You, in your capacities with the various cities you now serve or may serve in the future, will share the responsibility for planning that will protect the interest of the existing city and provide for the absolutely necessary progress for the future; while the railroad, as one of the businesses and taxpayers in each of the communities and areas it serves, prospers to the extent the community prospers. This applies not only to the railroad as a business, but to those within the community and all in its employ.

I am sure each of you gentlemen is familiar with the substance of the old adage that it is not possible to stand still, but rather, dynamic effort for progress is necessary to prevent going backward industrially, commercially and even culturally.

This great nation of ours has for many years grown rapidly and will continue to expand greatly. It behooves each community, therefore, whether a metropolitan city or one of the comparatively smaller villages and cities, to share in this expansion to the fullest extent physical conditions permit, for the purpose of avoiding the pitfalls of standing still, and reaping the economic and cultural benefits of progress.

Current growth, generally speaking, is primarily the result of new industrial jobs added over the past few years. Growth and development brings burdens as well as benefits. They have made serious demands upon utilities and municipal services of all kinds and the progressive community is keeping pace in its improvements and planning by providing or arranging for the facilities needed as rapidly as they may be required.
Some of the less progressive occasionally ask the question: “Why grow?” Wishful thinking is often heard to the effect growth might be limited to avoid resulting problems. In my opinion, however, growth is bound to continue in any progressive area, even though it will bring additional burdens and difficult problems. There are several reasons why this will take place in the metropolitan and urban areas.

Population Trends

One reason for growth of urban communities is the shift of population from rural to urban areas. Our farm population has dropped from 32½ million before World War I to only about 22 million today. In 1910 one-third of our people lived on farm; now the proportion is less than one-seventh. On the other hand, agricultural production has increased enormously. We need fewer people “down on the farm” to raise more food in this day of automation, and we may expect a continued migration from farms to urban areas.

A second reason why we will grow is that students of our population trends, as you know, are predicting an increase of 50 million persons in the United States in the next 25 years. This population increase, when coupled with the shift from rural to urban, will affect all urban and metropolitan areas.

Next we must consider the changing patterns of our economy. Our increasingly high standard of living requires more industrial production and more workers in industry. The reduction in our working hours results in more so-called leisure time, or at least more time away from the regular job. This results in greater employment in service industries as well as in production.

It is predicted that in order to keep up with the present population trend, the United States must provide one million new jobs each year to take care of the annual entry of new people into the labor market due to our increased population and, of course, almost an equal number of jobs must be provided for those displaced by failing business, industrial moves and in categories which are lost as a result of the normal attrition in competitive business.

Much is heard about security these days. It is used with respect to Social Security, domestic security and national security. I believe we should add “industrial security.” Without industrial security there can be little social security or national security. These much talked-about securities are all related to a continuing productivity through technological advances, new products and new and better methods of processing, all of which will result in needed new employment to keep step with our increasing population.
All of these national trends in our shifting population, our changing economy and our natural advantages will have their effect upon the businesses or political entities we now serve or may serve in the future. It cannot be avoided.

The areas we now represent or may represent in the future will continue to grow. The problem is how to do so in an orderly way and in such a manner that all the people in the area can share in the benefits. It necessarily follows, then, that continued prosperity depends on the ability to maintain a steady supply of jobs. Jobs of all kinds will be needed but, as before indicated, industrial jobs are basic. The emphasis must be put on industrial jobs because other jobs are primarily dependent upon industrial jobs.

To clarify the statement that industrial jobs are basic in our economy, it should be pointed out that a recent study made for the U. S. Chamber of Commerce developed that for every 100 new factory jobs 74 new jobs were created in other lines of work, 112 more households and a population increase of 296 persons. Personal incomes increased $590,000 a year, retail sales rose $360,000 and bank deposits $270,000. In addition, an average of four new retail sales establishments were created, 107 new car registrations, 38 truck and bus registrations were recorded, and 70 residential telephones installed.

It is only fair to point out that the authors of the figures just given caution that it must be remembered every case of industrial expansion is unique. No two communities will experience exactly the same effects from two industrial payrolls. There is no doubt, however, that community leaders striving to improve economic opportunity in their home town have a very worth-while goal in obtaining new industry, as these statistics amply demonstrate.

How can a program of industrial security be carried out, which will maintain and result in an increase in the number of jobs? One of the most important factors in industrial development for any community is to keep existing industry satisfied, so that, as and when such industries may have plans for expansion, they will have good reason to expand in the same community and not feel they would be better off going somewhere else. Of course, often there are certain reasons why expansion in the same community might not be advantageous to the industry, possibly for reasons of distribution, changing economy as related to raw materials, markets, or others.

