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Dallas, Texas

# TEXAS BUSINESS REVIEW

A MONTHLY SUMMARY OF BUSINESS AND ECONOMIC CONDITIONS IN TEXAS

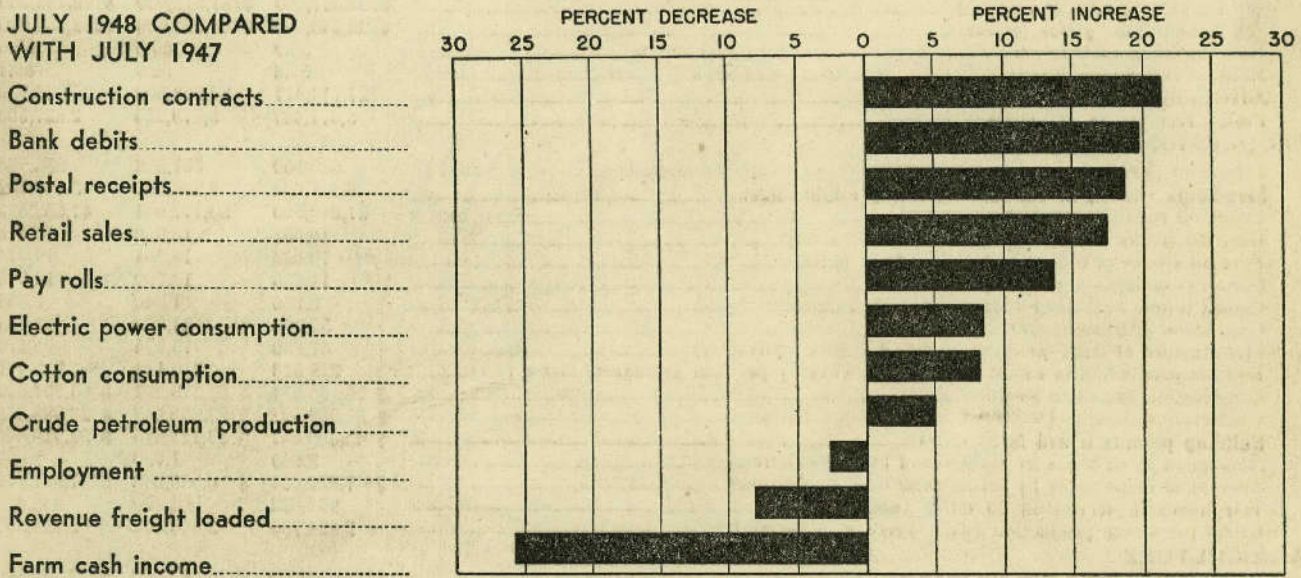
BUREAU OF BUSINESS RESEARCH  
COLLEGE OF BUSINESS ADMINISTRATION  
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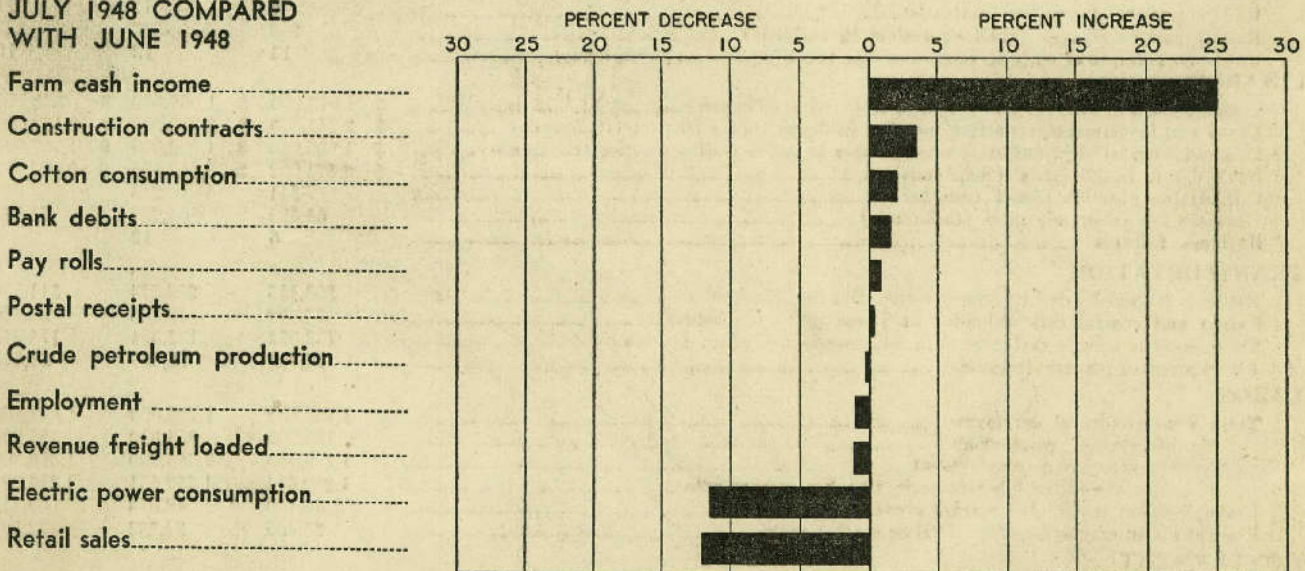
AUGUST 1948

