



Introduction

This first chapter aims to give you some brief information about Switzerland and the canton of Fribourg. We want to make you feel comfortable with the country, its characteristics, its history as well as the political system. As it is not the goal of this guide to be too specific in this matter, we have tried to keep it very simple. If you are interested in deepening in any of these topics, you will find more complete information in books or on websites about Switzerland. For example, the Swiss Tourism website, www.myswitzerland.com, could give you a first look into the country, as well as many useful links. For more statistical data and figures, try www.swissworld.org or www.ch.ch.

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1.1 Quality of life

Switzerland is a small country well known for its superior quality of life, which is generally recognized as among the best in the world. This amazing statement can be made due to several factors and aspects such as the beauty and variety of the landscape, the personal safety, the health infrastructure, the outstanding educational system, the unspoiled environment, the famous sport facilities, the overall efficiency of the public services, the legendary cleanliness and of course the renowned Swiss precision.

Even the bigger cities of Switzerland offer a very high quality of life. An important confirmation of this statement was made by a study conducted in 2006. This study, conducted by William M. Mercer LLC - a consulting company with offices in 136 cities in 40 countries - aims to assist multinational companies in assessing international quality of life standards before placing their expatriate workers. It took into consideration 215 cities on the five continents, on the basis of 39 different criteria, including political, economical and environmental factors. Cities were ranked in comparison to New York as the base city with a score of 100. The results - published in April 2006 - showed that Switzerland has **two cities** in the top ten: Zürich with 108.2 and Geneva with 108.1.

As Alexander Kraft of Sotheby's International Realty wrote in the "Robb Report" of April 2000, speaking about Geneva: "It may not be hip like Paris or the Côte d'Azur, but it's a safe, stable, clean environment, perfect for raising a family".



Domestic purchasing power comparisons

To make international comparisons, it is necessary to consider not only price levels, but also salaries, social costs and taxes. The purchasing power of income takes into account the cost of an entire basket of goods as well as the level of income in the cities surveyed. Our list shows the net purchasing power (annual income) in 25 cities around the globe, based on net wages (gross wages less tax and social security contributions). We can see that Zurich and Geneva are among the cities in the world with the highest purchasing power.

1.	Zurich, Switzerland	114.1
2.	Los Angeles, USA	110.7
3.	Chicago, USA	108.0
4.	Geneva, Switzerland	107.1
5.	New York, USA	100.0
6.	Dublin, Ireland	99.9
7.	Auckland, NZ	90.3
8.	Luxembourg	89.1
9.	Sydney, Australia	88.5
10.	Tokyo, Japan	87.6
11.	Toronto, Canada	87.4
12.	Frankfurt, Germany	87.1
13.	Nicosia, Cyprus	86.5
14.	Munich, Germany	86.2
15.	Montreal, Canada	85.9
16.	London, UK	84.0
17.	Miami, USA	84.0



18.	Oslo, Norway	81.6
19.	Brussels, Belgium	80.1
20.	Copenhagen, Denmark	79.2
21.	Helsinki, Finland	78.4
22.	Barcelona, Spain	78.0
23.	Berlin, Germany	77.3
24.	Vienna, Austria	76.3
25.	Amsterdam, Holland	75.3

[Source: Prices and Earnings around the Globe, UBS, 2006].

Since most international comparisons include only two major Swiss cities - Zurich and Geneva - it is useful to complete this comparison with Fribourg in mind. **In Fribourg, both salaries and living costs are on average 20% to 30% lower than in Zurich and Geneva**, thereby making the purchasing power about the same as in the two cities. Taking into consideration that the salary of expatriates is not always adapted to this Swiss phenomenon (often they are higher), to live in the canton of Fribourg may allow you to enjoy even more purchasing power.



1.2 Switzerland

Switzerland is a small and amazing country landlocked in the center of Europe. The grandiose Alps and varied landscape, along with its rich history and stable political system are only part of the explanation why Switzerland is so special to so many people. It is not possible to have you discover Switzerland by proxy so we do not aim to do so; here you will find some basic background information to trigger your curiosity and entice you.

