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**GOOD NEWS FOR THE COLONY.**

In 1762 the Eglise Suisse was born.

In 1924 the Schweizerkirche was founded. This was good. It allowed the development of morning and evening services in German, but, as time went on, it was found that there was a danger that something rather precious was being lost. With a view to maintaining a united Swiss fellowship in London the two consistories have for some time past studied ways of affecting a union of the two branches of the Church.

As a result of these negotiations we are today in the happy position to inform the colony that a complete fusion has become an established fact, and that thus a real need has been satisfied. Henceforth both French and German services will be carried on under the leadership of a sole Consistoire. The Schweizerkirche and its Kirchenpflege have dissolved, but all services will be held as hitherto, at Gresham Street for the German-speaking congregation, and at Endell Street for the French-speaking, and the Consistoire will conserve the spiritual leadership of the Church with the assistance of a French-speaking Pastor at Endell Street, and a German-speaking Pastor at Gresham Street, and their usual hours of worship.

In future it will be solely responsible for the administration of the united Church's finances, and the annual report will contain only one Revenue Account.

This marks a definite step forward in our Church organization, and we feel that the Colony will warmly welcome this achievement and more than ever support the Swiss Church morally and financially. Remember, under God, the Church is dependant upon your voluntary and needed gifts to carry on her responsible work. Make your contribution as liberal as you can, and thus ensure financial success to a work which is deserving of your whole-hearted interest. Seeing that we have had to contend with a series of deficits our need is very real. Will you help to close the deficit period, not only by a personal donation, but also by introducing new friends, and by you and them taking a constant interest in the Church activities, so that, on the arrival of our new Pastor for Endell Street, we may celebrate the event of our reunion with a clear Balance Sheet and increased support.

Le Consistoire.

Donations should be sent to the Treasurer, Mr. G. Godet, 79, Endell Street, W.C.2.

**L'EXPOSITION NATIONALE DE 1939.**

Il y a dans l'histoire des peuples deux moments-hélas bien différents-qui traduisent plus que les autres leur volonté de vivre :

Celui de la guerre arquant farouchement, mais atrocement, toutes les volontés. Nous n'insistons pas.

Celui de l'apogée d'une période relativement pacifique qui se marquait hier par des manifestations de beauté que nous ont conservées les poètes et les artistes, ainsi que les bons artisans qui ont fait les temples et les cathédrales.

Dans nos sociétés modernes, c'est l'Exposition qui exprime l'épanouissement de l'intelligence, la force et la discipline du travail. Dans notre petit pays, ce côté de notre volonté pacifique dans les temps nouveaux a été réalisé deux fois déjà, en 1896 et en 1914. Cette volonté se concrétise à nouveau par l'Exposition nationale qui, pour 1939, s'organise à Zurich.

Cette Exposition, nous pensions que-face aux manifestations semblables des autres pays elle témoignerait victorieusement de l'élan de tout notre peuple si modestement travailleur, si discipliné, si qualifié professionnellement et bien plus artiste qu'on ne le suppose généralement dans le monde. Nous le pensions simplement, comme cela. Nous en avons aujourd'hui une vision plus sublimisée, à même de nous soulever tous plus encore. Et cela grâce à M. Armin Meili, le directeur de notre Exposition nationale, qui vient de prendre son bâton de pèlerin pour galvaniser, pour unifier nos efforts dans le travail pacifique.

M. Meili a eu cette heureuse idée de commencer son beau voyage par la Suisse romande. C'est à Genève, siège de l'exposition de 1896, qu'il est venu le 6 décembre donner la première traduction de ce que nous ressentons tous.

