A Businessman's Tour of The Right-To-Profit State
A look at the LAND

Meeting the PEOPLE

A visit to the CAPITOL

A view of the GOOD LIFE

Talk with some visitors who stayed
Welcome to Louisiana, the Right-To-Profit State.

In the pages ahead you will be taken on a tour of the State. We want you to take a good hard look at the industrial potential Louisiana offers, but we also want you to see Louisiana as the beautiful, fascinating place it is. Along the way you'll see the lovely homes, charming customs, lively activities of Louisiana—but keep them in perspective. We want you to look most closely at factories and oil wells and mines, at roads and rivers and seaports, at resources and markets and workers. Most of all, we want you to see how Louisiana has become the Right-To-Profit State.

We hope you enjoy your tour of Louisiana. We also hope you take some notes. Measure what Louisiana has to offer against the needs of your organization. It could well be that you'll decide to stay, decide to join the many industries which have found a profitable home in Louisiana.

But read on and reach your own conclusions . . .
A look at the LAND

Imagine that you are in a low-flying plane now crossing the 46,723 square miles of Louisiana. Even from an altitude of several thousand feet you can see much evidence of the State's vast natural wealth.

TIMBER TODAY...AND TOMORROW

First to catch your eye will be the green expanse of forest land. Half the state is wooded — 1,600,000 acres of trees in all. A billion board feet of pine, spruce, and hardwood are cut each year, and Louisiana is growing timber faster than it is being consumed. The chief reason for the expansion of Louisiana's timber supply is the State's retirement and conservation program; the result is that 10,000 acres a year become a part of the important timber-producing states. Another reason is that Louisiana has just as long a growing season as the rest of the state in colder climates.

Louisiana's forestland is plentiful and suitable as well. Three-quarters of the State's forestland lies in the hands of private individuals — the rest is in large-scale industrial use. The siting, accessibility, and guaranteed supply of Louisiana's forests are the reasons why a growing number of lumber companies and paper-products manufacturers are moving into the pine belt of the State.

Already Louisiana pine is the source of one-fifth of the soft-plywood being manufactured in the entire United States. Still more manufacturers will be coming to the riverine area. Indeed, any industry dependent upon a plentiful supply of timber has a home in Louisiana.

AGRICULTURE: AN INDUSTRIAL RESOURCE

As you circle south, across Louisiana, you will see the gentle uplands and prairie. You will see the rich delta and along the generous Mississippi, tall red cajun and blue cajun. Your next stop will be the verdant coastal marshes. This variety of land, along with an abundant rain and one of the
longest growing seasons in the United States (an average of 220 days in North Louisiana, 330 days in the south), makes Louisiana one of America's great frontiers for agriculture and agricultural industry. Presently Louisiana farm marketings amount to $400,000,000 annually. This is but a healthy beginning, for in truth any crop of the Western Hemisphere can be grown in Louisiana and unused land lies waiting for the cultivators and combines of the big growers. The decline of small farming and (Louisiana's) vigorous drainage and land reclamation programs have brought into existence thousands of acres of additional open land. The one-crop farm economy is long since gone in Louisiana. "King Cotton" now shares his throne with a multiplicity of other crops. Result: Louisiana now leads the nation in crop diversification. First in the nation in production of sugar cane, a leader in the production of yarns, rice and strawberries, Louisiana has now become a significant producer of corn, soybeans, oats, wheat and sorghum — at one time considered infeasible in eastern states. Now growing vast acreages of Louisiana's diversified farm economy. The most dramatic facet of Louisiana's new look in agriculture is the rise of vigorous, expanding dairy and livestock industries. In the 1930's Louisiana had less than a million head of livestock. There are now some two million cattle on Louisiana's pastures. While only 15% of Louisiana's farm income was derived from livestock in 1940, today livestock accounts for 37%. The upward trend in livestock production, in all agricultural production generally, is an open invitation for growers, canners and processors to join those already profiting from the State's agricultural opportunities and advantages.

To assure that Louisiana's water is at all times an asset, the State has effected one of the world's surest programs of flood control. Similarly, Louisiana is a leader in putting to water resources to creative use. The most recent example of Louisiana's creative control of water is the Toledo Bend Project, which is establishing an 80,000 kw generating plant along the Sabine River and a reservoir of 4,447,000 acre feet.