The total surface of Switzerland amounts to only 41'285 square km (15,941 sq. miles). Consequently it ranks 34th in size among the European countries. Its bordering neighbors are Italy to the south (734 km of border), France to the west (572 km of border), Germany to the north (346 km of border), Austria to the east (165 km of border), and Liechtenstein to the east (41 km of border).

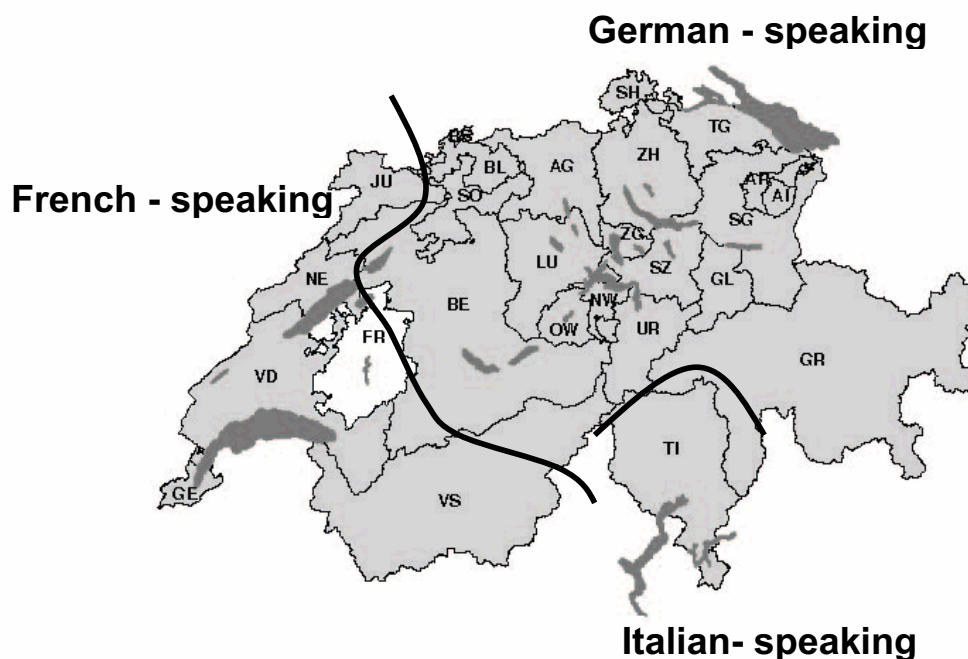


The **population** of Switzerland amounts to approximately 7.5 million people in 2005. Among them the percentage of foreign residents is 20.7 %, which is the second-highest rate in Europe. Foreigners come to Switzerland in successive waves, mainly to find jobs or for political reasons.

Switzerland is comprised of **three different linguistic areas**: the German, the French and the Italian speaking areas. There is also a fourth official language, Romansh, which is a dialect traditionally spoken in certain mountainous areas of the Alps. The distribution between the various languages is: German 64% of the population, French 19%, Italian 7% and Romansh 1%. Furthermore, the recent arrival of large groups of foreigners from different cultures explains why 9% of Swiss residents have a different mother tongue than the four official languages of the country. With respect to the German language, it is valuable to note that the "high" German – the language used by the people in Germany - is used in Switzerland mainly as a written language and is spoken in most official and formal circumstances as well as in the school system. In everyday life however, a different German dialect called "**Schwizertütsch**", literally translated "Swiss-German", is commonly used. This language is usually not used in a written form.

Throughout Switzerland **English** is generally understood. In business circles, hotels and resorts it is used frequently.

