The Swiss Observer

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NEWS AT RANDOM

The accounts for 1939 of the Swiss Federal Railways show a small surplus, the takings having exceeded the anticipated amount by about 40 million francs. This satisfactory result is due to exceptionally heavy goods traffic and leave travelling by soldiers which have compensated the heavy loss caused by the absence of foreign tourists.

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What is probably a record in Municipal laisser-faire is reported from Grenchen; there the burghers had to vote on the budget for 1940 but only two per cent. of those entitled to vote appeared at the polls. However, the result was none the less convincing as only one of the 73 voters disliked the budget.

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The Federal Council has gratefully accepted a gift of two houses in the centre of Milan offered by Pietro Chiesa, of Chiasso, who is a resident in the Italian town; he will also bear the whole of the expense of pulling down the houses and erecting a new edifice, i.e. a Swiss House for the sole use of the Swiss Colony and its institutions. Pietro Chiesa is stated to have made his fortune in the Argentine; some time ago he presented a school building to Mezzana in the Ticino.

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The Cantonal Bank of Glarus announced a net profit for 1939 of over half a million francs, the major part of which will revert to the cantonal treasury.

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The plight of motorists has found sympathetic consideration in the canton Aargau. Car owners on active service who have already taken out their licences will receive a corresponding refund on condition that cars are kept in repair and ready for a military emergency.

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Many examples of sacrifice and sense of duty are recorded in the daily press. Here is one from a great number. In Zurich a small restaurant keeper (Wirtschaft) had to join his unit, with only his wife — an expectant mother — to carry on. Occasionally he employed a local accountant to enter up his books; the latter offered to supervise his staff and business during the owner's absence. When the militiaman returned on leave and found "business as usual" he wanted to present the accountant with a cheque for Frs.500 but to his astonishment the book-keeper refused payment on the ground that being physically unfit for military service he had now been able to make his contribution for the common weal by pledging his services where they were of some use.

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The population of Zurich to end of December last is stated to be 337,174, an increase of 7,394 during the last twelve months.

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An aircraft factory is in course of construction at Stans; no particulars are available but it is expected that the first machine will be ready for delivery in March.

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Navigation on the Lake of Constance will be maintained during the present year but under existing conditions the takings are not expected to exceed Frs. 7,000 against Frs.400,000 in normal times.

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The straw plaits industry in the canton Aargau is having a busy time, some of the firms working double shifts; the larger part of the export goes to America.

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Damage to the extent of Frs.750,000 was caused by a fire which broke out in the factory of the Tavannes Watch Co. Another conflagration at Basle, due to a street accident, burnt out a large garage belonging to the Basle tramways and destroyed six new autobuses; the cost of reinstatement is said to be 400,000 francs. In the meantime six autobuses have been borrowed from the Zurich municipality, and the blue-white cars of the Limmat-town are now maintaining the service. A third fire reduced to ashes one of the factories of Hans Maurer A.G., paint and varnish manufacturers in Däniken near Olten.

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Christian Johann Bener, who died recently in Kerns (Obwalden) aged 70, bequeathed Frs.100,000 to several social institutions in the Grisons, notably to the Home for the Blind.

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Col. Leonhard Drissel who for a generation was in charge of the infantry training centre at Liestal died in Basle at the age of 69.

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The Swiss press lost a distinguished and leading member by the untimely death of Dr. Rudolf Huber who passed away only 41 years old at Orselina where he was undergoing a cure. He carried on the work left to him by a celebrated father and as editor and publisher of the "Thurgauer Zeitung" enhanced its reputation; the publishing house bearing his name is identified with most of the modern Swiss authors, notably J. V. Widmann. Dr. Huber was a member of the cantonal Grosse Rat.

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Prof. Otto von Greyerz died in Berne at the age of 76. He lectured at the local university on German (Swiss) literature and was the author of a large number of stage-plays in Bernerdütsch.