M. Meili, évoquant la Genève du général Dufour, d'Henri Dumant, a rappelé les paroles prononcées par M. Lachenal, président de la Confédération en 1896, évoquant notre peuple suisse :

... Il veut vaincre aussi les difficultés morales, voir foisonner partout la lumière et l'instruction, puisque, dans la société que le siècle de demain nous prépare, il ne sera plus permis d'ignorer. Cette démocratie aspire à répandre plus de justice entre les hommes, à diminuer-car l'effacer est un postulat de l'idéal-le nombre des expropriés du bonheur, à faire en sorte que nos sublimes Alpes abritent non seulement la liberté, mais aussi le bien-être de tous dans une efficace solidarité."

Donnant tous les détails techniques de l'organisation de notre exposition nationale sur lesquels nous reviendrons à loisir, M. Meili a dit notamment ceci :

... Or, nous voulons arriver à une présentation homogène, judicieuse et complète de la production helvétique !

Ne craignons donc pas de causer du tort aux intérêts particuliers, tout en accentuant l'idée du collectivisme !

Il ne s'agit pas, bien entendu, de mettre une idée en valeur au détriment de l'individu.

Car chaque exposant aura naturellement la possibilité de présenter ses produits sous son propre nom, mais dans un cadre collectif, beaucoup plus suggestif qu'une exposition plus ou moins disloquée.

Plus que jamais, il s'agit de mettre nos idées en valeur, car notre Exposition doit être par excellence la manifestation du peuple suisse, c'est-à-dire de sa mentalité démocratique, de son caractère consciencieux et de son travail."

Puis M. Meili a conclu par cette péroraison qui nous unit si bien à la chaîne des hommes de 1896 :

... Obéissant à la théorie de l'influence du sol, nous établirons un parallèle de nos contrées : les représentants typiques de nos cantons, chacun parlant sa langue maternelle, s'adresseront directement aux visiteurs par l'intermédiaire bienveillant du film sonore. D'autres pavillons seront consacrés aux questions démocratiques : devoirs, droits et peines du citoyen suisse. Nous chercherons par des moyens simples et convainquants à établir une comparaison entre le système démocratique et la dictature. Représentez-vous une Landsgemeinde, et un rassemblement de foule commandée !

Nous désirons lutter contre l'idée erronée selon laquelle la liberté démocratique serait identique à la démagogie. Ne pensez pas que les moyens nous manquent pour prouver la force d'une vérité abstraite à première vue au point de vue exposition ...

Nous accentuerons de cette manière la valeur de la haute mission helvétique. N'oublions pas que la Suisse, de par sa position et son histoire, représente un principe politique vivant. Le noyau de notre exposition sera l'édifice du travail, dans lequel la solidarité de tous ceux qui contribueront à nous permettre d'occuper notre rang dans le monde sera mise en lumière. L'on y rendra hommage à la personnalité du citoyen suisse, qu'il soit entrepreneur, inventeur, ouvrier ou paysan, parce que la qualité de son travail l'anoblit."

Est-il besoin d'ajouter autre chose pour que nous disions tous à M. Meili : Le peuple suisse collaborera.

J.S.d'E.

**EMIGRATION OF SWISS INDUSTRIES.**

By OSCAR WETZEL.

(Continuation).

*Cost of Transport.*

The high cost of transport hit the budgets of our Export industries rather badly, and this in a double way — on one side the importation of the necessary raw materials, and on the other side in the export of their goods.

We have naturally here to distinguish between the cost occasioned by the transport up to the Swiss frontiers and the transport on Swiss Railways. If the first factor cannot be influenced by us directly, the second has been continuously brought to the notice of the Authorities. I should like to go into this question in more detail, but the facts are so numerous that one could write a book about them. The Swiss Railways are being continuously reproached about the high price of their tariffs; we find not only the heavy industries complaining, but all, without exception.

The cost of transport is in direct relation with the problem of supplying Switzerland with raw materials, because it increases their cost considerably. I daresay it will interest you to have a few figures collected from just before the War.