Essentials For New Industry

To provide for expansion of existing industry and to induce new industry to locate in or near a community, there must be available modern
industrial sites; there must be provided the basic utilities and facilities which an industry must have and, very important, there must be developed understanding of the importance of industry to the area and the keen competition in attracting industrial growth.

This brings us to the specific "essentials for new industry."

Basic facilities, generally speaking, for industrial security, include plant sites, sewers (both storm and sanitary), water, fuel, power, transportation, zoning and housing. Also important are educational, religious, health, cultural and recreational facilities. These basic facilities and services are all within the power to provide and improve through local government and local organizations.

An increasingly important item related to industrial development is what is referred to as the "urban plant" of the community. This means such things, for example, as the feeling and attitude of the people, of the city officials, and of existing industry toward the establishment of additional plants or new industry in the community. Questions are asked such as: Would a new industry be welcome? Would the town or city be a good place for the officials and employees, along with their families, to live in? Does the town have honest city government? Are living conditions good? Is sufficient housing available, or what are the prospects for additional homes being built? Are there available, or would or could there be made available sufficient churches, schools, banks, shopping centers, cultural facilities, newspapers and recreational facilities?

Another very important item is the moral standing in the community. Larger industries usually investigate the moral conditions of a town before considering sites in the area. In one instance, after an extensive survey, all but three communities were eliminated. The first choice community was submitted to the president, who went incognito to the community, calling upon bankers, merchants, industries and others, none of whom voluntarily indicated any pride in the community, and there was little evidence of any progressive spirit. This location, needless to say, was eliminated from further consideration. Contrary to this, the industry officials talked to bankers, the mayor and other city officials in a given community, as well as to police, merchants, oil station people, and children, all of whom spoke very highly of their community and seemed to be very happy to be living in it. This had much to do with the decision of the prospective industry to locate in that community.

As an example of the importance placed upon knowledge as to community attitude, a large midwestern city recently requested a number of industries having plants in various parts of the United States, as well as in the specific community, to rate that community in comparison with other locations. The desire was to determine what these people thought
about the general attitude of that community toward business and industry. When asked the question, "Does a safe majority of the community's citizens understand the importance of the profitability and growth of local industry to their own welfare?" several checked "Doubtful" or "Bad." If this should prove to be a wide-spread opinion, it would definitely be a handicap in attracting new industry. Many business men believe that the attitude and understanding of the people in a community are as important—if not more so—than physical facilities. A program of industrial security which will maintain a steady, adequate supply of jobs is the responsibility of every citizen—not that of any individual or special group. Every individual can do his or her part. All of the citizens in an area stand to gain or lose, whether wage earners, housewives, professional men, business men or industrialists.

Specific Items

Bearing in mind the over-all situation as to general characteristics, I should like to point out some of the more specific items required in practically all instances in the attraction of industry.

Zoning is becoming an increasingly important factor. Industries today desire to be protected from encroachment by spotty and low-class residential construction. It behooves any community today to look to the future and have planning commissions or similar organizations functioning for the purpose of setting up or amending zoning regulations, so as to provide satisfactory industrial areas in advance of prospective use. Without proper provisions for land uses, many an opportunity to develop a community industrially is lost.

Water—The requirements of industry in this respect can, generally speaking, be divided into three broad categories

(a) Major water sites for manufacturing concerns requiring large quantities of industrial water for processing or cooling purposes, volumes reaching as much as 20 million gallons per day or more. The water in this volume, of course, is available from large rivers or streams or good underground supplies. Industries using this volume of water are, for example, synthetic fiber plants, pulp and paper mills, steam generating plants and various types of chemical manufacturers.

(b) Minor water sites where industries could obtain water to the extent of one million to as much as 10 million gallons per day. This volume of water would be used, generally speaking, for finishing plants and certain chemical operations.

(c) Dry sites. This terminology would apply to the requirements for industrial or warehouse sites for operations not requiring large
quantities of processing or cooling water, but producing a demand primarily for a water supply for drinking, sanitation and fire protection. These demands may require anywhere from a very nominal amount of water, up to one million gallons per day or more.

It is suggested here that in planning for the improvement or expansion of a community’s water system, mature consideration be given not only to demands presently known, or for the immediately foreseeable future, but also to potential demands based on plans for the city in the future development of its present area and surrounding environs. A little larger line laid now would be an economy in providing future extensions and capacity as compared to the possible later need for an entirely new line perhaps from source of supply.

Areas and Acreage for Plant Sites.—The trend toward larger industrial sites must be recognized. Many old sites are outmoded, particularly within the sometimes cramped areas of the city limits. The one-story, rather than the multiple-floor type of industrial building, the desire for possible expansion room, the need for off-street parking, and the desire to have areas for landscaping, are some of the reasons for the demand for larger sites.

