2. Inducements Attracting New Industry

The inducements which Los Angeles has to offer to industry are not incon siderable and greatly enhance its competitive position. The principal advantages offered may be summarized as follows:

a. A compact and rapidly growing local, urban market
b. Excellent transportation, both land and sea
c. A large pool of labor, largely unorganized, with a record of almost complete freedom from labor difficulties
d. A wealth of industrial sites at reasonable cost
e. Favorable tax rates on capital investment
f. Cheap fuel in the form of oil, natural gas, and electric energy
g. Climatic advantages; low plant construction and maintenance costs, and minimum employee-hour loss as a result of favorable year-round weather

B. PRINCIPAL SOURCES OF ECONOMIC SUPPORT

1. Factors contributing to economic support of community

The economy of Los Angeles is dependent on four groups of factors as follows:

a. Natural resources
   1. Agriculture
   2. Mineral extraction including petroleum and natural gas
   3. The fishing industry
b. Manufacturing
c. Trade
   1. Retail and wholesale trade
   2. Water commerce
d. Special factors
   1. Tourists
   2. Retired and semi-retired persons

As in most cities of metropolitan stature manufacturing and trade afford the principal source of employment in Los Angeles and as the most important sources of employment, merit detailed attention. Before turning to them, however, consideration will be given to the first and last groups of economic factors which play a very definite part in the economy of the city. These factors represent, for the most part, the sources from which the real and new wealth of the county is derived, although not necessarily of themselves affording extensive employment opportunities. A brief discussion of the part played by each in this area will serve to focus attention more clearly on the relative importance of each.

Agriculture: Los Angeles County is intensely cultivated. Even with the constant influx of new population over-running the agricultural areas, it continues to lead all counties in the United States in the value of agricultural and horticultural products. (Due allowance should be made for comparative acreage factors as between counties. Los Angeles County embraces over 1,500,000 acres of which nearly 300,000 acres is utilized for crops and exclusive of livestock grazing areas). From Los Angeles County, an annual market outgo of over 100,000 carloads of produce moves outward to the rest of the United States and foreign countries. In addition to this cash crop exported, Los Angeles County itself consumes virtually all of its livestock products and a major portion of its truck crops. While the total acreage under cultivation has declined by over 200,000 acres since 1900, the value as well as the physical output of crops has increased manifold, value in 1930 being over 12 times the 1900 value. This, of course, has resulted from expansion of the citrus fruit market, the transformation of Los Angeles into a vast metropolitan area, and more intensive land use. In 1900 there were 6,577 farms averaging 136 acres each - in 1935 there were 13,549 farms averaging 45 acres each.