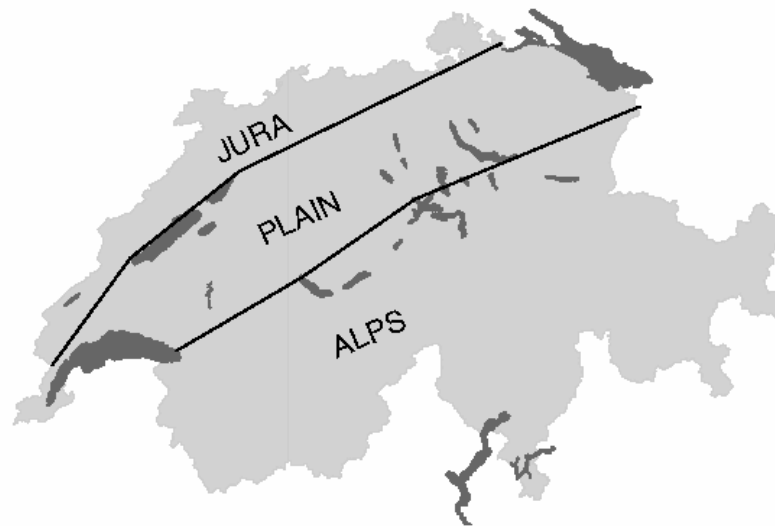




The Swiss landscape can be divided into three major natural areas with very different characteristics. In the North lies the **Jura**, a chain of low mountains well known for hiking and biking, where the highest point reaches 1'800 m (5,900 ft). In the middle is the **Plain**, a relatively flat and cultivated area where the vast majority of the population lives. In the South are the **Alps**, the mountainous region famous for skiing and hiking with its notorious peaks exceeding 4'000 m (13,200 ft). The highest point of Switzerland is the Pointe Dufour in the Alps of the canton of Valais (4'634 m, 15,200 ft), while the lowest point is the lake Maggiore (193 m, 633 ft) in the canton of Ticino.

A vast number of lakes and rivers are another characteristic of Switzerland - which is occasionally called the water tower of Europe. In addition to the numerous little lakes located in the mountains, there are several larger lakes such as the Lake of Geneva (Lac Léman), the Lake of Constance (Bodensee), or the Lake of Neuchâtel (the largest lake completely inside Swiss

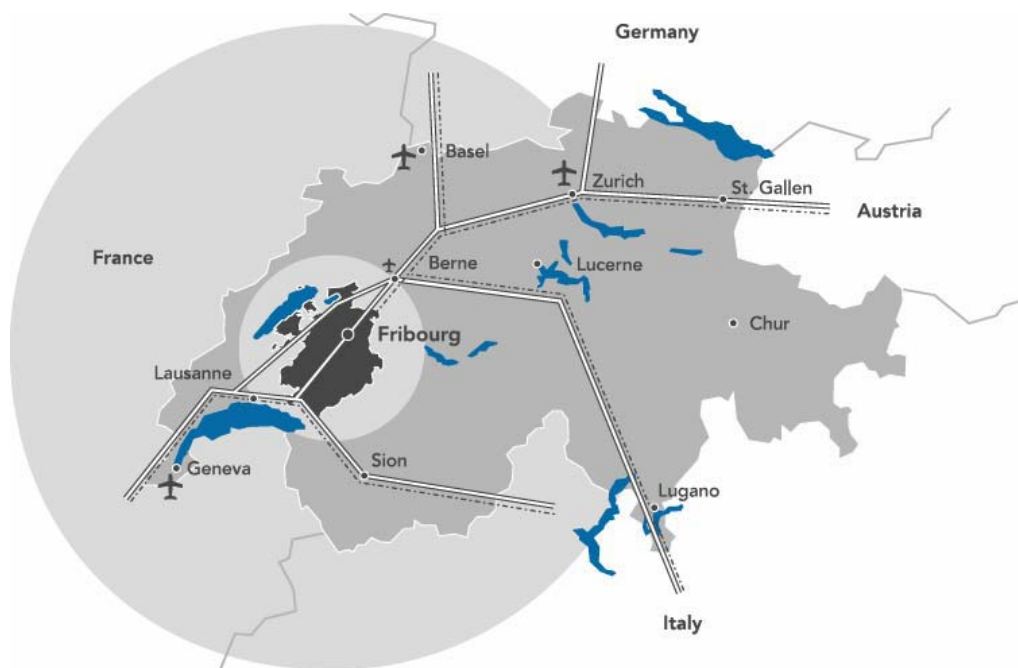
borders). All of this water is the source of three prominent European rivers: the Rhine, which opens into the North Sea; the Rhone, to the Mediterranean Sea; and the Danube, flowing into the Black Sea.



