Mr. Cotant said: "San Diego is not primarily an industrial center but because of the advantages of its climate and atmosphere, together with the fact that the Navy Air Base is located here, it is becoming a center for the manufacture of aircraft. The Consolidated Aircraft Company which has a plant here and a large contract with the United States Government has doubled its payroll in San Diego since the first of the year and is now employing 2500 men in its manufacturing plant and 308 men in its executive, technical and clerical positions. The total payroll for these men last week was $100,000 which is on the basis of $5,200,000 per year. I am informed, however, that this amount will be greatly increased as the plant expects to be employing upward of 4000 men by January 1, 1937."

The Ryan Aircraft Company which produces sports models employs 150 men and is constantly increasing its output. The Solar Aircraft Company, manufacturers of airplane parts, started with a very small force and now employs 116 men. In addition to these developments I happen to know that two other large aircraft factories have under consideration the establishment of plants here and it is quite certain that one of them will definitely begin construction within the next six months. With the exception of the Building Trades which is quite highly unionized, San Diego is largely an open-shop town and this undoubtedly has influenced many manufacturers to consider this point favorably.

The foundation of San Diego's economic life has been its climate which has the least variant of any city in the United States. This has been the means of attracting a very large number of retired people who have bought homes and settled here. It is impossible to state the exact number but we know it runs up into the thousands. These consist of of retired Navy and Army officers as well as a large number of retired capitalists and well-to-do business men.

The Naval Base, Training Station, Hospital, and Airport personnel amounts to 27,000 men and gives San Diego a monthly payroll of $2,500,000. This payroll during the past six years has helped San Diego greatly in weathering the depression and is undoubtedly the reason that real estate values decreased less than in many other communities.