UNIQUE TRANSPORTATION ADVANTAGES

You will be aware of Louisiana's many lakes and bayous, but you will be most impressed by the State's great rivers. The average daily flow of all Louisiana rivers is 430 billion gallons — nearly 50% more than all the water used for all purposes in the entire nation. First, of course, is the Mississippi, linking Louisiana to the markets of mid-America and the world. The State's several other navigable rivers — the Pearl, the Red (development of which will soon link Shreveport, the industrial capital of northwest Louisiana, with the Gulf, the Ouachita, the Black, and the Atchafalaya — give Louisiana one of the world's greatest water transport networks. What little Nature has left undone in Louisiana, man has completed. The great Gulf Intracoastal Waterway -1100 miles long - links Louisiana with the other Gulf Coast states. The man-made Mississippi River - Gulf of Mexico Outlet brings the Port of New Orleans forty miles closer to the sea. And the Port Allen - Morgan City Cutoff Canal offers barge traffic a straight run from the Gulf to Baton Rouge, saving 68 miles.

To ensure that Louisiana's water is at all times an asset, the State has adopted one of the world's surest programs of flood control. Similarly, Louisiana is a leader in putting to water resources to creative use. The most recent example of Louisiana's creative control of water is the Toledo Bend Project, which is establishing an 80,000 kw generating plant along the Sabine River and a reservoir of 4,447,000 acre feet.
you're after or a ready source of raw materials, you benefit from proximity to Louisiana's deepwater ports. The Port of New Orleans, handling more than two billion dollars in foreign trade per year, is the nation's second largest port. Baton Rouge is the nation's seventh largest, and the farthest inland port in the United States to remain open all twelve months of the year.

**OIL AND GAS**

Whether your plane is above North Louisiana, South Louisiana, or off the 1700 miles of Louisiana coast, you will see the great oil rigs, spires of wealth, rising from land and sea. Louisiana's oil reserves are the same as they were in the 1940s. Two factors are responsible for the benefits of the oil and gas industry in Louisiana. One reason is Louisiana's oil and gas conservation laws. Dating back to 1940, they still stand as the nation's model means of preserving the vital supply of petroleum. A second explanation of Louisiana's strong petroleum reserves is the State's adjacency to the offshore oil fields in the Gulf of Mexico. The precise extent of the Gulf's petroleum wealth has not yet been fully assessed, and may not be known for years, but it is already apparent that the Gulf - Louisiana's southern doorway - contains the richest source of oil this side of the Persian Gulf. Even now, nearly a million barrels of petroleum are refined each day in the State, and this figure will be dwarfed in the decades ahead. The word for the future of the petroleum industry in Louisiana is fantastic.

**SULPHUR, SALT, AND OTHER MINERALS**

From the air you gain a good initial impression of the wealth of Louisiana. However, you must come down to earth for the total view of the State's storehouse of vital resources. You must see the ships that reach down into mammoth salt domes thousands of feet deep. There are more than 200 known salt domes in Louisiana, each containing varying quantities of gas, oil, salt and sulphur. Louisiana is first in the nation in production of salt. It is also first in the nation in sulphur production, with one of the world's largest mines in its borders. Half the nation's sulphur comes from Louisiana. The State ranks third in production of primary aluminum. Throughout the State are copious quantities of clay for the manufacture of brick, tile and other ceramic products. There are large deposits of sand, gravel, limestone, and glass sand. Louisiana's inexhaustible supply of clays and oyster shells is an important source of industrial lime. Recent geological surveys have revealed for the first time the extent of iron ore deposits in North Central Louisiana. Preliminary estimates have shown reserves of 800 million tons, the largest known reserves in the U.S. Extensive deposits of low-grade lignite are located nearby. Nearly states supply fuel to coal and other minerals. Furthermore, Louisiana's ports put the manufacturer within reach of the raw materials of the world. Some 300 classes of commodities flow from all parts of the world through Louisiana's ports each year.

A look at Louisiana's land and its resources — even as a brief a look as we have taken here — leads to certain inescapable conclusions:

- Industry requiring large and available supplies of timber should consider Louisiana in its plans for expansion.
- Firms benefiting from proximity to vast amounts of petroleum, natural gas, oil or sulphur will benefit from location within Louisiana.
- Manufacturers needing a sure and substantial water supply for cooling or processing or to provide low cost water transport facilities — to both domestic and international markets — should pay special attention to Louisiana's favored geographical location.
- Seekers of available land — whether for large-scale cultivation or for plant sites — should look to Louisiana, where fallow land is found in every section of the State.

