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on the other side; it is a railway junction, and not a terminus, as is Geneva; and it is probably the cleanest city in Europe, nor have I ever heard any member of the international congresses constantly being held there complain of having been overcharged. Nor—a great point—do the Basler, who, with all their merits, are reputed to be somewhat "stodgy," consider themselves as a chosen people. Finally, Basel does not seem to have an organised fraternity of house and estate agents, nor do all the houses and flats belong to bankers, as they do here.

I believe that the question of the League of Nations headquarters and of its staff will not be finally considered and decided, however, until after the Washington Conference, and I understand that a distinguished statesman's name is mentioned as likely to become head of the whole institution.

After having read the "terrible" accusations which are being hurled at our Genevese brethren for the outrageous profiteering which they practise on the poor staff of the League of Nations, we wondered whether all the members of the staff and other foreign residents of Geneva have forgotten the old commercial principle according to which "the demand rules the price of a commodity."

It is therefore the consumer who has it in his power to be or not to be "fleeced," and we are very much afraid that the complainants have lent a very strong—or shall we say weak?—hand to the alleged ramp of which they are the supposed victims.

We need not, however, take the attack too much to heart. Profiteering has become universal and is not confined to Geneva only, as we opportunely observe from an article in "The Pall Mall and Globe" (Sept. 22) which bears the following headlines: "The Profiteer's Grip on Houses," "Tenants sacrificed to swell unscrupulous Landlords' Bank Balances," "Rent Ramp Scandal," "The great Rent Ramp is a National Game—and a National Scandal."

\* \* \*

From "The Evening Standard" September 13th:—

WHERE DE ROUGEMONT TOLD THE TRUTH.

If only Louis de Rougemont had lived a little while longer, what a proud and happy man he might have been! To think that he might have sat in a comfortable seat at the Philharmonic Hall and said, "I told you so" to his heart's content as he watched the amazing pictures of "Australia's Wild North-West"—pictures which more than justify many of the statements which he made over twenty years ago to a scornful public.

Turtle-riding by giant natives is not the only one of his assertions which is proved to be true. There are real sea-serpents, and those giant fish like enormous flounders, with long tails and armed with spears, of which he spoke, turn out to be stingrays—very real creatures indeed. There are fields of coral 20 square miles in extent and 7 feet high above the sea's surface, coloured in all the lovely tints of the rainbow. This was another "fairy-tale" which added to De Rougemont's reputation as "the world's greatest liar."

It certainly is a great pity that our poor, misguided compatriot should not have been permitted to live to the day when at least some of his stories received full vindication.

### SWISS HOUSE, 34-35, Fitzroy Square, W. 1.

The Annual Report and Balance Sheet of the Swiss House, 34-35, Fitzroy Square, W. 1, just to hand, shows good progress which has been achieved during the last twelve months. The number of boarders received into the Home were 725, against 580 in the preceding year; of these 431 were Swiss and 294 of other nationalities. The receipts from pensioners amounted to £2,901 11s. 4d., expenses were £3,386 15s. 5d., leaving a deficit of £485 8s. 1d. This deficit was made good through the generosity of friends of the Home and contributions from the Swiss Confederation and Cantons. The total amount received in subscriptions and subsidies from the Confederation and Cantons and from friends of the Home amounted to £466 4s. 2d. against £532 14s. 11d. in 1919.

## FINANCIAL AND COMMERCIAL NEWS FROM SWITZERLAND.

### The Centrale des Charbons.

The publication of the fourth annual report and balance sheet of the Centrale des Charbons (Kohlenzentrale) in Basel recalls the occasion of the foundation of this concern in September of 1917. In the terms of the economic agreement made between Switzerland and Germany shortly before that date the latter country undertook to supply coal to Switzerland at a time when her industries were in the greatest need of it, in return for certain credits. These credits came to amount in all to 155,200,000 frs. and according to the original agreement were to be repaid in eleven monthly instalments as from the 31st of October, 1920. In view, however, of the unforeseen political events in Germany, which entirely altered the situation, the Swiss authorities of the Centrale agreed to accept only 50 per cent. of the total amount due up to the 31st of October, 1920, and to let the remaining half stand over for twelve months so as to be payable between that date and the end of August, 1922.

