03	—
Vienna Sh. 100	125'43	125'47	125'49½	125'48
Prague Kc. 100	180'62	26'44½	26'43 ⁹ / ₁₀	26'43½
Stokholm Kr. 100	238'89	—	238'91 ⁷ / ₁₀	—
Foreign Exchanges				
London £ 100	43'38	43'37	43'37¼	43'37
New York zł 100	11'22	11'22	11'22	11'22
Zurich zł 100	58'14	57'55	57'48 ² / ₅	57'55
Vienna zł 100	79'55	79'67	79'59¼	79'57
Prague zł 100	55'36	—	377'—	377'—
Berlin zł 100	47'09	47'175	47'21 ³ / ₁₀	47'25
Danzig zł 100	57'63	58'14	57'68 ⁴ / ₅	57'605

STATE, MUNICIPAL AND LAND LOANS

During August, the greatest interest shown in Government securities was for the bonds of the 6 per cent. Dollar Loan and the 7 per cent. Stabilisation Loan. Quotations varied for the various denominations of certificates or bonds but remained firmly at the July level. The 4 per cent. Premium Investment Loan was in greater demand, but the 3 per cent. Premium Building Loan was offered at lower prices than in the preceding month. Investors furnished a ready demand for the 10 per cent. Railway Loan, which attained higher quotations as a result. No change was reported in the prices of 5 per cent. Conversion Loan, 8 per cent. and 7 per cent. mortgage bonds of the Nat'l. Economic Bank and of the State Land

Bank. Greater interest was shown in the $4\frac{1}{2}$ per cent. and 8 per cent. bonds of the Land Mortgage Credit Associations and of the Warsaw City Credit Association.

BANK OF POLAND

— Whilst June yielded a surplus of $\text{z}4.1$ million and August one of $\text{z}11.1$ million in the foreign exchanges turn-overs of the Bank of Poland, July trading resulted in an adverse balance of $\text{z}65.1$ million. It is true, purchases of foreign exchanges from the private clients of the Bank had been very stable at the level of about $\text{z}100$ million monthly during the period in question, but there was great fluctuation in foreign monies received from other sources, i.e. from foreign loans and credits. Thus, the exceptional inflow noted in June ($\text{z}269.5$ million) was largely due to the receipt of payments in connection with the Match Monopoly and the Silesia—Gdynia Railway Loans. During July, no larger sums were received from abroad and the Bank's purchases of foreign exchanges therefore slumped to $\text{z}171.8$ million. Purchases in August rose to $\text{z}181.6$ million, but a French discount credit, equivalent to $\text{z}58$ million, received during that month did much to make that figure possible, since domestic sales to the Bank dropped off somewhat.

As regards sales of foreign exchanges by the Bank, the high figure of purchases in June (a record one for this year) was almost offset by the record sales level of $\text{z}265.4$ million. This relatively large sum was brought about by the export of sums necessary for the service of the National Debt and for the paying-off of sums due to the B. I. S. Sales during July dropped to $\text{z}236.9$ million, but $\text{z}206.7$ million of this figure represented sales to the private clients of the Bank as against $\text{z}145.0$ million in June. This sudden increase was undoubtedly an indirect local reaction to the German financial breakdown evoked by the pressure of foreign money markets more strongly affected by the events in Germany than was Poland. During August, the situation became calmer and sales declined to $\text{z}170.4$ million, of which the private clients of the Bank accounted for $\text{z}144.8$ million.

The foreign exchange reserves of the Bank, as a result of the above movements, fell in July to $\text{z}296.6$ million ($\text{z}349.6$ million in June) and to $\text{z}280.7$ million in August. The following table shows what effect these changes had on that part of these reserves ear-marked as cover for the note-circulation and sight-liabilities (in millions of z):

	January 1st	June 30th	July 31st	August 31st
gold	562.2	567.8	567.9	568.0
foreign currencies	288.4	230.5	167.3	145.2
Total:	850.7	798.2	735.2	713.1

The foreign-exchange and gold cover was therefore 55.29 per cent. on January 1st., 1931, 53.22 per cent. on June 30th., 49.04 per cent. on July 31st., 48.48 per cent. on August 31st. and 50.52 per cent. on Sept. 20th, the statutory minimum being 40 per cent. The ratio of gold cover alone on the corresponding days was: 36.54, 37.85, 37.88, 38.61 and 40.61 per cent. as against the legal minimum of 30 per cent. The ratio of gold cover held by the Bank has therefore been steadily increasing.