Access to Switzerland is quick and easy. As it is positioned in the center of Europe, the major highways and railroads reach it directly. By air, the three main international airports - Zurich/Kloten, Geneva/Cointrin, Basle/Mulhouse and a medium sized international airport in Berne - give very reliable accessibility.

Public transportation is very efficient. The railroads' density is one of the highest in the world; it includes connections to the European high-speed trains system, which makes traveling to and from Switzerland fast and comfortable. The TGV (to/from France), ICE (to/from Germany) and Pendolino (to/from Italy) all have terminals in Switzerland.





An important aspect influencing the quality of life is that there are no huge metropolises with widespread suburbs in Switzerland. Most of the population resides in rather small cities that offer all of the conveniences of large cities. The biggest Swiss agglomerations are Zurich (1'200'000 inhabitants), Basle (800'000 inhabitants), Geneva (800'000 inhabitants), Berne - federal capital - (600'000 inhabitants) and Lausanne (600'000 inhabitants).



The **history** of Switzerland is strikingly different from that of other European nations. In fact most European nations had been ruled by generations of sovereigns before evolving into, or being replaced by, central government rule. Switzerland on the other hand emerged as a federation, built up from very diverse towns and cantons, each having their own history and differences of size, wealth, language, religion and culture. On the **1st of August 1291** - Swiss national day - the Swiss confederation was born when three men, representing the cantons of Uri, Schwytz and Unterwald, made an oath to aid each other if ever threatened by an outside enemy. Before long new cantons became part of Switzerland. For example the canton of **Fribourg** joined the Swiss Confederation in **1481**. The whole history of Switzerland is a very rich and interesting matter. Nonetheless here we will just mention two more dates which are fundamental to understanding the roots and spirit of the Swiss Confederation. In **1815** the Swiss territory was established by the Congress of Vienna and at the same time foreign nations recognized the perpetual **neutrality** of Switzerland. In **1848** Switzerland became a federal republic by adopting a new federal constitution. It is now composed of 26 cantons.

Since 1815 Switzerland has been committed to neutrality and **international cooperation**. Currently it hosts many prestigious international organizations, such as numerous United Nation Organizations, World Intellectual Property Organization, World Trade Organization, International Committee of the Red Cross, International Olympic Committee and the World Economic Forum, to name only a few. It has repeatedly hosted international conferences and meetings where the leaders of foreign states met and negotiated agreements of historical importance.

Switzerland is not a member of the **European Union (EU)**; nonetheless Europe is an essential partner. Switzerland belongs to the European Free Trade Association.



To further facilitate relations, in the year 2000, both partners (Switzerland and the EU) signed seven bilateral agreements on major issues such as technical barriers, free movement of persons, research, public procurement, overland transport, civil aviation, and agricultural produce. Negotiations are again in progress regarding other issues.

The **political system** of the Confederation is composed of institutions at both a federal and a cantonal level. As the Swiss cantons are not administrative divisions of the Confederation, but small republics on their own (which ceded part of their sovereignty to the Confederation in 1848), the local governments' influence is powerful. All cantons have their own legislatures and governments, and retain sovereignty in all matters except those specifically transferred by the Constitution to the Confederation. At the **federal level**, the executive power is exercised by the Federal Council, which has seven members elected by the Federal Assembly. The Federal Assembly is the legislative power and is made up of two houses with equal power: the Council of States (representing the cantons) with 46 members, and the National Council (representing the people), which has 200 members. The National Council is elected every four years by direct ballot, whereas elections for the Council of States are organized by each canton with varying electoral modes and terms of office. The Constitution grants **the people a right to decision making** through *referendums* or *initiatives*. By means of a *referendum*, a minimum of 50'000 citizens can demand a federal vote on any law that was approved by the Swiss Parliament. Through an *initiative* 100'000 citizens can demand that a proposed text of law be put to the federal vote.