The land of Louisiana offers the basic ingredients for industrial success. To turn these ingredients into profits, inventive minds and skilled hands are needed. It's therefore appropriate that we move on to meet the people of Louisiana.
Meeting the PEOPLE

There are now three and a half million Louisianaians. They are a people in transition. As the economy of the State undergoes dramatic change, the State’s citizens change in ways no one can predict.

INCREASED URBANIZATION

Louisiana is leaving its rural past to become a modern industrial-urbanized state. Its people have become urban dwellers. At the turn of the decade Louisiana’s urban population increased by 40%, in comparison with the national increase of 25%. The State’s citizens are now 53.7% urban in residence and 30.9% rural, statistics which are rapidly approaching the national average.

THE WORK FORCE

There are approximately 1,250,000 wage earners in Louisiana. The character of this labor force is altering rapidly, as new industry enters Louisiana creating new jobs. For example, who could have predicted a decade ago, that the harsh and winds of Louisianaians would be engaged in building vehicles for interplanetary travel (but the space industry has come) or that many workers would be filling the challenge of its innovative technology, At present, there are 12,000 people employed in the space industry in Louisiana.

Generally speaking, you will find in Louisiana the same sorts of skills as you would find elsewhere in the United States. However, certain variations can be noted. Louisiana has a higher percentage of production, sales workers, service workers, laborers and domestics than the national average.

The bulk of Louisiana’s manufacturing labor is concentrated in these industries: food, tobacco, chemicals, paper, petroleum refining, transportation equipment, iron products, fabricated metal, textiles and apparel, printing and publishing, machinery production, primary metal production, and furniture manufacturing.
Louisiana's workforce is younger than its national counterpart. The median age in Louisiana is 25.3 years, as compared with 29.5 for the remainder of the nation. The 1960 census revealed that 45% of Louisiana's population was under 20 years of age. This is a new generation, better educated and readily trainable.

Women comprise an increasingly large part of the state's labor pool. In 1940 the work force was 24% female. Today female workers total about a third of the labor force.

In addition to the burgeoning system of public colleges, Louisiana's dozen private institutions of higher education also contribute significant numbers of educated young people. In all, there are 26 colleges and universities in Louisiana. Together they offer majors in every academic discipline. Each year they confer degrees on some 10,000 students, comprising a continuing source of talent from which industry can choose.

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Prospects in any region depend upon people trained to think, to create, to lead — in short, upon a well-educated populace. Appropriately, then, education is a special area of emphasis in Louisiana. The State expends 44% of its budget on its schools, ranking sixteenth in the nation in this respect. Among Southern states Louisiana ranks first in expenditure per primary and secondary pupil. This firm backing of education is resulting in rising educational levels throughout the State.

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Louisiana's commitment to education extends to the college level. Consequently, tuition at Louisiana's fourteen State-supported institutions of higher learning is among the lowest in the nation. This fact, coupled with the State-guaranteed student loan program, makes it possible for almost any Louisiana youth to obtain a college education, if he can meet the constantly rising academic requirements of the State colleges and universities.

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Economic and educational statistics can tell you much about the people of Louisiana. However, there is much about their character that can only be learned through experience. There is, for instance, no statistical means of measuring a people's warmth and hospitality, yet these are qualities which most visitors find in the people of Louisiana. Nor are statistics adequate in describing the ease with which Louisianians are adjusting to the demands of rapid industrialization.

The people of Louisiana are perhaps the most cosmopolitan in the South. While most Southern states are composed almost exclusively of Protestant Anglo-Saxons and Negroes, Louisiana also contains a substantial Catholic population, largely of French, Spanish and Italian origin. These additional ethnic elements help give Louisiana its unique flavor — on one hand modern and American, on the other retaining something of the Old World. This charm in the midst of industriousness is peculiar to Louisiana.

By the way of summary, this "profile" of Louisiana's citizens can be given: They are a cosmopolitan people, predominantly urban dwellers. They are quickly adapting their skills to meet the newest demands of modern industry — as typified by the success of the space, petroleum, chemical, aluminum and other industries in Louisiana. In the process, they are increasing their earnings more quickly than most Americans. They have the money, the ability, and the desire to participate in the commercial and industrial progress of Louisiana. It should be noted that the people of Louisiana have played a significant part in creating the State's new governmental attitude toward industry. This brings us to the next stop on our tour of Louisiana — the Capitol in Baton Rouge, source of the Right-To-Profit philosophy.
A visit to the Capitol

In the City of Baton Rouge stands the 400 feet tall Capitol of the State of Louisiana. Visible to miles outside the city, the Capitol is as impressive today as it was built three decades ago.