*Average Tariff in centimes per km. (Ton)*

United States	... 2.70
Russia	... 3.30
France	... 4.29
Germany	... 4.36
Austria	... 4.37
Hungary	... 4.62
Switzerland	... 8.43

Actually the taxes for merchandise transport in Switzerland are on an average 135% higher than before the War.

*Cost of Labour.*

Apart from the cost of raw materials, the cost of labour constitutes one of the most essential elements in the cost price of goods. The country which is in possession of cheap labour finds itself in an advantageous position as far as cost of production is concerned, if one does not consider too much the question of quality of the

goods delivered. In connection with this, it will be interesting to remember what Henry Ford said with terrible irony — "that the work required from the ordinary workman in one of his rationalised factories is not more difficult than hanging a hat on a nail." This, however, is a statement that nobody likes to hear in Switzerland.

Already long before the War the different Swiss industries had to count with the competition of countries that were able to produce very much cheaper owing to their lower cost of labour.

This matter of cost has been the principle reason for the emigration of the Swiss textile industry to Italy — first the cotton industry and later the silk.

If the customs duties seemed to have been the most important reason, the question of labour must not be disregarded as of no importance. Experts on these questions lay more stress on the labour cost than on the Customs protection.

What can be said with regard to Italy and the textile industry can be also said, with certain reservations, about other countries like Austria, Germany, France and to a great degree, Russia.

The United States is the only country to which we exported some of our silk industry, and where the salaries paid are higher than those in force in Switzerland.

The same experience has been made in the machine industry. Upon examining the unfavourable position of this industry in connection with foreign competition, and going into the reasons for emigration, the Swiss Society of Machine Constructors writes as follows:—

"Whereas our industry towards the end of the last century was able to count with relatively low salaries, an entire change has taken place, and the situation to-day is absolutely to our disadvantage."

Swiss firms which have subsidiary companies abroad, find that they pay in Switzerland very much higher salaries than in other countries. In any case, the salaries paid in Switzerland surpass those in general use in the four great States surrounding us.

We find in the yearly report of Gardy, Geneva, in 1913, the following remark which is in connection with the opening of a factory in Belgium:—

"Belgium is particularly suitable for starting such a factory owing to the consumption, the facilities for Export and finally — and in particular — owing to the quality and cheapness of its labour and raw materials."

In other Swiss industries the question of labour seems to have been an aggravating reason as far as foreign competition is concerned, and it is especially in the period after the War when we find additional trouble in the depreciation of exchange, that the question of labour seems to have become of still greater importance.

*Labour Legislation.*

The question of legal protection of the workers and its influence on the question under study, is very much bound up with the last remarks. This factor has also played an important rôle in the movement of emigration of Swiss industries, for instance, to Italy. At the time the Swiss cotton industry started to emigrate to this country during the second half of the 19th century, labour legislation in Italy was so to say unknown. In other words, the Swiss manufacturers had to support already at that time very considerably higher charges compared with their Italian competitors. These were especially the legal dispositions regarding the working hours, as well as the work for women and children in industry.

If we look at the silk industry, we find that this legislation has been fatal to the Swiss silk products, and already in 1898 children of school age were forbidden to do any work in connection with the silk industry.

We have a very similar case before us to-day as regards Japanese labour. This question has been thoroughly threshed out in all the news-

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papers during the last few years, and I take it as given that you all know the arguments for and against, and there is no further reason to go into this question any more.

#### Fiscal Legislation.

The numerous expenses which have to be faced by the Swiss Government as well as the Cantonal Governments especially as far as social legislation is concerned, have naturally their counterpart in continuously rising fiscal charges which have to be supported by all the categories of life and especially by the industrial undertakings.

The complaints regarding the imposition of excessive taxes on Swiss industries have been heard long before the War. Without considering it as a reason for starting the emigration of Swiss industries to foreign countries, one can nevertheless take it as given that the high taxes have contributed in a small way to this movement.