Switzerland is a highly developed country, with an efficient **free economy** and limited interference by the state. It has one of the highest Gross Domestic Product [GDP] per capita in the world (according to the 2006 IMD statistics, Switzerland was eighth with US\$ 81,541 per capita). This prosperity is not a gift from heaven. The lack of natural resources (water and salt excepted) makes Switzerland largely dependent on commercial exchange with foreign partners. Swiss companies therefore have no alternative but to produce **high-quality goods**, and to export them. The economic activity measured in the percentage of Gross Domestic Product is distributed between the sectors of service and trading (64%), industry and processing (34%) and agriculture (2%). Within the service sector the major activities are banking, insurance, tourism, consulting and trading, while the main industrial sectors are (1) electrical, electronic and optical engineering; (2) chemicals, pharmaceuticals; (3) machinery, vehicles, watches; (4) metalworking; (5) food industry. Furthermore Switzerland is one of the most liberal and competitive economies in the world. Consequently international competitiveness studies regularly put Switzerland among the leading countries. Examples include: IMD World competitiveness Yearbook (2006), **Switzerland is no. 8 worldwide**; World Economic Forum's Global Competitiveness Report (2006-2007) **Switzerland is no 1 worldwide**; Index of Economic Freedom (2006), **Switzerland is no. 7 in Europe**. Switzerland is also a signatory to the WTO World Trade Organization agreement on public procurement. This opens up the most important markets to Swiss trade and industry for public contracts in the EU, the USA, Japan, Canada, etc. Despite its small surface and population of only 7,5 million, Switzerland is a very significant player in international trade. With 2005 exports of merchandise amounting to US\$ 118.5 billion, it ranked 21th worldwide as an exporting nation; with imports amounting to US\$ 111.6 billion, it ranked 18th. Today, Switzerland's prosperity relies more and more on its service sector, which is also very much export-oriented.



Therefore it is no surprise that the European Council of American Chambers of commerce rated Switzerland **number 1 in a list of the most favorable countries for business** in terms of political stability, economic environment, business development, infrastructures and worker issues. As shown in the previous chapter Switzerland also offers among the highest quality of living to its residents.

Religions are quite well represented in Switzerland; the most common are Catholicism (46%), Protestantism (40%), Islam and Judaism. In most cities every denomination is represented.