## HIGHLIGHTS OF TEXAS BUSINESS

JULY 1948 COMPARED  
WITH JULY 1947



JULY 1948 COMPARED  
WITH JUNE 1948



TWENTY CENTS PER COPY

TWO DOLLARS PER YEAR

# FIGURES FOR THE MONTH

	July 1948	June 1948	July 1947
<b>INDEX OF TEXAS BUSINESS ACTIVITY (1935-39=100)* .....</b>	<b>226.8</b>	<b>215.7</b>	<b>199.8</b>
Index of department and apparel store sales (10) .....	409.5	319.7	338.4
Index of miscellaneous freight carloadings in Southwestern District (20) .....	146.1	147.3	148.5
Index of crude oil runs to stills (5) .....	179.5	180.6	163.1
Index of electric power consumption (15) .....	316.4	311.6	269.4
Index of employment (25) .....	127.1	126.1	120.9
Index of pay rolls (25) .....	273.2	267.8	229.9
<b>TRADE</b>			
Retail sales, total .....	\$421,575,000	\$425,173,000	\$371,029,000
Durable goods stores .....	\$163,327,000	\$161,812,000	\$138,145,000
Nondurable goods stores .....	\$258,248,000	\$263,321,000	\$232,884,000
Ratio of credit sales to net sales in department and apparel stores .....	55.9	60.6	55.6
Ratio of collections to outstandings in department and apparel stores .....	53.8	52.5	59.7
Advertising linage in 33 newspapers .....	27,714,317	29,208,509	25,080,798
Postal receipts in 60 cities .....	3,071,447	3,079,224	2,827,388
<b>PRODUCTION</b>			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours) .....	653,869	607,898	556,938
Man-hours worked in 410 manufacturing establishments .....	3,261,894	3,246,067	3,133,152
Crude oil runs to stills (42-gallon barrels) .....	51,810,550	50,172,041	47,082,358
Gasoline stocks at refineries (thousands of barrels) .....	18,601	18,958	16,418
Fuel oil stocks at refineries (thousands of barrels) .....	18,633	16,461	19,074
Cotton consumption (running bales) .....	11,936	13,509	12,985
Cotton linters consumed (running bales) .....	2,286	1,540	2,383
Cottonseed crushed (tons) .....	55,296	34,550	22,465
Manufacture of dairy products (1,000 lbs. milk equivalent) .....	67,230	75,926	94,479
Lumber production in southern pine mills (weekly per unit average in board feet) .....	215,528	230,114	215,977
Construction contracts awarded .....	\$ 76,186,654	\$ 86,579,292	\$ 63,587,522
Construction contracts awarded for residential building .....	\$ 31,509,527	\$ 25,265,642	\$ 28,983,338
Building permits issued in 53 cities .....	\$ 40,500,351	\$ 33,121,815	\$ 32,910,666
Number of loans made by savings and loan associations .....	2,046	1,730	2,052
Amount of loans made by savings and loan associations .....	\$ 7,889,004	\$ 6,933,848	\$ 7,821,902
Telephones in service in 40 cities (end of month) .....	993,622	983,499	845,413
Crude petroleum production (daily average in barrels) .....	2,424,750	2,454,600	2,238,800
<b>AGRICULTURE</b>			
Farm cash income .....	\$164,918,000	\$131,863,000	\$222,369,000
Shipments of livestock (carloads) .....	6,000	8,870	8,760
Rail shipments of fruits and vegetables (carloads) .....	4,682	9,678	5,918
Rail shipments of poultry (carloads) .....	6	12	21
Rail shipments of eggs (shell equivalent in carloads) .....	283	388	235
Interstate receipts of eggs at Texas stations (shell equivalent in carloads) .....	14	18	10
<b>FINANCE</b>			
Loans, reporting member banks in Dallas District (thousands) .....	\$ 1,012,000	\$ 1,009,000	\$ 836,000
Loans and investments, reporting member banks in Dallas District (thousands) .....	\$ 2,241,000	\$ 2,210,000	\$ 2,122,000
Demand deposits adjusted, reporting member banks in Dallas District (thousands) .....	\$ 1,905,000	\$ 1,868,000	\$ 1,782,000
Bank debits in 20 cities (thousands) .....	\$ 3,674,092	\$ 3,662,475	\$ 3,027,712
Corporation charters issued (number) .....	341	288	390
Ordinary life insurance sales (thousands) .....	61,583	64,987	67,332
Business failures .....	6	12	4
<b>TRANSPORTATION</b>			
Revenue freight loaded in Southwestern District (carloads) .....	303,115	292,774	311,556
Export and coastal cars unloaded at Texas ports (carloads) .....	22,399	19,866	21,428
Miscellaneous freight carloadings in Southwestern District (carloads) .....	172,052	172,521	174,842
Air express shipments (number) .....	24,764	25,989	24,520
<b>LABOR</b>			
Total nonagricultural employment .....	1,733,800	1,720,000	1,653,500
Manufacturing employment .....	350,700	354,800	335,200
Nonmanufacturing employment .....	1,383,100	1,365,200	1,318,300
Nonagricultural civilian labor force in 15 labor market areas .....	1,259,354	1,257,631	1,213,927
Unemployment in 15 labor market areas .....	46,168	48,878	69,312
Placements in employment in 15 labor market areas .....	23,486	27,283	22,997
<b>GOVERNMENT</b>			
Revenue receipts of State Comptroller .....	\$ 41,683,083	\$ 40,948,359	\$ 32,718,898
Federal internal revenue collections .....	\$ 61,648,591	\$ 125,406,234	\$ 59,656,063
<b>PRICES</b>			
Index of consumers' prices in Houston (1935-39 = 100) .....	173.7	172.5	158.4
Index of food prices in Houston (1935-39 = 100) .....	222.1	220.0	198.7

\*The composite index is made up of the indexes listed. All component indexes except employment and pay rolls are adjusted for seasonal variation, and all indexes are based on the average month of the years 1935-39. Numbers in parentheses following the component indexes indicate the weight of each index in the composite.