The drop in the ratio of foreign-exchange and gold cover was relatively smaller in August than the absolute decrease in the cover. This was due to the fact that the note-issue and sight-liabilities decreased from $\text{z}1,499.2$ in July to $\text{z}1,471.1$ million, no important change having been reported for July. This absolute drop was evoked by a shrinkage in the note-issue (from $\text{z}1,254.3$ to $\text{z}1,245.1$ million) and in the volume of sight-liabilities (from $\text{z}244.9$ to $\text{z}226.0$ million). The drop in sight-liabilities was caused by current accounts decreasing from $\text{z}191.6$ million on June 30th. to $\text{z}181.5$ million on July 31st. and $\text{z}169.0$ million on August 31st.

Whilst the note circulation rose by 2 per cent. during July, it shrank by 0.7 per cent. in August in spite of withdrawals from current accounts and an increase in hypothecation loans as also in agricultural collateral security credits. This downward movement was caused by a growth in miscellaneous liabilities, which include also those credits granted to the Bank itself.

As regards the banking department of the Bank of Poland, it is noteworthy that the domestic bills portfolio showed no gain during August, although a growth of $\text{z}90$ million had been reported for

July. The foreign bills holdings of the Bank, however, and hypothecation loans rose in volume fairly greatly both in August and in July. Apart from the credit items of the bank cover, no striking changes took place in its composition, as can be seen from the following table (in millions of z):

	January 1st	June 30th	July 31st	August 31st
		1 9 3 1		
bills	672.0	553.9	643.3	643.6
foreign bills of exchange	107.1	98.3	104.8	113.3
Polish silver coins and token money	12.2	23.0	23.0	22.3
loans against securities	86.3	83.3	86.4	98.0
own interest-bearing securities	8.8	13.3	12.9	13.2
liability of the Treasury	—	20.0	20.0	20.0
Total:	886.5	791.9	890.4	910.5

BANK OF DANZIG. — The central bank of the Free City of Danzig has abandoned its gold exchange standard, largely based upon sterling holdings, in favour of a gold bullion standard. The change took place before England abandoned the gold standard but was announced officially only after the sterling rate began to drop.

— The view of docks and plants printed on page 195 of our July issue shows a general view of the International Ship-Building and Engineering Works at Danzig; we have been requested to state that the equipment shown in the foreground is the property of Messrs. Schichau & Elbing. G. m. b. H.

LATEST NEWS — Warsaw Exchange:

	Sept. 10, 1931	Sept. 20, 1931
\$ = z	8.929	8.925
£ = „	43.39	43.38 $\frac{1}{2}$

Bank of Poland:

(in z ; 000's omitted)

	Aug. 30, 1931	Sep. 10, 1931	Sep. 20, 1931
Assets:			
Gold reserve	567,979	568,013	568,040
Foreign balances	145,170	143,787	143,806
Foreign balances (not inc. in cover)	135,547	138,047	137,650
Silver & token coins	22,322	24,075	27,386
Bill portfolio	643,606	627,318	624,749
Collateral loans	98,041	98,197	90,716
Own securities	17,244	13,315	13,424
Treasury debt	20,000	20,000	20,000
Other assets	190,168	189,754	176,991
Liabilities:			
Capital and reserves	264,000	264,000	264,000
Current accounts	169,003	195,715	212,659
Other accounts	57,031	56,314	55,859
Note issue	1,245,074	1,184,764	1,409,092
Other liabilities	194,194	213,939	222,896
% gold & exchange cover	48.48	49.51	50.52

ACTING EDITOR: Z. KACZOROWSKA

PRINTERS "G. D. W."
Warsaw, 10, Przejazd

G I E S C H E

S P Ó Ł K A A K C Y J N A

PRODUCERS OF

GIESCHE BRANDS

FINE ZINC — REFINED ZINC — SLAB ZINC — PRESSED
ZINC — ZINC SHEETS — CADMIUM — PIG LEAD —
LEAD SHEETS — LEAD PIPES — LEAD WIRE —
LEAD SHOT — RED LEAD — LITHARGE — SOLDER
SULPHURIC ACID OF ALL GRADES — OLEUM 20%.

C O A L: GIESCHE & CLEOPHAS BRANDS

PLANTS: SZOPIENICE — TRZEBINIA

MINES: BLEISCHARLEY — ZAŁĘŻE —
KATOWICE — CHRZANOW

GENERAL SALES OFFICE:
KATOWICE

FOREIGN SALES BRANCHES:

DANZIG — HUNDEGASSE 94. **BERLIN** — UNTER
DEN LINDEN 17. **VIENNA** — INVALIDENSTRASSE 7.
PRAGUE — GEBRÜDER SCHRAMMEK, FOCHOVA 7.
BUDAPEST — URBAN KOHLENHANDELS A. G.

