

Vermont Environmental Report

Digital: Everyone --- Almost --- Wants It

No Controversy

Hardly anyone in South Burlington, a city of 10,000 people, has a harsh word to say about the Digital Corporation or the \$4 million computer assembly plant that is rising on 180 acres of an abandoned farmer's field between Interstate 89 and the Williston Road.

This absence of controversy is hardly surprising. Digital is a gilt-edged, world-wide, computer corporation with 17 manufacturing plants throughout the world. Digital's total operating revenues in fiscal 1976 were \$736.3 million, up a healthy 38 percent from \$538.8 million in 1975. Digital employs over 25,000 people worldwide. And it eventually plans to employ as many as 1400 people at its plant in South Burlington, most of whom, Corporation officials claim, will come from the local ranks of Vermont's unemployed.

Industrial Park

Back eight or nine years ago the city fathers of South Burlington decided to develop a parcel of land as an industrial site. The original idea was an industrial park with as many as eight tenants. The City of South Burlington was willing to do its part in attracting development. In the early 1970's the City of South Burlington proposed and the people approved by a 3-1 margin a bond issue that provided an access road to the industrial site along with sewer lines into the property. When Digital came along and proposed to take the entire site, officials in South Burlington were delighted.

"We wanted to provide jobs for kids who were getting out of high school," says second-term Selectman, Mike Flaherty. And, he continues, "We wanted to broaden the tax base."

C. Harry Behney, Executive Director of the Greater Burlington Industrial Corporation (GBIC), has played a key role in cooperation with South Burlington officials as a broker in showing the 180-acre industrial site to prospective tenants. Behney remembers what it was like in Chittenden County in 1952 when GBIC was formed.

Jobs

The American Woolen Mills had closed down putting 2500 people out of work. Young people were leaving the state in droves. The Ethan Allen Air Force Base closed in 1961. "Chittenden County was lower than a snake's belly," says Behney. Then in the 60's, the downward trend was reversed, particularly in the later 60's. Then came the economic doldrums of the early 70's. GE cut back its workforce. A lot of smaller shops were cut back. A lot of subcontract work dried up. At the same time, Behney notes, young people had decided to stay in Vermont, even if that meant that a lot of overqualified young people were driving trucks. "We are still not back to the number of manufacturing jobs we had in 1970, not even today," Behney remarks.

Then Behney goes on to ask what for him is the crucial question. "Do we spend millions of dollars to make the environment in Vermont pure, and educate these kids, and then see them go out of state. In Chittenden County we need 1,000 new jobs just for the kids who are here who are coming through our school system this

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Digital...

year. You have to decide whether you want the kids to stay here and enjoy it. If you don't want to, then we can go back to the way it was."

South Burlington Selectman Paul Farrar reiterates the same theme. "The recreational industry does not provide the type of jobs that we need," he says. "I think this area needs a better mix of jobs than it has. Unemployment is one of the most serious social problems that we have in this country."

Taxes

Farrar is also convinced that the presence of a computer assembly plant will be a good thing for South Burlington's tax situation. He notes that taxable wealth in South Burlington is 50 percent non-residential. "I think that type of relationship is healthy," he says. "It provides a reasonable basis for providing services." Farrar says that three out of every four tax dollars spent in South Burlington goes to support the cost of education. "Our non-residential tax base provides one out of every two dollars that we spend on education."

Arthur Hogan

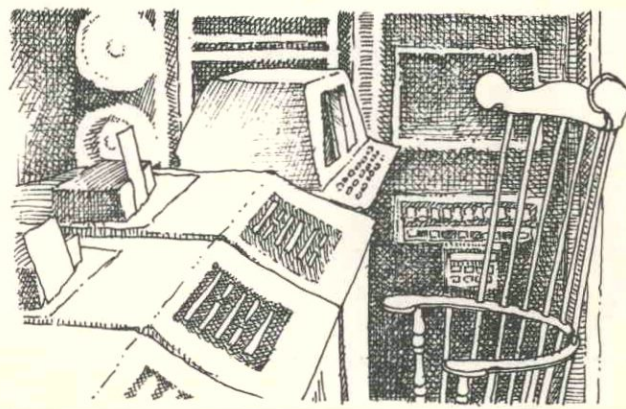
The subject of "Jobs for Vermonters" is very much on the mind of Arthur Hogan, Executive Director of the Chittenden County Regional Planning Commission.

Hogan concedes that there are other parts of the State, such as St. Johnsbury, where the percentage of unemployment is higher than Burlington. "If you take percentages," Hogan says, "yes, unemployment is more serious (elsewhere). We just have to deal with larger numbers of people looking for work." Hogan says that if you draw a 40-mile radius around Burlington, there are 7600 people who are out of work, and that's better than 40 percent of the State's unemployed.

"But if these demands for work, and therefore development are satisfied, won't this lead to growth?"

Hogan is not afraid of growth. A regional plan adopted by the Chittenden County Regional Planning Commission in April, 1976, recognizes that growth will occur and that it is better to channel growth than to prevent it. Present plans call for the development of 28 growth centers throughout the County. "If it is channelled in the proper fashion, this region," declares Hogan, "could handle 200,000 people by the next century."

The attractiveness of the Burlington area is obvious to Hogan. There is the airport. There is the financial center, the colleges and the university. And you have the service industries that support development. Hogan sums it up by saying, "You have the cumulative package here."



But the key to the Digital proposal, Hogan says, is the assurance that of the 1400, perhaps even eventually 1800 people that will be employed at the end of five years, 95 percent of these will come from the pool of existing unemployed persons who already live in Chittenden County.

Apparently Digital has made this point persuasively. District Environmental Coordinator, Curtis Carter, says, "There were no big issues with the Digital project. The feeling was that they would employ local people because it was an assembly operation."

Impacts

And if local people are in fact to be employed, one can expect that the secondary impacts of industrial development may well be reduced. You will not see large numbers of people moving into the small communities that surround Burlington, building homes, enlarging the urban sprawl, and feeding strip development.

The National Chamber of Commerce says that the addition of one new job in industry will lead to 6.5 additional jobs in other sectors of the economy. But officials like Carter don't see it that way in the case of Digital. "It's hard for me to understand how this kind of situation could have that kind of multiplier," Carter says. If Digital was a manufacturing operation that was purchasing parts and materials locally and subcontracting work locally, Carter could see how the 6.5 figure might stand up. But that's not the case with the Digital assembly plant. They have their parts shipped into the plant from outside and they ship these finished components to somewhere else."

Regardless of the exact degree of secondary impacts from the opening of a Digital assembly plant, everyone, including the most enthusiastic local officials, admits that some kind of impact will be felt.

Behney says that the infrastructure is there to support a larger industrial community in the Burlington area already. He points to school systems where school rooms are empty.