## The Business Situation in Texas

The business situation in Texas continued at peak levels, as the *composite index of business activity* compiled by the Bureau of Business Research established a new high for the postwar period. After adjustment for seasonal variation, the July index stood at 226.8% of the 1935-39 base period, an increase of 5.1% over June 1948 and 13.5% over July 1947. This point was only 5.7% below the all-time high for the index reached in January 1945, and represented an increase of 41.8% from the low point of the reconversion period reached in October 1945. Four of the components of the composite index registered increases over June, while two declined, both less than 1%. *Department and apparel store sales* showed the greatest increase, 28.1%; *pay rolls* increased 2.0%, *electric power consumption* 1.5%, and *employment* 0.8%. *Miscellaneous freight carloadings* declined 0.8% and *crude oil runs to stills* declined 0.6%. In comparison with a year earlier, all but one of the six of the components increased, with miscellaneous freight carloadings registering a decline of 1.6%. Department store sales in July were 21.0% above July 1947, electric power consumption was up 17.4%, pay rolls 18.8%, crude oil runs to stills 10.1%, and employment 5.1%.

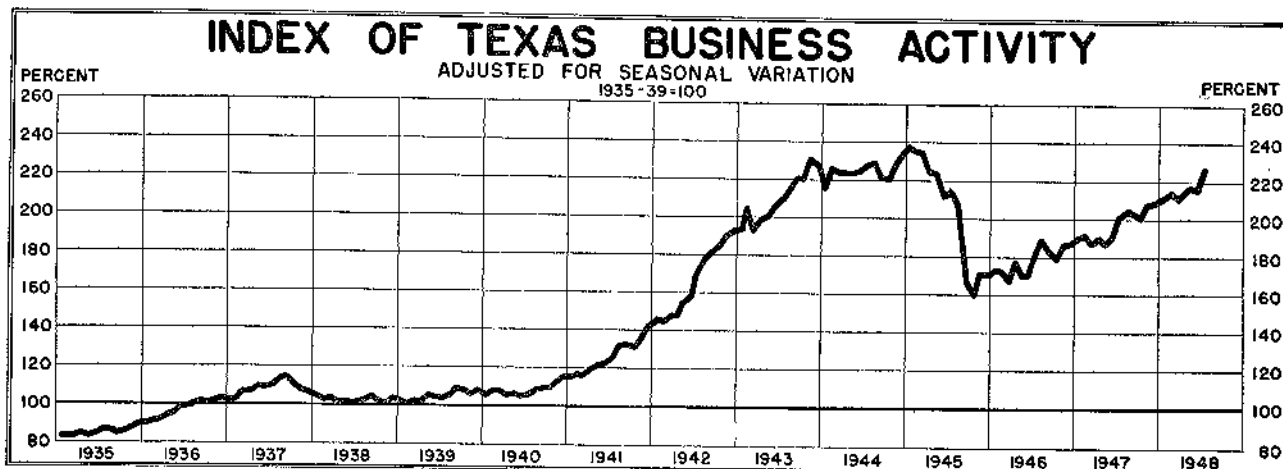
The United States Department of Commerce has estimated the total income payments to individuals in Texas at \$8,014 million in 1947, an increase of 15.8% from 1946 and 213.8% above the 1939 income payments of \$2,554 million. Income payments to individuals are the best statistical data available to measure the changes in the total level of business activity in the State, since all phases of business produce income that is paid to individuals, and the amount of these income payments is related directly to the level of business activity.

All of the measures of total business activity in Texas and for the United States tell essentially the same story, that business is at a record volume, so high that there is little likelihood that it will be able to expand much further, except as prices rise and bring about an increase in aggregate dollar value. The eco-

nomie system appears to be operating at as near full capacity as possible in a peacetime economy. The Bureau's *index of bank debits* in Texas, after adjustment for seasonal variation, increased 0.9% over June, to establish another record. It should be remembered that even without any increase in the physical volume of business, bank debits could continue to rise as a result of the steady increase in prices. The *index of postal receipts* in Texas cities, compiled and adjusted for seasonal variation by the Bureau of Business Research, rose 0.1% from June.

The forces that are supporting the present boom, without doubt the most extensive ever witnessed by the American economic system in peace, are becoming weaker but still exert enough pressure to maintain production at full capacity. Inventory buying was one of the chief inflationary factors immediately after the war, and although inventories are still increasing in some lines, buying for inventory has in general ceased to be a major support to the boom. Purchases of new plant and equipment, one of the chief factors in capital formation, continue at a high level, although in some lines the volume has ceased to increase. Consumer durable goods and residential building are still extremely strong factors in the present demand situation, and particularly for housing, automobile, and refrigerators the demand shows little sign of declining. Foreign demand is still strong, although it has decreased somewhat from last year. If it is assumed that the factors mentioned above are the sources of purchasing power most given to wide fluctuations, there is no immediate sign of a collapse of the present high level of demand.