Inside the Capitol, beyond the great lobby with its magnificent bronzework, monumental changes are taking place. Changes of profound significance to the people of Louisiana and to industries seeking new locations.

There is no one better qualified to describe Louisiana's new governmental atmosphere and its accomplishments than the chief architect, Governor John H. McKeithen... 

YOUR GUIDE... GOVERNOR JOHN H. MCKEITHEN

To be a governor of any one of our fifty states is, of course, a signal honor. However, to be Governor of Louisiana at this particular time in the State's history is, I believe, a special privilege; for this is an exciting era in Louisiana.

There is no question that Louisiana is in now experiencing an industrial reawakening of the greatest magnitude. What is there any mystery as to why a variety of industries have figured Louisiana into their expansion plans? In short, there is solid basis for the accelerated industrial migration to Louisiana.

Several reasons for Louisiana's industrial growth—the State's abundant store of resources, its efficient transportation facilities, its expanding markets, the development of a sophisticated
labor pool, and many other assets—have been discussed earlier in this book. What I wish to emphasize is the "catalyst", the element that gives all these advantages even greater significance to industry seeking new locations. This catalyst is Louisiana's sound industrial inducement program, a program which I strongly believe to be the most progressive incentive to industry offered in the United States.

10 YEAR TAX EXEMPTION LAW
Among Louisiana's most significant industrial inducement laws is the State's ten year tax exemption law, under which any manufacturing industry moving into Louisiana or any such industry expanding its Louisiana facilities is eligible for exemption from state or local property taxes for live years. This exemption is renewable for an additional five years and covers both plant and equipment.

INDUSTRY FINANCING
Three special industry financing plans have been enacted by the Louisiana legislature. The first, and oldest, permits communities and other political subdivisions to issue general obligation bonds, secured by the full faith and credit of the community, to construct and equip manufacturing facilities. Plant and equipment are leased to the manufacturer at a rental sufficient to retire the bonds. A referendum is required. Communities and other political subdivisions may also issue revenue bonds to secure land, construct and equip manufacturing facilities, retiring the bonds through revenues generated by the lease-rental. Here, too, a referendum is required. A third plan permits communities and other political
subdivisions to authorize non-profit corporations to be established
to issue revenue bonds to construct and equip manufacturing
facilities. No referendum is required.

Louisiana has also legislated into existence a special financing
arrangement for agricultural processing plants. Under this plan, a
parish (county) government can, if authorized by a majority of its
property taxpayers, incure debt and issue negotiable bonds to provide
funds for the erection and maintenance of an industrial plant
designed to convert or process raw farm or agricultural products.

IMPORT-EXPORT EXEMPTIONS

In 1960 two other constitutional amendments important to industry
were ratified by large popular majorities similar to the majorities
which enacted the 1964 Right-To-Profit Laws. These two amendments
exempt imports and exports including raw materials, goods,
commodities and articles (except minerals and ores mined or
produced in the State and manufactured articles) from taxation,
provided these cargoes remain intact and in their original state.

RIGHT-TO-PROFILE LAWS

Louisiana's latest and most far-reaching addition to its industry
inducement program is a set of five constitutional amendments,
known collectively as Louisiana's Right-To-Profit Laws.* You have
quite possibly examined these laws already. If not, I will gladly
send you a brochure which reproduces and analyzes them. For now,
let me summarize the laws briefly.

Assessment of Industrial Properties Amendment — Manufacturers
entering Louisiana or expanding their Louisiana facilities have
long been granted a ten year property tax exemption. This
amendment assures that, once this grace period has expired, the
manufacturer will be assessed at the same ratio as all other property
in the parish (county).

Tax Credits for Industrial Natural Gas Users Amendment — In effect,
this amendment reduces the cost of natural gas — one of the most
essential raw materials and power sources.

Special Industrial Areas Amendment authorizes the creation of special
districts wherein industry may supply its own utilities, streets, police
and fire protection, etc. and thereby be freed from taxation by any
unit of government supplying these services.

Amendment Prohibiting Regulation of Industrial Gas Sales enables
an industrial user of natural gas to negotiate freely for the most
favorable rates obtainable.

*These amendments, sponsored by the Governor, gained
nearly unanimous approval from the Legislature and late in
1964, were overwhelmingly endorsed by Louisiana voters.