



Memorandum

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1. In the course of the Anglo-Swiss talks which were held in Switzerland at the end of February 1947, an understanding was reached according to which His Majesty's Government would set aside for tourist purposes of British residents to Switzerland a total of Swiss francs 120 million over the period from April 1947 to March 1948. Switzerland, although she would evidently have greatly preferred complete freedom in the tourist trade, on her part undertook to observe the above ceiling, through the medium of the "Office for Travel to Switzerland" in London. In these talks, the agreed figure of Swiss francs 120 million was split up as follows, keeping in line with the traditional structure of Swiss tourist trade:

Tourist trade from the U.K. to Switzerland		
April 1st to October 31st, 1947	Sw. frs. 65 million	
November 1st, 1947 to March 31st, 1948	" " 45 "	
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	Sw. frs. 110 million	
Tourist trade from other Sterling Area countries		
April 1st, 1947 to March 31st, 1948	" " 10 "	
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Total	Sw. frs. 120 million.	

2. Contrary to all expectations, it appeared already in May and June that the amount set aside for the summer of 1947 was being drawn upon more quickly than anticipated. To enable the largest possible number of British tourists to spend a holiday in Switzerland within the above quota, the individual allowance granted by the "Office for Travel to Switzerland" was therefore reduced in June to £50 per person. Although this measure had the British approval, Switzerland was unfortunately being reproached in the British press with having imposed unilateral restrictions on the tourist trade.



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In July 1947, the tourist quota continued to be rapidly used up, to such an extent that new discussions became necessary. These talks resulted in a solution permitting the continuance of travel to Switzerland within certain limits to be operated by the "Office for Travel to Switzerland", at the same time leaving a total of Swiss francs 40 million for the winter season. On this occasion again, the Swiss Authorities made it clear that, as far as Switzerland was concerned, there was no interest to restrict the tourist trade; they also drew attention to the difficulties of interior policy which were bound to result from their active participation in the restrictions which were being placed upon this important branch of Swiss economy.

On August 6th, 1947, His Majesty's Government announced, as part of the emergency programme, the reduction of the individual allocation under the "basic travel plan" to £35 per person, for the period from October 1st, 1947, to November 30th, 1948. Already on August 27th, more severe measures were announced, whereby the limitation to £35 was put into effect immediately and, furthermore, allocations for tourist purposes would be suspended altogether as from October 1st, 1947.

3. In the economic relations between Switzerland and the United Kingdom, a stage has thus been reached under which one of the most important branches of Swiss economy, i.e. the tourist trade, finds itself completely excluded. Already in the negotiations which led to the Anglo-Swiss Monetary Agreement of March 12th, 1946, the Swiss Authorities had again and again stated that the resumption of tourist trade to Switzerland was being regarded by Switzerland as an essential part of the Monetary Agreement. Although the latest decisions announced by the British Government are to apply to all countries, it is evident that the consequences of a complete tourist ban are much more serious in the case of a traditional tourist country like Switzerland, than in the case of other countries. It may thus well be said that Switzerland would be hit particularly hard by His Majesty's Government's decision of August 27th, 1947, and that one of the main elements forming the basis of the Monetary Agreement would find itself jeopardised.

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Contrary to her own interests, and although she would have been entitled under the Monetary Agreement to the full and unimpaired benefits of the "basic travel plan", Switzerland agreed to various restrictions on the tourist trade to Switzerland and, furthermore, at the request of the British Authorities, accepted to carry out certain of these restrictive measures through her own intermediaries. For almost a year, the Swiss Authorities did their best to fall in line with the British desires for substantial limitations on the tourist trade to Switzerland, in spite of the adverse effect upon public opinion as repeatedly reflected in the press.

Having thus given proof of all possible consideration for Britain's exchange difficulties, the Swiss Government had on the other hand relied on the understandings reached with His Majesty's Treasury in the talks at the end of July, 1947, when it was confirmed that an allocation of Swiss francs 40 million should be left for the coming winter season. In these circumstances, the Swiss Government trust that His Majesty's Government may be in a position to reconsider their decision of August 27th, 1947, so as to admit the tourist trade from the United Kingdom to Switzerland for the winter season of 1947/48 within the limits agreed at the time.

4. The Swiss Government take this opportunity to refer likewise to the question of special allotments for educational purposes. As will be recalled, the Swiss Authorities had taken this question very much to heart in view of the economic importance of this branch and of its traditional part in British-Swiss relations. The Swiss Government would thus be grateful if this question could likewise be considered anew.

5. The Swiss Government would greatly appreciate it if His Majesty's Government could consider these matters at the earliest possible date, and if His Majesty's Government could let the Swiss Government know their views on the subject.

London, September 24th, 1947.