*Retail sales* increased 1.7% from June 1948, after adjustment for the normal seasonal variation. The Bureau's seasonally adjusted *index of retail sales* was 326.5% of the 1935-39 average, somewhat below the peak reached in April when it was 340.1. Sales of durable goods stores increased 2.2% over June, but sales of nondurable goods stores rose only 1.4%. In comparison with July 1947, total retail sales have in-



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creased 4.2%, but sales of durable goods stores provided practically all of this increase, since sales of nondurable goods stores rose only 0.1% over the 12 months. With the rising retail prices of the past year, these figures mean that sales of nondurable goods stores have decreased in physical volume of goods sold, since the dollar volume of sales has barely been maintained even with rising prices.

Industrial activity in Texas appeared to decrease slightly in July in comparison with June. The Bureau of Business Research compiles three indirect measures of industrial activity, and two out of the three show a decrease. The Bureau's *index of industrial electric power consumption* is assumed to vary directly with the activity of industrial establishments, and for July the seasonally-adjusted index declined 1.0%. Estimates of *employment* in manufacturing establishments, compiled monthly by the Bureau of Business Research and the Bureau of Labor Statistics, also may be assumed to vary directly with manufacturing activity. This series shows a 1.2% decline between June and July. The number of *man-hours* worked in manufacturing establishments, on the other hand, increased 0.5% in July. On the basis of these three series it appears that no significant change took place in Texas industrial activity during July. *Crude petroleum production* declined 2.0% after adjustment for seasonal variation, while *crude runs to stills* declined 0.6% (also after adjustment for seasonal variation).

The building industry continues to afford strong support to the boom in business activity. Total *construction contracts* awarded during the first seven months of 1948 were valued at 45.6% more than in the same period of 1947, while *building permits* were 59.1% ahead of the same period last year. The Bureau's *index of building permits* in July was 794.7% of the 1935-39 level.

*Farm cash income* for the first seven months of 1948 was down 12.4% from the same period of 1947, but was still far above the prewar level. The Bureau's *index* was 344.8% of the 1935-39 average, and for July dropped 1.2% from June, after adjustment for seasonal variation. Livestock prices are soaring to new levels, but grains and cotton are declining in the face of excellent crops in the United States and an improvement in the crops abroad. The bumper corn crop in the United States foreshadows cheaper meat, although at the present time meat prices are regularly setting new records.

The *consumers' price index* of the Bureau of Labor Statistics for Houston was 173.7 on July 15, an increase of 0.7% from the preceding month; food prices in Houston reached 222.1, an increase of 1.0% in the last month. This index measures the changes in the cost of goods bought by moderate income families, and is expressed as a percentage of 1935-39. The *wholesale price index* of the Bureau of Labor Statistics dropped slightly late in July, but on August 7 had climbed to a new high of 169.2. The most significant feature of this last price rise is the fact that prices of farm products are down slightly, and the increase in the index is due to the rising prices of manufactured goods.

## TRADE

### Retail Trade

(The movement of goods into the hands of consumers is one of the fundamental series of statistical data on business activity, since for business to be sound the volume of retail trade must be good. During a period of inflation an increase in sales results from a rise in prices as well as from an increase in the amount of business. A more detailed analysis of retail sales trends is made in a Supplement to the Review on Texas Retail Trade. The fluctuations in retail credit ratios are important conditioning factors of the volume of trade. Newspaper advertising linage and postal receipts are secondary trade indicators.)

*Estimated retail sales* in Texas totaled \$436,827,000 for July, or 1.7% above June and 13.7% larger than in July 1947. Year-to-date sales were 15.9% higher in 1948. Durable goods stores continued to contribute the greater sales gains, 18.2% over July 1947 and 24.0% for the seven months, January-July. Sales of nondurable goods dealers increased 11.2% over last July and 11.7% for the seven months.

The *index of total retail sales* (adjusted for seasonal variation and based on the prewar years 1935-39) rose again to 326.5 from 321.2 in June, after dropping from the high point of 340.1 registered in April. The durable goods index recovered to 380.6 from lower points in May and June, after an April high of 395.4. The nondurable goods index likewise rose to 298.1 after falling from April's 311.0. Average indexes for the seven months, January-July 1948, were: total retail sales, 323.7; durable goods, 368.9; nondurables, 299.3. Deflated for price changes, the adjusted total retail sales index rose to 170.0 in comparison with 167.2 in June and 178.2 in April. For individual retail lines, indexes leaped strongly to new high points for department stores (352.9) and eating and drinking places (372.8), with substantial upturns registered for jewelry stores (423.3), lumber and building material dealers (596.9), and apparel stores (376.3). Indexes fell, for the month, for food stores, drug stores, and furniture stores.

#### ESTIMATES OF TOTAL RETAIL SALES

(in thousands of dollars)

Type of store	Percent change				
	July 1948	Jan.-July 1948	July 1948 from July 1947	July 1948 from June 1948	Jan.-July 1948 from Jan.-July 1947
TOTAL	436,827	2,941,559	+13.7	+ 1.7	+15.9
Durable goods stores	159,830	1,080,636	+18.2	+ 2.2	+ 7.6
Nondurable goods stores	276,997	1,860,923	+11.2	+ 1.4	+11.7

By *kinds of business*, largest sales gains over July 1947 averaged 31.7% for food stores, 18.6% for automotive stores, 16.6% for lumber and building material dealers, 14.2% for department stores, and 12.3% for general merchandise stores. Other gains ranged from 4.7% (drug stores) to 11.1% (furniture stores). For the seven months, January-July, largest gains were reported by lumber and building material dealers (18.6%), filling stations (15.7%), automotive stores