For example, an industry planning the construction of a building to cover about one acre of land would, generally speaking, seek a site of at least from three to five acres. Such a plant might employ from 50 to as many as 300 or 400 persons, depending upon the nature of the operation. A medium sized operation generally requires a site of from 10 to 20 acres, and sometimes as much as 75 acres, while major plants have requirements ranging from 100 to 1,000 acres or more. The ideal site is a level to slightly rolling parcel of land, providing access at comparatively reasonable cost to rail and highway transportation. The “site beautiful” for larger industry is one with highway frontage and extending about one-half mile to a railroad.

Sewers and Drainage.—Adequate storm and/or sanitary sewers and drainage facilities, which are available or could be made available in a reasonable length of time, are highly essential. For example, a major industry, with whom we were recently dealing for the construction of a large plant to employ somewhere around 2,000 persons, had as one of its major requirements the availability or the possibility for the extension to the plant within a reasonably short time of a 15 inch sanitary sewer. It is suggested that in the formulation of any plans for the improvement or extension of sewer lines and disposal plants, as in the case of water systems, some thought be given as to having or planning for a capacity sufficient to accommodate such extensions as might be made to
take care of future growth within the community and in the environs beyond its perimeter.

Highways and Streets—Access to and from a potential plant site by good streets and highways to accommodate the automobiles of employees and other vehicles which may serve the industry is becoming more and more important, and the selection of potential sites within a community and in the environs surrounding its perimeter for immediate or future industrial development, along with topography and utility services, should also take into consideration present and future highways and streets, and the provision of a suitable area of land between such thoroughfares and the railroad.

Power and Gas—It is a rare case today when any difficulty is encountered in making arrangements to obtain the necessary amount of power; however, in any negotiations with utility companies or where municipal power plants are involved, it is well to give thought to potential power supply for future developments of a type which the community feels it could support and would want to attract in its march for progress. In many communities there is available or could be made available reasonably large volumes of gas, and this commodity in many instances is a contributing factor in attracting an industry requiring it for manufacture or processing.

As an example, a metal manufacturer planning the construction of a 40,000 sq. ft. building on a plant site of six to eight acres, with an employment of 50 to 75 persons, set as its requirements a 100 KVA single phase electric line and 2,500 to 5,000 cubic feet of gas per hour. A major manufacturer requiring 200 acres of land for the construction of a major plant to employ 2,500 or more persons set as its requirements a power load of 10,000 KVA connected, 2,000,000 cubic feet of natural gas per day, along with 1,000 gallons of water per minute. Another major industry seeking 200 acres of land for the establishment of a plant to employ from 6,000 to 7,500 persons set as its requirements 1¼ million gallons of water per day, 700,000 cubic feet of high pressure natural gas per day, and sewage disposal facilities to be able to take care of the volume of sanitation which would result from a plant employing as many as 7,500 persons.

Of course, there is also of vital interest to an industry the situation pertaining to labor, taxes, populations, land prices and other items with which I will not deal in detail because of the additional time this would consume.

I should like to suggest the advisability of communities, before dealing with any specific potential industrial development, considering
what it might be willing to do in the way of extending water lines, sewer lines and other utilities to a potential industrial site, both inside and outside the present city limits. Thus a definite answer could be given within a short time as to whether or not the community would be in position to make available the necessary utilities and facilities, and, If so, at what cost and in what manner.

SUMMARY

Summarizing, the essentials to promote industrial development and economic growth in any community are: progressive community attitude, good physical and cultural characteristics and facilities, properly zoned land sites with good rail and highway or street access, the availability of or the ability to supply necessary utility services, along with favorable tax and assessment conditions and good employee-management relations. To emphasize the importance of community attitude to promote industrial and economic growth, I shall read a short poem prepared by a churchman in an Illinois town, who is very active in the work for advancement of his community.

If you want to live in the kind of town
That's the kind of a town you like—
You needn't slip your clothes in a grip
And start on a long, long hike.

You'll find elsewhere what you left behind,
For there's nothing that's really new,
It's a knock at yourself when you knock your town,
It isn't your town—it's you!

Real towns are not made by men afraid
Less somebody else gets ahead.
When nobody shirks and everyone works
You can raise a town from the dead!

And if, while you make a worth-while stake,
Your neighbor can make one too—
Your town will be what you want to see—
It isn't your town—it's YOU.

The competition is keen and the challenge is great, but I know that you gentlemen, those with whom you are associated, and we of the N. Y. C. are all willing to accept the challenge.