TELEGRAPHIC ADDRESS: GIESCHE — KATOWICE

Best qualities

Lowest prices

POLISH BACON

**THE UNION OF POLISH
BACON PRODUCERS**

30, KOPERNIKA, WARSAW, POLAND

Centralising the bacon
production and export of
all the 26 factories in
Poland. Sales to Great
Britain in June 1931:

82,635 cwt of bacon
15,504 cwt of hams

POLSKI ZWIĄZEK BEKONOWY

30, KOPERNIKA, WARSAW

TELEPHONE: 734-72

WARSAW COAL-MINING AND SMELTING Co., Ltd.

CAPITAL: £ 21,000,000

COAL MINES:

"KAZIMIERZ" AND "JULJUSZ"

BEST DOMESTIC AND INDUSTRIAL COAL

**Exports to: France, Italy, Sweden,
Austria, Rumania, Czechoslovakia, Hungary**

HEAD OFFICE: 1, JASNA, WARSAW

Administration:

NIEMCE, POCZTA KAZIMIERZ — STRZEMIESZYCE

BANK ZWIĄZKU SPÓŁEK ZAROBKOWYCH

SP. AKC.

(UNION BANK OF THE CO-OPERATIVE SOCIETIES)

HEAD OFFICE: 15, PLAC WOLNOŚCI, POZNAŃ

B R A N C H E S:

A) AT HOME: WARSAW, 8 Jasna
LWÓW, KRAKÓW, WILNO, BYDGOSZCZ, TORUŃ,
GRUDZIĄDZ, ŁÓDŹ, LUBLIN, RADOM, KIELCE,
PIOTRKÓW, SOSNOWIEC, KATOWICE, BIELSKO

B) FREE CITY OF DANZIG: 18, HOLZMARKT

TELEGRAMS: "ZAROBKOWY"

BANKING BUSINESS OF EVERY DESCRIPTION TRANSACTED

BEHNKE & SIEG D A N Z I G

Established: 1890
Telephone: 235-41

Tel. address: Behnsig, Danzig
770, New Port, Neufahrwasser

Gdynia Branch:

PORTOWA St., GDYNIA

STEVEDORES AND SHIPBROKERS

Own vessels. Communication between Danzig, Hamburg, Antwerp, Libau, Finnish and British ports. Marine transport to all ports in the world, with shipments to and from Gdynia and Danzig a speciality.

**AGENTS AND REPRESENTATIVES OF
FIRST-CLASS INSURANCE COMPANIES**

POZNAŃSKI BANK ZIEMIAN

SP. AKC.

HEAD OFFICE

13, ALEJE MARCINKOWSKIEGO, POZNAŃ

Telegraphic address: "ZIEMIA"

Telephones: Banking Department: 5010, 5022, 3031
Agricultural and Commercial
Department: 1393, 1394, 3693 — —

BRANCHES:

AT BYDGOSZCZ, GRUDZIĄDZ, OSTRÓW

DEPOSITS—BILLS OF EXCHANGE —
FOREIGN CURRENCIES—CHEQUES —
LETTERS OF CREDIT — COLLECTION
OF BILLS — SAFES — ADMINISTRA-
TION OF CLIENTS FUNDS — ADVICE
GIVEN TO CLIENTS DESIRING TO
INVEST CAPITAL — ALL BANKING
AND STOCK EXCHANGE BUSINESS
:: :: :: TRANSACTED :: :: ::

SALE, PURCHASE AND EXPORT ON FAVOURABLE TERMS:
GRAIN, SEEDS, WOOL, ROOT PLANTS AND ALL OTHER
AGRICULTURAL VEGETABLE PRODUCTS, ARTIFICIAL
:: :: :: FERTILIZERS, FUEL AND FODDER :: :: ::

SILESIAN ZINC-WORKS AND MINING CO. LTD. (ŚLĄSKIE KOPALNIE I CYNKOWNIE, S. A.)

PAID-UP CAPITAL ZŁ. 46,000,000

REGISTERED OFFICES:
LIPINY, UPPER SILESIA, POLAND.