**RETAIL SALES OF INDEPENDENT STORES  
BY KINDS OF BUSINESS**

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Business	Number of reporting establishments	Percent change		
		July 1948 from July 1947	July 1948 from June 1948	Jan.-July 1948 from Jan.-July 1947
		Apparel stores	250	+ 8.5
Automotive stores	236	+13.6	+ 3.3	+15.2
Lumber, building material, and hardware	247	+16.6	- 0.8	+18.6
Country general stores	59	+ 6.5	+ 3.6	+ 3.7
Department stores	57	+14.2	- 0.2	+12.7
Drug stores	145	+ 4.7	+ 1.2	+ 2.2
Eating and drinking places	103	+ 6.4	+ 7.1	+ 2.1
Filling stations	56	+10.0	- 2.0	+15.7
Florists	47	+ 7.2	- 6.4	- 1.2
Food stores	210	+31.7	- 5.7	+ 7.6
Furniture and household stores	155	+11.1	- 2.9	+12.3
General merchandise	56	+12.3	- 2.1	+ 5.5
Jewelry stores	861	+ 6.3	- 4.2	+ 1.4
All other stores	118	+10.4	+ 2.4	+ 9.3

(15.2%), department stores (12.7%), and furniture stores (12.3%).

Sales increases over July 1947 were larger (16.2%) for cities over 100,000 population than for other sized communities. For 1948 to date, the larger increase (12.4%) was reported for cities of 50,000 to 100,000.

Among individual cities, largest percentage sales gains over July 1947 were registered for Brownsville (31.1%), Beaumont (27.5%), Houston (25.6%), Austin (25.3%), Abilene (24.1%), Big Spring (22.4%), Plainview (21.8%), and Port Arthur (21.6%).

**RETAIL SALES OF INDEPENDENT STORES  
BY CITY-SIZE GROUPS**

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Population	Number of reporting establishments	Percent change		
		July 1948 from July 1947	July 1948 from June 1948	Jan.-July 1948 from Jan.-July 1947
Over 100,000	657	+16.2	- 1.2	+ 9.9
50,000-100,000	210	+13.6	+ 1.5	+12.4
2,500-50,000	744	+14.2	+ 0.7	+12.2
Under 2,500	174	+12.0	- 0.6	+10.1

The ratio of credit sales to total net sales in 75 department and apparel stores stood in July at 55.9% as compared with 55.6% a year earlier and 60.6% in June 1948. The average collection ratio declined from 59.7% in July 1947 to 53.8% in 1948. As in earlier months, Dallas (72.1%), among cities, and women's shops (63.9%), among types of retail stores, continued to produce the highest percentages of credit business. Corpus Christi (19.9%), Cleburne (37.1%), and El Paso (40.5%) reported the lowest percentages. The best ratios of collections were made in Austin (62.8%) and in Corpus Christi (57.0%) and by the men's clothing stores (59.2%).

Business men continue to be concerned over finance and inventories. Their merchandise stocks have reached record highs in value but still are below prewar stock-

**CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES**

(in percent)

Classification	Number of reporting stores	Ratio of credit sales to net sales*		Ratio of collections to outstandings†	
		July 1948	July 1947	July 1948	July 1947
ALL STORES	75	55.9	55.6	53.8	59.7
<b>BY CITIES:</b>					
Austin	7	50.9	47.4	62.8	61.0
Beaumont	3	64.5	61.6	55.3	55.3
Bryan	2	50.1	45.0	48.9	49.7
Cleburne	3	37.1	27.2	43.7	67.6
Corpus Christi	4	19.9	48.6	57.0	63.8
Dallas	12	72.1	67.1	56.5	58.9
El Paso	3	40.5	45.6	45.4	47.9
Fort Worth	5	59.8	51.6	56.6	59.3
Houston	8	57.6	53.8	49.7	54.8
Lubbock	3	46.4	40.8	51.3	64.4
San Antonio	4	55.4	52.3	49.2	75.8
Waco	5	54.8	54.5	54.3	62.6
All others	15	47.5	44.6	55.1	58.1
<b>BY TYPE OF STORE:</b>					
Department stores (annual sales over \$500,000)	18	54.4	55.4	54.5	62.4
Department stores (annual sales under \$500,000)	10	47.3	40.8	53.4	59.7
Dry goods-apparel stores	7	44.9	40.4	45.2	56.2
Women's specialty shops	21	63.9	63.2	51.0	53.9
Men's clothing stores	19	53.4	47.6	59.2	63.0
<b>BY VOLUME OF NET SALES:</b>					
(1947)					
Over \$2,500,000	23	62.1	53.8	53.7	59.8
\$1,000,000-\$2,500,000	15	30.6	43.4	54.6	60.3
\$500,000-\$1,000,000	16	47.2	41.4	53.5	59.1
Less than \$500,000	21	40.5	36.3	47.6	55.5

\*Credit sales divided by net sales.

†Collections during the month divided by the total accounts unpaid on the first of the month.

sales ratios. Threatened shortages of durable goods, because of the anticipated impact of rearmament upon limited metal supplies, may be partly offset by the planned reimposition of restrictions on instalment selling. Tendency toward speculative buying or buying to cover anticipated shortages is countered by fear of possible price readjustments downward, probably to be deferred into 1949 or later. Merchants' competition is becoming more noticeable in prices, services, special selling events, and efforts to procure suitable selling personnel. Despite heavy purchasing, customers' buying resistance continues in various areas, including food and clothing, entertainment, and tourist business.

Advertising linage in 33 newspapers of leading Texas cities was 10.5% larger than in July 1947 but 5.1% smaller than in June 1948. In 1947, linage had decreased by 2.9% from June to July.