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Frau Julie Herzog-Zobel, the widow of our General during the Franco-German war of 1870/71, died at the age of 92 at St. Gall where she has been living for a good many years with the family of a married daughter. At the beginning of October last General Guisan made a personal visit to pay her his respects.

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Abundant snow has fallen in all parts of the country but the winter sports centres which in normal times employ a staff of 10,000 are practically lifeless. The cold is intense and in most parts the lowest temperatures have been recorded since 1932. The worst sufferers are those army units stationed in the mountain regions. On the other hand, skating is in full swing everywhere. In the Jura on the lake Les Brenets a curious situation has arisen; skaters from both sides crossed the frontier and the soldiers on guard were unable to separate them. After some time the mid-lake frontier was marked off with barrels and armed skating patrols kept the civilians on their respective side and broke up all attempts at conversation with the other side.

ERRATUM.

We regret that a printers' error has made its appearance in the last verse of the "Auslandschweizer" published in last week's issue, the second line having mysteriously disappeared. The first three lines of the verse should therefore read:

Drum kennen wir als unsere Pflicht,
Vergiss die alte Heimat nicht.
Und jeder mag an seinem Ort,

STRAIN ON SWISS ECONOMY.

("*Economist*," 13.1.40.)

The Government has forwarded to Parliament the Budget of the Confederation for 1940. It shows an estimated deficit of 73 million francs; expenditure is estimated at 596 millions and receipts at 523 millions. The Budget does not include the cost of the mobilisation and upkeep of the Army. The general opinion is that big cuts might have been made in ordinary expenditure, which is 17 million francs higher than in 1939. The view is expressed in financial quarters that certain Government activities should have been reduced because of the war. It might have thus been possible to reduce the estimated deficit for the current year, which is expected to exceed 20 millions, as well as to lessen next year's deficit. Strict economy in all spheres is needed if only because the maintenance of the Army on a war footing will absorb about 1,500 million francs (£83 millions) next year.

Extraordinary military expenditure, which was 5 million francs a day at the beginning of the war, has now been slightly reduced. The Federal Government has accepted an offer made by the Swiss banks to take over 200 million francs of Treasury bonds, 30 per cent. of which are repayable within a year at 2½ per cent., 40 per cent. in two years at 3¼ per cent., and the remaining 30 per cent. in three years at 3½ per cent. Thus the Government is supplied with funds on satisfactory terms, while the banks have found a means of investing the money at their disposal, and will therefore be able to pay small interest on sight deposits. The result of the arrangement has been a reduction in the hoarding of banknotes and a rise in bank deposits.

This loan is not sufficient, and the Government is contemplating an increase in taxation. It has decided to double the military tax — paid by men who are unfit for military service — which yielded 4,825,000 francs in 1938. It intends to put before Parliament a series of financial measures likely to produce about 1,000 million francs — including between 500 and 700 million francs from a non-recurrent levy on capital, and another 50 millions from the doubling of the "Crisis Tax," which already yields about 50 millions a year. The institution of a tax of 2 per cent. on the gross receipts of retail trade concerns, to bring in 100 millions, is suggested; and 250 millions will be had from the profit made by the Swiss National Bank on the devaluation of the franc. Until these measures have been passed by Parliament, which will hold an extraordinary session in January, the Government intends to launch a mobilisation loan to meet current expenses.

On December 3rd, the Swiss electorate rejected by 477,500 votes against 289,650 a Government proposal to reconstitute the pension fund for State officials. The scheme provided for a yearly instalment of about 20 million francs for sixty years, but the Government did not suggest any method of covering this extra expense. Though the number of officials has been reduced to about 30,000 in recent years, the capital possessed by the pension fund does not make it possible to pay out of interest the old-age, sickness and other pensions due. This is the consequence of faulty calculations when the funds were created, of the fact that the higher pensions were later raised, and of the further fact that the State did not always pay into the funds its promised instalments.