THE COMPANY OWNS AND OPERATES:

- 5 zinc foundries (Lipiny, Kunegunda, Rozamunela, Łazy and Hugo Works).
- 1 electrolytic zinc plant (Andaluzja Works).
- 2 zinc rolling mills (Silesia and Miłość-Nadzieja Works).
- 3 sulphuric acid plants (Kunegunda, Lipiny and Łazy Works).
- 2 bituminous-coal mines (Matylda and Andaluzja collieries).
- 2 Sodium sulphate and hydrochloric acid plants (Ligota and Łazy Works).
- 1 ertofron plant (Ligota Works).

HOHENLOHE WORKS

JOINT STOCK COMPANY

WEŁNOWIEC (UPP. SILESIA)

Telegraphic address: "HOHENLOHE" WEŁNOWIEC ŚLĄSK POLAND

Head office telephones: K A T O W I C E 440 — 448, 454

DEPARTMENT I. — COAL

Flaming coal from "MAKS", "WUJEK" &
"JERZY" mines and also the "Zjednoczona
Kopalnia Hohenlohe Fanny"
Briquettes from "W U J E K" mine — trade
mark "H. W."

DEPARTMENT II. — METALS

Zinc (spelter) sheets	Zinc (spelter) "H.
Zinc (spelter) Hohen-	H. K r o n e"
lohe brand (refined	(double refi-
and unrefined)	ned)
	Zinc (spelter) dust

EXCLUSIVE SELLING AGENTS:

"FULMEN" — Górnośląski Handel Węgla
Sp. z ogr. odp.
KATOWICE, 3, 5 & 7 JULJUSZA LIGONIA
TELEPHONES: 497, 498, 807, 2271, 2272

DEPARTMENT III. — ACIDS

Sulphuric acid (60% commercially pure)	
Sulphuric acid from 92 — 100%	
Oleum 12%	Oleum 20%

STATE LAND BANK

M A I N O F F I C E:
50, NOWOGRODZKA, WARSAW

BRANCHES: MAIN WARSAW BRANCH — 50, NOWOGRODZKA;
LWÓW — 25, PIŁSUDSKIEGO; WILNO — 24, WIELKA POHULANKA;
POZNAŃ — 10, KONTAKA; GRUDZIĄDZ — 18, SIENKIEWICZA; KATO-
WICE — 9, TRZECIEGO MAJA; ŁUCK — 15, PIŁSUDSKIEGO; KRAKÓW —
9, PLAC SZCZEPAŃSKI; PIŃSK — 18, ŁOHISZYŃSKA; LUBLIN — 1, KA-
PUCYŃSKA; KIELCE — 57, SIENKIEWICZA; AND AN AGENCY AT GDYNIA.

TELEGRAPHIC ADDRESS OF MAIN OFFICE: CENTROPEBROL
TELEGRAPHIC ADDRESS FOR PROVINCIAL BRANCHES: PEBROL

FULLY PAID-UP CAPITAL: £ 130,000,000

THE STATE LAND BANK

GRANTS LONG-TERM AMORTISATION LOANS IN THE FORM OF 7 PER CENT. MORTGAGE BONDS FOR THE PURCHASE OF ESTATES AND FOR AGRICULTURAL INVESTMENT; GRANTS LONG-TERM CREDITS IN THE FORM OF 7 PER CENT. LAND IMPROVEMENT BONDS FOR ALL KINDS OF FARM IMPROVEMENT WORKS; GRANTS SHORT-TERM TURNOVER CREDITS TO SMALL AND MEDIUM RURAL HOLDERS THROUGH THE INTERMEDIARY OF CO-OPERATIVE SOCIETIES AND SAVINGS BANKS; FURNISHES CREDITS TO SMALL AND MEDIUM HOLDERS FOR THE PURCHASE OF ARTIFICIAL FERTILISERS THROUGH THE INTERMEDIARY OF CO-OPERATIVE SOCIETIES AND MUNICIPAL SAVINGS BANKS ON EASY CREDIT TERMS; PURCHASES COUNTRY ESTATES FOR PARCELLATION INTO SMALLER HOLDINGS AND ALSO CARRIES OUT SUCH OPERATIONS ON A COMMISSION BASIS; ACCEPTS DEPOSITS, PAYING FROM 6 PER CENT. PER ANNUM FOR OVER THREE-MONTH TIME-DEPOSITS, 5 PER CENT. INTEREST FOR OVER ONE-MONTH TIME-DEPOSITS, 4 PER CENT. PER ANNUM ON CURRENT CHEQUE ACCOUNTS AND 6 PER CENT. ON SAVINGS-BOOK ACCOUNTS.