Postal receipts in 60 Texas cities for July averaged 0.3% smaller than for June 1948 but 3.6% larger than for July 1947. Nine cities reported decreased receipts. In 1947, receipts increased 11.3% from June to July. The index (245.5) remained almost unchanged from June.

Sales of gasoline subject to tax totaled 203,244,142 gallons in June, 6.0% above May 1948 and 10.1% over June 1947. Sales to the federal government fell

25.4% behind May but were nearly three times the sales of June 1947. The index of gasoline sales rose in June to 196.6 (1935-39=100), after adjustment for seasonal variation.

### POSTAL RECEIPTS

City	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
<b>TOTAL</b>	<b>\$9,071,447</b>	<b>\$8,079,224</b>	<b>\$2,827,388</b>	<b>+ 8.6</b>	<b>- 0.8</b>
Abilene	34,099	33,721	30,639	+ 11.3	+ 1.1
Amarillo	70,095	69,528	61,220	+ 14.5	+ 0.8
Austin	130,965	156,912	120,497	+ 8.7	- 16.5
Beaumont	51,511	50,135	44,399	+ 16.0	+ 2.7
Big Spring	11,200	9,965	10,077	+ 11.1	+ 12.4
Borger	3,355	3,064	3,088	+ 15.7	+ 16.0
Brownsville	13,995	11,674	11,357	+ 23.2	+ 19.9
Brownwood	11,677	13,430	10,216	+ 14.3	- 13.1
Bryan	7,966	11,381	8,443	- 5.6	- 30.0
Childress	3,677	3,821	3,608	+ 1.9	- 2.3
Cleburne	5,193	5,447	5,408	- 4.0	- 4.7
Coleman	3,942	3,950	3,634	+ 7.0	- 0.2
Corpus Christi	67,797	64,925	64,928	+ 4.4	- 4.4
Corsicana	9,784	9,191	8,943	+ 8.8	+ 5.9
Dallas	780,037	780,637	674,541	+ 15.6	- 0.1
Del Rio	5,289	5,271	5,782	- 8.5	+ 0.3
Denison	10,108	9,103	9,237	+ 9.4	+ 11.0
Denton	13,485	13,912	11,434	+ 17.9	- 3.1
Edinburg	5,922	5,667	5,893	+ 0.5	+ 4.5
El Paso	103,176	96,966	89,312	+ 15.5	+ 6.4
Fort Worth	300,429	291,795	274,806	+ 9.3	+ 3.0
Gainesville	5,890	6,662	6,336	- 7.0	- 11.6
Galveston	47,704	51,973	46,610	+ 2.3	- 3.2
Gladewater	4,062	3,635	3,977	+ 2.1	+ 11.7
Greenville	12,803	12,817	9,270	+ 38.2	- 0.1
Harlingen	15,210	15,146	13,437	+ 13.2	+ 0.4
Houston	534,789	526,632	475,517	+ 12.5	+ 1.5
Jacksonville	6,224	6,360	6,150	+ 1.2	- 2.1
Kenedy	2,045	1,881	2,138	- 6.5	+ 8.7
Kerrville	5,675	6,141	5,469	+ 3.8	- 7.6
Lamesa	4,860	4,808	3,893	+ 24.8	+ 1.1
Laredo	17,671	15,964	16,289	+ 8.5	+ 10.7
Lockhart	2,812	2,418	2,220	+ 26.7	+ 16.3
Longview	19,325	17,030	17,830	+ 8.4	+ 13.5
Lubbock	50,764	40,893	41,065	+ 23.6	+ 24.1
Lufkin	9,561	8,554	8,390	+ 14.0	+ 11.8
McAllen	11,321	10,317	9,717	+ 16.5	+ 9.7
Marshall	12,410	13,156	10,926	+ 13.6	- 5.7
Midland	17,662	19,589	14,017	+ 26.0	- 9.8
Nacogdoches	6,783	6,440	6,132	+ 9.7	+ 5.3
New Braunfels	6,179	7,316	5,626	+ 9.8	- 15.5
Orange	10,292	10,656	9,659	+ 6.9	- 3.4
Palestine	8,158	6,474	9,364	- 12.9	+ 26.0
Paris	11,612	10,424	10,477	+ 10.3	+ 11.4
Plainview	8,301	7,800	7,849	+ 5.3	+ 6.4
Port Arthur	26,849	25,193	21,629	+ 24.1	+ 6.6
San Angelo	29,556	27,141	26,703	+ 10.7	+ 3.9
San Antonio	297,545	316,828	259,074	+ 14.8	- 6.1
Seguin	4,553	15,006	4,737	- 3.9	- 69.7
Sherman	13,373	14,478	13,597	+ 2.0	- 4.2
Snyder	2,270	1,936	2,044	+ 11.1	+ 17.3
Sweetwater	7,393	8,033	7,591	- 2.6	- 3.5
Temple	13,445	14,273	12,186	+ 10.3	- 5.8
Texarkana	30,285	26,786	27,078	+ 13.0	+ 18.0
Texas City	8,227	8,761	7,743	+ 6.3	- 6.1
Tyler	31,214	30,250	25,378	+ 20.6	+ 3.2
Vernon	6,934	7,605	7,168	- 3.3	- 8.8
Victoria	10,081	9,243	9,394	+ 1.9	+ 9.0
Waco	66,487	65,730	61,224	+ 8.6	+ 1.2
Wichita Falls	40,970	39,320	35,871	+ 14.2	+ 4.2

### Wholesale Trade

(Wholesale sales and inventories represent the movement of goods to retailers, and when compared with the changes in retail sales indicate whether stocks in the hands of retailers are being maintained at a constant level or are being allowed to increase or decrease.)