We must not forget that quite a lot of industries in Switzerland, which during the War have been able to make reasonable profits, entered shortly after peace was declared into a period of crisis and general business depression — the years of the fat cows were replaced by years of lean ones — but the fiscal charges continued merrily, not only on the same basis but were even increased, and increased still more by a number of firms going out altogether. In addition, the legislation for unemployment did not make things easier. It is, therefore, very understandable that the high fiscal charges actually carried by Swiss industries, as mentioned each time this question of emigration comes up.

Naturally, the State is seriously affected by this transfer of industry and it is in its own interest for public bodies and industries to be protected against excessive taxes.

#### The Rate of Exchange.

In examining the repercussion of different circumstances after the War on the question under study, we find that the high rate of exchange of Switzerland has very much favoured this emigration movement, but on the other hand, we must be quite clear that it would be a mistake to say that this was a principle reason for Swiss industries starting their activities abroad.

It is quite right to say that the high rate of exchange has increased the cost of production and made sales difficult, but what about the other side of the matter? Here again we come to a point which could be made the basis for a whole evenings discussion.

The rate of exchange does not have an even influence on all the factors of production. On the side of raw materials which generally come from abroad we see its benefits; but on the side of transport and labour we see its drawbacks.

#### Facts in Relation to Sales Abroad.

One of the most striking facts of the economic structure of our country is that the bigger part of our great industries have no important interior market as is the case in France, England or the United States. The most important sections of the Swiss industry as such are the Export industries. The part of production destined for Export varies according to the industry, and we find cases where it comes up to 95%.

Export is therefore the necessary condition for existence of several of the Swiss industries which find themselves forced to maintain very active relations with the centres of consumption of their products abroad. The obstacles which have interrupted these relations have favoured very much the emigration of Swiss industries. Our dependence of foreign markets seems to be the most important point in the emigration of our industries. Every point that makes the access to certain Export markets difficult or impossible, stimulates the emigration, whereas the disadvantageous position in which the Swiss industries find themselves from the point of view of cost of production are partly, in any case, compensated by the high quality of their production.

We find that of the difficulties which we have to overcome for the sale of our Swiss goods, those resulting from customs politics in the foreign countries play the most important rôle. It is therefore this point which we shall go more fully into.

#### Foreign Excise Policy.

It is quite evident that the increase of customs in foreign countries stand in direct relation with the tendency of Swiss industries to start manufacture in the respective countries, and this is also the reason of the respective legislation in the countries concerned.

The speed with which the Swiss industries react in this direction depends naturally upon the severity of the respective taxes.

In certain cases, it would still be possible and preferable for Swiss manufacturers to produce in Switzerland, as they probably have done for many years, before a decision is taken to start a factory abroad. It may be that the Works in Switzerland is able to obtain cheap electricity; it has also undoubtedly in every individual case

a certain sense of responsibility towards its employees. Such a factory has very probably *depreciated its assets considerably* during the many years of its existence, if not *entirely*, whereas a new establishment abroad invariably brings with it investment of large capital and all the problems in connection with the commencement of new Works. It may be that the protection of the foreign company is so strong that the Mother Company is confronted with a decision of either relinquishing entirely its market or starting manufacture abroad.

We can take here a very near lying example — the Nestlé and Anglo-Swiss Condensed Milk Company. Whereas for a number of years only the cheaper articles were manufactured in England, and the good quality lines were still imported from Switzerland, the last import duties on Chocolate and Confectionery made it quite impossible to continue this arrangement. The principle reason was naturally that the prices in England were at such a low level that they could not possibly support the import duty; therefore, this Company was obliged to transfer its entire manufacture to England or give up the English market to English competitors.

After the War we find the accentuation of protection not even saving the countries of Free Trade, like Great Britain. Since the War, the Custom measures find besides increased duties a specially dangerous form in the prohibition of imports, as for instance, importing chocolates into Germany. The import of watches to France comes under the same category.