THE 7 PER CENT. MORTGAGE BONDS OF THE STATE LAND BANK ARE SECURED BY RURAL FARM MORTGAGES, BY THE ENTIRE PROPERTY AND RESOURCES OF THE STATE LAND BANK AND BY THE GUARANTEE OF THE POLISH TREASURY. THEY ARE RECOGNISED AS TRUST AND BOND SCRIP, ARE ACCEPTED BY THE POLISH TREASURY AS BOND AND GUARANTEE FUNDS, AND ARE ALSO LEGAL TENDER FOR ALL PAYMENTS DUE FOR THE ACCOUNT OF THE PROPERTY TAX. THE 7 PER CENT. LAND IMPROVEMENT BONDS OF THE STATE LAND BANK ARE EXPRESSED IN GOLD ZLOTYS, AS ALSO IN U. S. DOLLAR EQUIVALENT; THEY ARE GUARANTEED BY THE POLISH TREASURY AND ARE ALSO RECOGNISED AS BOND AND TRUST SCRIP; THEY ARE ACCEPTED BY THE POLISH TREASURY AS BOND AND GUARANTEE FUNDS AND ARE EXEMPT FROM THE CAPITAL AND UNEARNED-INCOME TAX.

GÓRNOŚLĄSKIE ZJEDNOCZONE HUTY KRÓLEWSKA I LAURA

SP. AKC.

(THE SILESIAN UNITED ROYAL
AND LAURA FOUNDRIES)
POLISH UPPER SILESIA

1. — **Coal** from the Laura and Richard Pits — Królewska Huta
2. — **Foundries** — at Królewska Huta
3. — **General Engineering Department**—at Królewska Huta: Waggon, springs, stampings, bridge building, &c.
4. — **Machinery Workshops** — Huta Zgoda
5. — **Iron Mines** — at Tarnowska Góra, Chorzów, Schmiedeberg and Częstochowa
6. — **Affiliated Companies:** Screw and rivet works — at Siemianowice; Screw, nut and rivet works — at Danzig

HEAD OFFICE: KATOWICE, 1 to 3, KONCKIEGO
TELEPHONE: 899

DIRECTORATE: KROLEWSKA HUTA, 11, MONIUSZKI
TELEPHONE: 218-222

COAL OFFICE: SIEMIANOWICE. TELEPHONE: 52-63

"POLMIN"

POLISH STATE PETROLEUM COMPANY

HEAD OFFICE: LWÓW, 1, SZPITALNA 3

TELEPHONES: 3-28, 2-48, 39-20, 39-21

TELEPHONE OF THE GENERAL MANAGER: 39-42

BRANCH OFFICE: WARSAW, 2, SZKOLNA, TELEPH.: 70-84, 114-75

THE LARGEST
PETROLEUM REFINERY IN EUROPE
ORGANISED ON MOST UP-TO-DATE LINES

BRANCH OFFICE IN DANZIG

POLISH STATE PETROLEUM COMPANY

PAŃSTWOWE ZAKŁADY NAFTOWE S.A.

WALLGASSE 15/16, TEL. 287-46

AGENCIES
IN ALL CAPITAL CITIES OF EUROPE
OFFERS BEST GRADE PETROLEUM PRODUCTS
AT COMPETITIVE PRICES:

BENZINE for aeroplanes and automobiles, extractive purposes, sealing wax;
PETROLEUM giving big flame, export, ordinary refined, and industrial;
OIL vaseline, motor car oil, aerial engine oil, cylinder oil, and all
grades of special oils; GREASES Sovotrés grease, ropes, vaseline
for natural and for technical purposes; PARAFFINE AND CANDLES.
(RETAIL AND WHOLESALE IN ALL THE MORE IMPORTANT)
(LOCALITIES FROM OWN AND COMMISSION STORES)
OWN STORAGE TANKS



POLISH STATE COAL-MINES

IN UPPER SILESIA
(POLAND)

SOCIÉTÉ FERMIERE DES
MINES FISCALES DE
L'ETAT POLONAIS
EN HAUTE SILESIE

KRÓLEWSKA HUTA
(SILESIA)

9-15, RYNEK

TELEPHONE:	TELEGRAPHIC ADDRESS:
KRÓLEWSKA HUTA	„SKARBOFERME”
636, 637, 638, 639, 640	KRÓLEWSKA HUTA
KATOWICE 972	POLAND

OFFER: COAL, COKE, BRIQUETTES
AND AMMONIUM SULPHATE
FROM THE "KRÓL", "BIELSZOWICE"
AND "KNURÓW" MINES