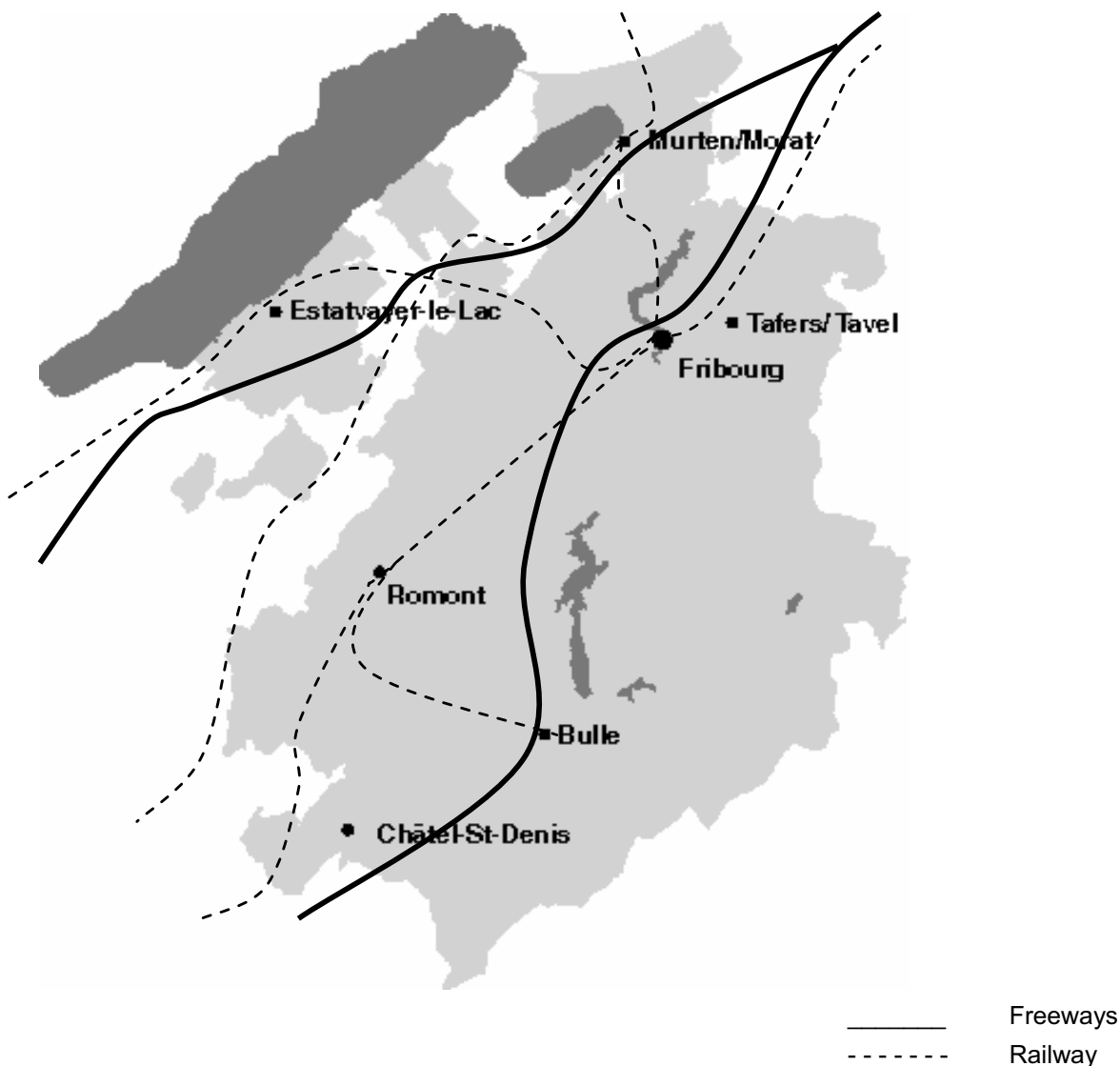
For further information about the Swiss institutions, please have a look at the official website of the Confederation:

www.admin.ch



1.3 Canton of Fribourg

The Canton of Fribourg is one of the 26 cantons and semi-cantons forming the Swiss Confederation. With a surface of 1'670 sq. kilometers, it is located in the western part of the country. Its altitude ranges from 429m (1,407 ft) at the shore of the Lake of Neuchâtel up to 2'389m (7,836 ft) at the top of its highest mountain, the Vanil Noir. The cantonal capital city - also named Fribourg / Freiburg - has an altitude of 588m (1,929 ft). Although **mostly situated in the plains**, the canton of Fribourg is geographically very diverse, with mountains (pre-Alps), hills, forests and small lakes.



The **population** of the canton of Fribourg amounts to about 255'000 people, of which nearly 16% are foreigners. Since the language border crosses the canton of Fribourg, the canton has two main communities; about two thirds of the population is French speaking, while one third is German speaking. It is important to point out that **many people are bilingual**. As English is widely understood, we can even say that most of the population has at least basic knowledge of all three of these languages.

The **climate** in the Canton of Fribourg is very pleasant. Extreme climatic events, such as cyclones, hurricanes, blizzards, droughts or floods **do not occur** in Switzerland. There are neither typically dry nor rainy seasons. The year is divided into four seasons, each having its own specific charm. The usual temperature during the summer is about **25C (80 F)** and about **3C (37F)** during the winter. Snowfalls are frequent in winter, even in low-altitude areas. Of course the altitude influences the climate. The lower parts of the canton do not get much snow, whereas in the higher regions - over 800m (2,624 ft) of altitude – the quantity of snow makes skiing and other snow activities possible.