Reports from Texas wholesalers to the Bureau of Census show that sales for June 1948 were 6% higher than those reported for the previous month of May 1948. Automotive supplies showed the greatest gain (17%), while the "all other" group showed a decrease of 1% in sales. Substantial gains were made by machinery, equipment, and supplies except electrical (13%), the electrical group (11%), and hardware (9%). Smaller gains were reported by drugs and sundries (4%), groceries (1%), and tobacco products (2%).

Over-all sales for June 1948 were 18% higher than those reported in June 1947. Leading in this gain was the machinery, equipment, and supplies (except electrical) group with 30%, while the hardware group was close behind with an increase of 29%. Drugs and sundries and the electrical group were up 18% over last year, while gains by groceries (15%) and the "all other" group (13%) were slightly below the over-all average. Tobacco products showed no change and automotive supplies were ahead only 2%.

Average inventories for June 1948 were 2% under those of May 1948 with groceries and tobacco products leading the decline with 7% and 6%, respectively. Machinery, equipment, and supplies (except electrical) and the electrical group were both 4% under their May inventories, while automotive supplies were down 3%. An increase of 7% was reported by drugs and sundries, as were gains of 2% in the hardware group, and 1% in the "all other" group.

Inventories as a whole were 18% higher in June 1948 than in June 1947. Major increases of 41% in the machinery, equipment, and supplies except electrical group and 25% in the electrical group were shown. Only one group, drugs and sundries (2%) reported a decrease. Other wholesalers reported gains of from 9 to 18%.

### PERCENTAGE CHANGES IN WHOLESALERS' SALES AND INVENTORIES

Source: Bureau of the Census, U.S. Department of Commerce

Business	Sales		Inventories	
	June 1948 from June 1947	June 1948 from May 1948	June 1948 from June 1947	June 1948 from May 1948
<b>TOTAL</b>	<b>+18.0</b>	<b>+ 6.0</b>	<b>+13.0</b>	<b>- 2.0</b>
Automotive supplies	+ 2.0	+17.0	+10.0	- 8.0
Electrical equipment	+13.0	+11.0	+25.0	- 4.0
Hardware	+29.0	+ 9.0	+21.0	+ 2.0
Machinery, equipment and supplies (except electrical)	+30.0	+13.0	+41.0	- 4.0
Drugs and sundries*	+18.0	+ 4.0	- 2.0	+ 7.0
Groceries	+15.0	+ 1.0	+15.0	- 7.0
Tobacco products	0.0	+ 2.0	+ 9.0	- 6.0
All other	+13.0	- 1.0	+14.0	+ 1.0

\*Excludes liquor departments.

**Foreign Trade**

(Tonnage figures for export shipments from the principal ports of the State provide an accurate physical measure of the current volume of foreign export trade. Value figures for exports and imports, however, represent a more common measurement of foreign trade transactions, but they are subject to adjustment for price changes.)

Exports from Galveston and Houston took a seasonal drop from May to June, after two consecutive months of increases. The 11.9% monthly fall was almost exactly the same as that between May and June 1947. Since November 1947, exports at these ports have been running well under year-ago figures for the same month; June 1948 continued to reflect this reduction as tonnage fell 13.7% below June 1947.

Although total exports from the two ports were down, heavy shipments of wheat and flour continued, and apparently the increase went on into the month of July. The Houston port director reported that July 1948 set an all-time high in grain shipments at Port Houston. During the month, 7,037,717 bushels were received in comparison with 5,973,165 bushels in the previous record month of July 1947. Most of the exports were destined to Europe and Japan.

**EXPORTS FROM GALVESTON AND HOUSTON**

(in tons)

Source: Galveston and Houston Maritime Associations, Inc.

Port and product	June 1948	May 1948	June 1947	Percent change	
				June 1948 from June 1947	June 1948 from May 1948
<b>TOTAL</b>	579,002	657,121	671,263	- 13.7	- 11.9
Galveston, total	414,508	468,808	458,122	- 9.5	- 11.0
Cotton	10,326	25,911	14,897	- 26.3	- 58.2
Wheat	252,621	251,245	122,141	+106.8	+ 0.5
Other grain	---	10,230	89,023	---	---
Flour	59,593	56,721	44,326	+ 32.9	+ 5.1
Sulphur	67,862	100,612	143,715	- 52.3	- 32.6
Other	23,596	21,089	43,720	- 46.0	+ 11.9
Houston, total	164,494	191,313	213,141	- 22.3	- 14.0
Cotton and lintens	11,318	11,373	17,429	- 35.1	- 4.7
Wheat	82,147	91,956	10,033	+714.7	- 10.7
Flour	17,382	15,256	68,156	- 73.3	+ 16.9
Rice and rice products	3,513	11,337	1,975	+ 73.1	- 89.0
Carbon black	9,866	12,619	8,210	+ 20.3	- 27.6
Other	89,813	47,272	107,288	- 63.7	- 15.8

The Bureau of the Census reported a similar decline in the dollar value of total United States exports, from \$1,102.9 million in May to \$1,013.1 million in June.