The report now issued shows that the German authorities have been entirely prompt in meeting their obligations, and up to the end of July last 76,300,000 frs. had been paid back, leaving a balance still due of 78,900,000 frs. Meantime the Centrale, having, of course, fulfilled its war-time purpose, is in liquidation, and the capital sum thus received back has been devoted in the first place to redeeming the preference stock, amounting to 63,693,500 frs. The repayment to the preference shareholders was effected as to 300 frs. per 500 fr. share on the 31st of January, and as to the remaining 200 frs. per share on the 30th of June, the dividend of 6 per cent. for the year being paid pro rata temporis.

The balance sheet for the year 1920-21 therefore takes no further account of the preference capital. As security against the outstanding amount of the credit to Germany there are German securities deposited with the Swiss National Bank to the nominal value of 558,027,965 mks. This covering is composed of 253,802,775 mks. in debentures and 304,225,210 mks. in gilt-edged securities. The directors admit that at the present rate of exchange the amount of this security is not actually sufficient to cover the liabilities outstanding, but feel confident that in view of the promptitude with which all payments have hitherto been met there is no danger on this score.

The securities provided by coal consumers for the period of the economic agreement amount to 58,330,312 frs. in bank guarantees and 11,497,688 frs. in Swiss securities. In the case of an eventual loss in the final settlement of the liquidation, such a loss would have to be borne in equal proportion by the guarantors and by the ordinary shareholders. Thus, until the winding up is complete, no steps can be taken towards repayment of these guarantees.

The profit and loss account for the year now concluded shows receipts of 8,802,884 frs. from interest and commissions as against 10,414,708 frs. in the preceding year, while general expenditure, salaries, etc., amounted to 326,155 frs. The net profit, including the carry over from the year 1919-20, is 8,678,947 frs. and, after meeting the final disbursement in dividend to the preference shareholders, the directors recommend payment of 6 per cent. on the ordinary capital as before. A sum of 1,500,000 frs. is allocated to reserves, and 172,439 frs. is carried forward.

### Satisfactory Aluminium Exports.

The amount of aluminium exported from Switzerland during the first six months of 1921 was 32,532 quintals (3,253 tons). This is an increase of 34 per cent. on the export figure for the first six months of 1913, when 31,537 quintals were shipped abroad. The principal market for the metal at present is among the central European states and principally in Germany. It is perhaps a good omen that Germany can buy more aluminium than before the war and pay the world's market price for it, while it proves that the new German aluminium factories established on the basis of the depreciated paper mark cannot compete with the Neuhausen and Chippis works in cheapness. In the second place it is proof that home prices in Germany are approximating to the world prices. For example, the German price for copper must be not lower than that ruling in the United States, otherwise the Germans could not pay the world's market price to Neuhausen for aluminium. As soon as the price of metals in Germany has risen to the level of that in other countries, the price of German metallurgical products will similarly rise.

Another point which favours the Swiss producers of aluminium is the new issue of coins in France, where the requirements of the State are expected to monopolize the activities of the aluminium factories for a long time ahead. This relieves the Swiss producers from a certain measure of competition and at the same time opens out prospects of new fields of utility for the metal in the future, if other countries adopt a similar method of providing token coinage.

### The Second Lausanne Exhibition.

The Agricultural and Foodstuffs Exhibition which is at present being held in Lausanne for the second time has been a great success. The exhibition covers an area of 39,000 square metres, of which 12,800 square metres are under cover, and is thus twice the size of last year's show. On that occasion the exhibits were strictly confined to agriculture and the foodstuffs industry, while now there is also a section for the hotel industry, for agricultural buildings and an extensive and very beautiful display of garden flowers and designs. There is further a cattle show, which was impossible last year owing to the prevalence of foot-and-mouth disease in many districts.

