

Zeitschrift: The Swiss observer : the journal of the Federation of Swiss Societies in the UK

Herausgeber: Federation of Swiss Societies in the United Kingdom

Band: - (1959)

Heft: 1352

Rubrik: Swiss economic news

Nutzungsbedingungen

Die ETH-Bibliothek ist die Anbieterin der digitalisierten Zeitschriften auf E-Periodica. Sie besitzt keine Urheberrechte an den Zeitschriften und ist nicht verantwortlich für deren Inhalte. Die Rechte liegen in der Regel bei den Herausgebern beziehungsweise den externen Rechteinhabern. Das Veröffentlichen von Bildern in Print- und Online-Publikationen sowie auf Social Media-Kanälen oder Webseiten ist nur mit vorheriger Genehmigung der Rechteinhaber erlaubt. [Mehr erfahren](#)

Conditions d'utilisation

L'ETH Library est le fournisseur des revues numérisées. Elle ne détient aucun droit d'auteur sur les revues et n'est pas responsable de leur contenu. En règle générale, les droits sont détenus par les éditeurs ou les détenteurs de droits externes. La reproduction d'images dans des publications imprimées ou en ligne ainsi que sur des canaux de médias sociaux ou des sites web n'est autorisée qu'avec l'accord préalable des détenteurs des droits. [En savoir plus](#)

Terms of use

The ETH Library is the provider of the digitised journals. It does not own any copyrights to the journals and is not responsible for their content. The rights usually lie with the publishers or the external rights holders. Publishing images in print and online publications, as well as on social media channels or websites, is only permitted with the prior consent of the rights holders. [Find out more](#)

Download PDF: 17.01.2026

ETH-Bibliothek Zürich, E-Periodica, <https://www.e-periodica.ch>

SWISS ECONOMIC NEWS

Recovery of the Swiss Economy

The government official responsible for employment and national economic defence recently published a report comparing the effects of the economic recessions that took place in the periods preceding and following the second world war. He called attention to the gratifying fact that during the last fifteen years, neither the Swiss nor the European economy has experienced a depression capable of leading to a long period of general stagnation such as the terrible slumps of the 20's and 30's. For fifteen years, the periods of intense industrial activity and general prosperity have been followed by the phenomenon of over-expansion, while the periods during which business has slackened have ceased to deteriorate into crises. Since the end of the war, wages in Switzerland have increased on the whole, even during the recent recession; in no sector have they dropped. As the cost of living increased less during the last budgetary period than between 1956 and 1957, effective wages showed a bigger increase in 1958 (2.6% as opposed to 2.3%).

The recovery.

At any rate, the recovery that started at the end of last year became world-wide during the first half of 1959. Admittedly this recovery is slow; but, still according to the same authority, "this moderate rate of expansion dispels any fear that a rapid and too sudden recovery might lead to new inflationary tendencies." Nor are there any grounds for anxiety in a slow recovery, especially as the countries of Europe are not faced with the problem of the reintegration of a large number of unemployed.

Foreign trade statistics show particularly clearly the business recovery that has taken place in Switzerland where trade with other countries is of the utmost importance. From the first half of 1958 to the first half of 1959, imports rose from 3,700 to 3,900 million francs (second half 1958: 3,650 million). Exports amounted to 3,170 million francs in the first half of 1958, whereas during the first half of 1959 Switzerland exported 3,340 million francs' worth of goods (second half 1958: 3,480 million). It is interesting to note that during the second quarter of 1959, Swiss exports to Common Market countries exceeded the figure for the corresponding period of 1958 by 13%.

In spite of the increase in consumption, the index of prices has continued to drop. In June 1958, it amounted to 182.4, falling in May 1959 to 180.1, dropping still further in June 1959 to 179.9.

Continental
Tinting
methods

Coldwaving straight from the U.S.

special offer 3 gns. all incl.

by



KOESTON

42 OLD BOND STREET, MAYFAIR
(FIRST FLOOR)

HYD 4500

Local branches at:

WEM 3178 & 2828 SHE 4181 & 0017 TER 5122

Nouvelle Société Helvétique
(LONDON GROUP)

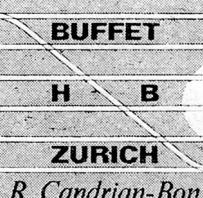
FILM SHOW

For Adults and Children, arranged by courtesy of Mr. William Wyler, General Manager, Swiss Air Transport Co. Ltd.

on Saturday, December 12th, 1959 at 2.30 p.m.

at Swiss Hostel for Girls, 9 Belsize Grove, N.W.3.

