

ECONOMIC BASE

The economic base of any community may be stated to be the means by which the town derives its livelihood. Some towns are entirely self-sufficient and might even provide work for the labor force outside its boundaries. Such a town would have a large basic employment.

Basic or primary employment is that which is generated by supplying needs of people beyond the town borders. Non-Basic or service employment is generated by meeting the needs of people within the town.

Other towns may have almost no basic or primary employment and few nonbasic jobs. These towns are usually part of a much larger region and are dependent on a town or city in the area for the livelihood of its residents.

This is true of Sterling. Sterling is unique in that it is part of three separate areas for its industrial jobs. Of all the people in Sterling that work in manufacturing jobs, 47.3% work in Worcester, 43.6% in Clinton and 9.1% in the Leominster-Fitchburg area.

Therefore, Sterling's future growth will be dependent on, not only its own economy, but that of the three industrial areas on its borders.

Sterling had a labor force of approximately 1,062 persons in 1960, but had jobs in the town itself for only 280. That meant that 75% of the working people in the town had to go elsewhere for employment.

If the town grows in the future, as the population forecast indicates that it will, then its economy must grow for it must increase the number of jobs available locally if it is to continue to supply work for at least one quarter of its labor force.

As the town grows, it should be fairly easy to supply jobs for even more than 25% of the labor force, for example, certain services not now available locally can be initiated and supported when the population warrants it.

Therefore, it is determined that as the town grows the percent of local employment will increase until it provides for 30% to 35% of Sterling's labor force.

If the forgoing assumption is true, then the town must provide for 80 to 360 new jobs by 1970, and 700 to 1160 new jobs by 1980. This forecast is based on the medium and high population forecasts for those years.

What types of jobs will these be? Some of this will undoubtedly be by industrial employment particularly if Sterling is successful in establishing a small industrial base in the town. The largest percentage of these will be in the retail and service trades however. If Sterling grows to between 7,000 and 10,000 persons by 1980, as the Master Plan anticipates, many more services and retail specialty shops will be needed. We can expect one, or possibly two supermarkets to supply food needs. The town could then support a small local shopping center with many convenience stores. Within a 12 mile radius of Sterling, there is a population of over 350,000 people, so it is conceivable that with an improved highway network, Sterling could even support a regional shopping center.

TABLE NO. 6.

LABOR FORCE COMPARED TO LOCAL EMPLOYMENT

	<u>Population Forecasts</u>				
	1960	<u>Medium</u>		<u>High</u>	
		1970	1980	1970	1980
Population	3,193	4,300	7,000	6,400	10,000
Labor force	1,062	1,433	2,333	2,133	3,333
% of Labor force locally employed	25%	25%	30%	30%	35%
Number of local jobs	280	360	700	640	1,160
Number of new jobs to meet local employment forecast	-	80	420	360	880

At the same time, however, the town will be dependent on the larger regional centers for certain types of service and retail trade and most of its basic industrial jobs.

Worcester will continue to supply specialized medical and professional services, retail and cultural activities, and most of the jobs for

Sterling's labor force.

Clinton will continue as a major retail center with respect to Sterling as well as the location of a large number of industrial jobs.

If the northern part of Worcester County flourishes, Leominster and Fitchburg will become more important as a source of employment than they are at present. Even if employment in the town itself grows, as projected in this report 65% to 70% of the labor force will have to look to the region for employment. If Sterling is to grow, then the region as a whole must prosper.

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