The Lausanne exhibition in its present form is an outcome of the agreement entered into in June of 1919 between that town and Basle, by which it was arranged to separate the agricultural and foodstuffs group from the annual Basle Trade Exhibition held in the spring and to form two entirely separate exhibitions which should not overlap. Technically it has been somewhat difficult to define exactly where to draw the dividing line, and exception may be taken to some of the Lausanne exhibits as not being sufficiently closely connected with agriculture or food production. The justification for the inclusion of the hotel section in the Lausanne Exhibition is naturally open to criticism on the same grounds.

About 825 firms are represented at Lausanne, and of these about half come from the canton of Vaud, while another quarter are drawn from the rest of the French-speaking part of Switzerland. Only about a quarter of the number are from the German-speaking parts.

The exhibits of live stock have added a special interest to this year's show. On the 14th of September the exhibition of cattle opened with oxen from the canton of Vaud. Then from the 17th to the 20th came a general Swiss cattle show, then horses on the 24th and 25th, and on the same two days the poultry show.

### The Situation in the Embroidery Industry.

On the occasion of the eighth ordinary general meeting of the Swiss Bankers' Association held in St. Gall on the 3rd of September a very interesting paper was read by Dr. Pfister, Secretary of the "Kaufmännisches Direktorium" in St. Gall, on the present situation in the embroidery industry, of which St. Gall is the centre. In his introductory remarks he pointed out that the war-time experience of this industry differed materially from that of the other Swiss exporting industries. When the war broke out and foreign markets were closed, most of these industries were able to adapt their works to war production on behalf of the belligerent states, and thus maintained or increased their prosperity; in the case of embroidery, however, by virtue of the peculiar nature of the whole industry, no such reconstruction was possible. On the other hand, there was no competition to meet from abroad, and a steady level of production and employment could thus be maintained. With the breakdown of the exchanges after the end of the war, however, the Swiss industry was face to face with serious competition on the part of neighbours who were favoured by the low state of their exchanges, and the level of employment began to fall rapidly as the markets became less and less receptive. Now the St. Gall industry is virtually at a standstill, for no foreign buyers are in a position to pay the prices which would be necessary to cover the high costs of production now ruling in Switzerland.

The present unemployment in the industry is very serious. It has been more universal and of greater duration than has been known anywhere before. In one way, however, the industry was lucky in being well prepared to meet such a crisis since at the beginning of 1918 there had been formed an "Emergency Fund for the Embroidery Industry" which provides financial support in case of need for employees of the industry in the cantons of Zurich, Appenzell A.Rh., St. Gall, Turgovie and Schwyz. The fund provides a supplement of 50% to the benefits paid by the approved benefit societies and local authorities. In addition to this 50% the societies receive half from the canton, so that they have only to find 25% themselves. At the end of 1920 there were 22,190 persons entitled to

benefits. The amounts paid to benefit societies out of the fund since the beginning of 1918 have been as follows:

1st January, 1918, to 30th November, 1918	35,040 frs.
1st December, 1918, to 30th December 1919	414,946 ..
1st January, 1920, to 31st December, 1920	324,463 ..
1st January, 1921, to 30th June, 1921	461,612 ..

Total 1,236,061 frs.

Dr. Pfister made special reference to the various industrial organisations representing employers and employees in the embroidery industry, of which the most noteworthy is the "East Swiss Economic Union." This Association represents the first attempt in Switzerland to unite employers and employees of an industry on an entirely equal basis to confer on all matters regarding the furthering of their interests and on all economic questions. Much criticism has been levelled at the scheme, but one thing at least must be borne in mind; namely, that neither during the war nor since have there been any strikes in the industry. In this connection it is interesting to compare Dr. Pfister's conclusions with those this week expressed in London by the Minister of Labour, who pointed out that in those trades where Trades Boards were in operation there had been a singular immunity from strikes.

### New Nestlé Subsidiary in Australia.

The Nestlé and Anglo-Swiss Condensed Milk Co. have founded a new subsidiary company in Melbourne with a capital of £4,000,000 to acquire the interest of the leading condensed milk manufacturing firms in Australia. With the exception of a relatively small group the Anglo-Swiss company will then control the entire condensed milk industry in Australia.

*For those who dabble in Marks:* A broker recently informed a client that Marks would be worth buying at 606, as they would then be "Ehrlich."

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