#### General Advantages of Production in the Country of Consumption.

It is quite evident that the production of merchandise near to the centre of consumption has numerous advantages. These result definitely from the elimination of different obstacles which have made the production in Switzerland difficult or impossible. Further, in addition to these economic advantages, Swiss houses started to manufacture specialities abroad, which formerly came from Switzerland and generally found every support and all the facilities given to National producers in the respective countries.

To take an example, we have several cases where Swiss Machine manufacturers had no chance whatsoever of getting Government Orders in foreign countries as long as they did their work in Switzerland, but as soon as they started their own factories abroad they were able to participate, and do so with great success, in competition for public works, railways, ports, bridges, electric power stations, etc.

#### THE CONSEQUENCE OF EMIGRATION.

##### General Remarks.

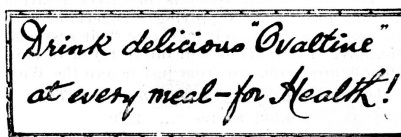
We find that generally speaking emigration has favourable consequences for the *individual enterprise*, and rather *unfavourable* consequences for *Swiss national economy* as a whole. This is naturally because the transfer or creation of a factory in a foreign country is decided upon precisely in order to get a better result from the capital employed in the company. The advantages of emigration from the national point of view in general, seems therefore to be a partial recuperation of the losses of the general Swiss economy.

##### Favourable Consequences.

We take it as given that the new enterprise started by the Swiss Mother Company abroad has been thoroughly and carefully studied before any steps were taken, and all the factors entering into it have been taken into consideration. If therefore the production in the foreign factory is maintained on a permanent basis, there is reason to believe that the Mother Company in Switzerland will be satisfied with the results.

We have already studied the different reasons for emigration, and if we now consider that the new factory is near to its source of raw materials, near to a good market for cheap labour, there cannot be any question but that the production will be cheaper, and the result will have a general repercussion upon the results of the whole company.

(To be continued.)



#### FORTHCOMING EVENTS.

Tuesday, February 1st — City Swiss Club — Monthly Meeting (preceded by dinner at 7.15 p.m. sharp) at Pagan's Restaurant, Great Portland Street, W.

Wednesday, February 2nd, at 7.30 p.m. — Société de Secours Mutuels — Monthly Meeting, at 74, Charlotte Street, W.1.

Wednesday, February 16th — at 8 p.m. — Swiss Mercantile Society — Annual General Meeting — at Swiss House, 34/35, Fitzroy Square, W.

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#### ORDRE DU JOUR :

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A dmissions. | Divers.

Pour faciliter les arrangements, les participants sont priés de bien vouloir s'inscrire au plus tôt auprès de Monsieur P. F. Boehringer, 23, Leonard Street, E.C.2. (Téléphone: Clerkenwell 9595).

Le Comité.

## Divine Services.

### EGLISE SUISSE (1762).

(Langue française).

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Dimanche 23 janvier :

11h. — Culte — Mr. Exbrayat, cand. théol.

7h. — Culte — Mr. Exbrayat, cand. théol.

11h. — Ecole du Dimanche.

Le Pasteur Emery reçoit le Mercredi de 11 heures à midi 30, à l'église, 79, Endell Street, W.C.2. S'adresser à lui pour tous les actes pastoraux. (téléphone: Museum 3100, domicile: Foyer Suisse, 12, Upper Bedford Place, W.C.1.)

### SCHWEIZERKIRCHE

(Deutschsprachige Gemeinde).

St. Anne's Church, 9, Gresham Street, E.C.2.  
(near General Post Office.)

Sonntag, den 23. Januar 1938.

11 Uhr morgens, Gottesdienst und Sonntagschule.

7 Uhr abends, Gottesdienst.

8 Uhr, Chorprobe.

#### BEERDIGUNG.

Am 14.1. wurde beerdigt: Eduard Kaegin von Zehningen (Aargau); geb. am 19.11.1851; gest. am 6.1.1938.

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