Tea will be served (price 1/6 per head) at the interval, at approximately 4.0 p.m. All those requiring tea should advise the Warden of the Swiss Hostel not later than Friday, Dec. 11th. Tel. PRImrose 6856.



... in a class
of its own

THE MAIN STATION
AND AIRLINES
TERMINAL RESTAURANT

The causes of the recovery.

It would seem that the work carried out by the public authorities and the orders placed by them, the allocation of credits to research and to the development of atomic energy, the assistance given to regions undergoing development and the widespread building of houses and roads have helped to offset the recession and contributed greatly to giving new impetus to production and trade. Demand on the consumer market, which proved such a help to the economy during the recession, has grown even greater. The present exhaustion of stocks will lead to new orders.

For the first time since July 1957, unemployment decreased in comparison with the corresponding period of the previous year. The number of unemployed dropped from 1,588 at the end of June 1958 to 1,120 at the end of June 1959. The demand for manpower is increasing in all branches of the economy. As to the number of work permits issued for the first time to foreigners, it rose from 27,450 in June 1958 to 33,012 in June 1959 (May 1959 : 34,444).

On the money and capital markets.

The first half of 1959 was marked in particular by a decrease of $\frac{1}{2}\%$ in the Swiss discount rate; since May 15th 1957, it had remained at $2\frac{1}{2}\%$ until reduced to 2% on February 26th, 1959.

The official periodical "Vie économique" for July 1959 points out that all commitments falling due at the end of the first half were met without difficulty, and that the money market suffered from no shortage of available funds. Long and medium term transactions evolved in an atmosphere of calm; loans were not issued with such frequency as during the second half of 1958. The issues of 3% Government Bonds placed on the capital market during the last weeks of the half year had less success than previous issues. The dividend on the shares issued by electric power stations increased. On the money market, the frequent calling in of funds at sight, undoubtedly mainly in connection with building projects, reflects the new trend. The restoration of the convertibility of currency in numerous countries, undertaken within the framework of O.E.E.C. and G.A.T.T., has resulted in a repatriation of foreign capital which had been placed in Switzerland for safekeeping.

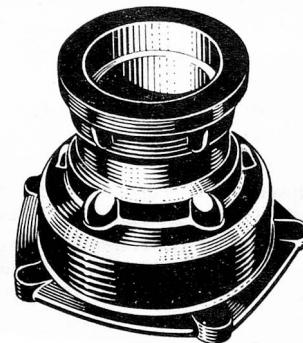
The balance of revenues.

Apart from trade in goods, the balance of revenues covers exports and imports of electricity, the tourist trade, income from capital, insurances concluded with third parties abroad, transit transactions, the transport of goods, international postal traffic and various items such as the earned incomes of foreign wage-earners not spent on Swiss soil, the contribution of foreign governments to the international organisations domiciled in Switzerland, etc. Switzerland's balance of revenues, which showed a deficit of 195 million francs in 1957, boasted a credit of 960 million francs for the last budgetary period.

We note therefore that the Swiss economy has developed in the same way as that of other European countries. The falling off in production and in the receipt of orders recorded in 1958 has stopped; the recovery to which we have called attention naturally varies from one branch to another. But there is a

very definite upward trend; in particular, there is an improvement in two main fields of the Swiss economy: building and foreign trade. It is to be hoped that positive solutions for international collaboration in this sphere will be found and that the formation of the "Little Free Trade Area", to which Switzerland belongs, will also help to simplify the arrangements that will have to be made by the countries adhering to the "European Community".

MALLEABLE IRON CASTINGS



of high yield strength, excellent
machinability, durability, reliability

GF Malleable Iron Castings are being continuously supplied as parts of Shipbuilding, Textile, Railway, Agricultural, Electrical and Transmission machinery and equipment.

Please send your enquiries and drawings to :
BRITANNIA IRON & STEEL WORKS LTD.
(Member of the GF+ group)
KEMPSTON ROAD, BEDFORD

SCHWEIZERBUND

(SWISS CLUB)

74 Charlotte St., London, W.I.

SPECIALITIES FOR YOUR ENJOYMENT IN THE NEAR FUTURE

ESCALOPE CORDON BLEU—PICCATA A'LA TICINESE
FONDUE

ENTRECOTE CAFE DE PARIS—SAUERKRAUT GARNI

A LA CARTE

Under the Management of

M. & Mme. F. Vuistiner (Chef de Cuisine)

For Banquets up to 150 persons or any special arrangements,
e.g. Theatre Parties, Weddings, etc., please telephone Museum 0036