



Economy and society

Renting (5)

14:45 minutes

00:38 The young all-female band Caprice from Lucerne is planning an important concert. Guitarist Angela Beffa and her colleague want to rent some equipment for it. Switzerland's rental market is big – the Swiss spend over 300 million francs annually on renting cars and 13 million on legally downloading music..

01:40 Economist Donato Scognamiglio is an expert on renting. He knows that renting has many advantages, for example, you rent something to avoid being tied down and to be more flexible. And it is a lot cheaper than buying.

02:14 Caprice in rehearsal: Angela wants to rent a better effects processor for her guitar – a floor pod. Keyboard player Simone wants a better keyboard. Hers doesn't have a nice piano sound, and one key is broken.

03:44 All rental objects have a market – the so-called rental market. On this market, supply and demand meet. They also determine the price, that is, the rent. In addition, rents of homes are determined by the location and by the income tax rate of the place of residence. The housing market in Switzerland comprises about 3 million properties.

05:28 Angela at home – she consults a musical equipment catalogue to find out which floor pods are available and quickly finds a pod that meets her requirements. But - how can she find a music shop that rents out the pod she wants? By looking at the Internet, of course. Angela wants a shop that is easy to reach, with staff that is willing to advise her.

08:14 Renting and hiring – it has been going on for centuries. Even in the Old Testament there is a story of King Solomon and the hiring of workers. But also the Romans and people in the Middle Ages commonly rented and hired. Today there are many special forms of rentals. For example, leasing in agriculture, where the leaseholder farms somebody else's land and pays a rent for it; or the leasing of goods, when you rent a car, but pay the maintenance costs yourself on top of the rental. And credit, where you «rent» money for a limited time period and pay the bank interest for it – the rate for renting money.

12:00 Angela and Simone sign the rental contract. It defines the duration of the rental and also who pays for any damage – namely, the band's insurance. By signing, Angela and Simone agree to comply with the contract. The rent is 120 francs.

12:51 Sound check and concert – Caprice are eager to discover whether the hired equipment will live up to their expectations.