Access, to and from the canton to all major Swiss and European centers, is very easy and convenient. The main highways and railway lines go through Fribourg. The major Swiss cities (Zurich, Geneva, Berne, Basle, Lausanne, Lucerne, etc.) can be reached in less than 2 hours either by train or road. The capital city of Berne is only 20 minutes away by car and by train. For those traveling by air, the three major airports of Zurich-Kloten, Geneva-Cointrin and Basle-Mulhouse can be reached within 1½ to 2 hours. Berne-Belp International Airport, which is very convenient for European flights, is only 30 minutes away from the center of Fribourg.



The **history** of the canton starts with the foundation of the city of Fribourg. In 1157 Berthold IV of Zaehringen founded a city he named "Frei Burg", literally translated "Free Castle". This spirit of freedom and the ideal location attracted entrepreneurs and merchants who rapidly made Fribourg a prosperous city. The Duke Berthold IV of Zaehringen was a member of an affluent family of the German Empire of this period. In fact the Canton of Fribourg consists of territories that were either bought or conquered by the City of Fribourg during a long period of time. In 1481 Fribourg joined the Swiss Confederation and became a Swiss canton. From an essentially rural society, the canton of Fribourg slowly grew to a highly educated community. In 1889, the University of Fribourg was founded. Since then, it has continually grown in size and importance. Today, this international university, counting more than 9'000 students, as well as Fribourg's other renowned technical engineering and business schools, has a major influence on the culture and economy of the city and the canton.

Like the other Swiss cantons, Fribourg is organized as an **independent republic** with its own legislatures and government. It retains sovereignty in all matters except those specifically transferred by the Constitution to the Confederation. At the **cantonal level** the executive power is exercised by the Government or State Council, *Conseil d'Etat / Staatsrat*, composed of 7 members, elected for a 5-year period by the citizens. Its main responsibilities are to carry out the decisions voted by the Grand Council, and to manage the administration and the public services of the canton. The legislative power is embodied in the Parliament or Grand Council, *Grand Conseil / Grossrat*, with 110 deputies, elected for a 5-year period. These deputies are non-professionals, and the Parliament does not function on a full-time basis. The main responsibilities of this Parliament are to vote on all of the laws and budget, and approve the accounts of the canton. At the **local level**, the canton of Fribourg is formed of about 170 municipalities,

communes / Gemeinden, which vary considerably in size. Each one has a general assembly of citizens, *assemblée communale / Gemeindeversammlung*, or a general council, *conseil general / Generalrat*, found in the larger municipalities. To some extent these groups can take decisions on such matters as the tax rate in the municipality. The daily business is run by a municipal council, *conseil communal / Gemeinderat*, of five to nine members. Municipalities usually get together and cooperate in domains that go beyond their own borders, such as public transport, schools, social services, hospitals, etc.

Exports are a pillar of the **Fribourg economy**. Throughout the last 20 years, Fribourg-based companies succeeded in continually increasing their exports, sometimes at annual growth rates that were substantially higher than the Swiss average. The goods exported included machines and electronic apparatus, chemicals and pharmaceuticals, watches, food products, etc. Furthermore, many foreign companies decided to establish subsidiaries or affiliates in the canton of Fribourg, contributing to the **internationalization of the economy**. The environment provides resident companies the capacity to operate on an international scale in a business-friendly, decongested and safe setting. About 60% of the active population is working in the service sector, whereas 33% are in the secondary sector and 7% in the primary sector.

From a **religious** perspective Fribourg remained Roman Catholic while its neighbors (Berne, Vaud) and several other Swiss cantons adopted the Protestant reformation. Today the canton still holds a majority of Roman Catholics, although most of the other religions are also represented in the canton. As a Roman Catholic canton, the Roman Catholic celebrations are public holidays in the canton. See section 6.5, “*Local holidays in Fribourg*”