Data for Texas customs districts are not yet available for June. May figures on the dollar value of exports from Texas ports, however, indicate a significant (9.4%) advance between April and May, and an increase of 5.4% over May 1947. Exports reached \$132.4 million in May 1948, for an \$11.4 million rise over April and a \$6.8 million expansion over May 1947. Laredo was the only district to report a decline in both the yearly and monthly comparisons. There May exports dropped \$500,000 under April 1948 and \$7.1 million below May 1947.

**FOREIGN TRADE OF TEXAS PORTS**

(in millions of dollars)

Source: Bureau of the Census, U.S. Department of Commerce

Custom District	May 1948	April 1948	May 1947	Percent change	
				May 1948 from May 1947	May 1948 from Apr. 1948
<b>EXPORTS, TOTAL</b>	132.4	121.0	125.6	+ 5.4	+ 9.4
El Paso	3.4	2.7	3.1	+ 9.7	+ 25.9
Galveston	33.2	75.7	72.3	+ 14.3	+ 9.9
Laredo	27.4	27.9	34.5	- 20.0	- 1.8
Sabine	18.4	14.7	15.2	+ 21.1	+ 25.2
<b>IMPORTS, TOTAL</b>	14.6	14.4	13.0	+ 12.3	+ 1.4
El Paso	1.8	1.6	1.1	+ 63.6	+ 20.0
Galveston	8.2	8.2	3.0	+ 2.5	0.0
Laredo	4.0	4.7	3.9	+ 2.6	- 14.9
Sabine	0.6	*	*	---	---

\*Less than \$50,000.

Laredo was also the only customs district to show a decline in imports. Total imports at Texas districts were \$14.6 million in May 1948, as compared with \$14.4 million in April 1948 and \$13.0 million in May 1947.

Devaluation of the Mexican peso caused a flurry of communication between Texas exporters and Mexican customers last month. This measure was an attempt by the Mexican government to help Mexico recover the favorable balance of trade she had held before and during the war and thus better her strained internal financial condition. It followed attempts to accomplish the same objective by import restrictions (imposed last July), higher import tariffs, and import licenses. A new exchange ratio would be set after consultation with the International Monetary Fund. Meanwhile, it seemed clear that at least a temporary decline would show up in American exports to Mexico.

**WATER-BORNE IMPORTS OF DOMESTIC AND FOREIGN MERCHANDISE**

(in thousands of dollars)

Source: Bureau of the Census, U.S. Department of Commerce

Customs district	April 1948	March 1948	Monthly average 1947	Percent change	
				Monthly Apr. 1948 from 1947 avg.	Apr. 1948 from Mar. 1948
<b>TOTAL</b>	9,300	9,900	8,200	+ 13.4	- 6.1
Sabine	0	100	200	---	---
Galveston	3,600	9,000	7,200	+ 19.4	- 4.4
Laredo	700	800	800	- 12.5	- 12.5

**WATER-BORNE EXPORTS OF GENERAL MERCHANDISE**

(in thousands of dollars)

Source: Bureau of the Census, U.S. Department of Commerce

Customs district	April 1948	March 1948	Monthly average 1947	Percent change	
				Monthly Apr. 1948 from 1947 avg.	Apr. 1948 from Mar. 1948
<b>TOTAL</b>	89,800	81,700	84,400	+ 6.4	+ 9.9
Sabine	14,700	10,600	14,400	+ 2.1	+ 33.7
Galveston	75,000	70,900	69,800	+ 8.2	+ 5.3
Laredo	100	200	700	- 85.7	- 50.0

## PRODUCTION

### Manufacturing

The volume of manufacturing activity in any industrial area is a sensitive measure of the changes in business activity. The volume of durable goods manufactured tends to fluctuate more violently than the volume of nondurable goods such as foods, and may serve to indicate changes in the business situation at an early date. Since many manufacturing industries vary regularly with the seasons, this factor must be taken into consideration in interpreting the changes from month to month.)

The July 1948 run of *crude oil to stills* topped that of June 1948 by 1,638,509 barrels. This represents an increase of 3.3% for July 1948 over June and a 10.0% gain over July 1947.

In spite of the heavy mid-summer demands, refinery stocks of gasoline in July 1948 were down only 1.9% from June 1948, but they remained above July 1947 by 13.3%. Although in July 1948 there were gains over June 1948 of 18.6% in distillate and 5.5% in kerosene, both were of the quantities held in July 1947. Due to accumulations along the Texas Gulf Coast, residual stock for July 1948 advanced over June 1948 by 11.1%, a 6.1% rise from July 1947.

#### REFINERY STOCKS\*

(in thousands of barrels)

Source: *The Oil and Gas Journal*

Section and Item	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
<b>TEXAS</b>					
Gasoline .....	18,801	18,958	18,418	+18.3	- 1.9
Distillate .....	7,984	6,784	8,533	- 6.4	+18.6
Residual .....	7,689	6,922	7,245	+ 6.1	+11.1
Kerosene .....	2,960	2,805	3,296	-10.2	+ 5.5
<b>TEXAS GULF COAST</b>					
Gasoline .....	15,267	15,688	13,202	+15.6	- 2.6
Distillate .....	7,241	6,142	8,100	+10.6	+17.9
Residual .....	6,879	6,120	6,424	+ 7.1	+12.4
Kerosene .....	2,126	2,060	2,888	-26.3	+ 3.2
<b>INLAND TEXAS</b>					
Gasoline .....	3,354	3,290	3,216	+ 3.7	+ 1.3
Distillate .....	743	592	438	+71.6	+25.5
Residual .....	810	802	821	- 1.3	+ 1.0
Kerosene .....	834	745	413	+101.9	+11.9

\*Figures shown for week ending nearest last day of month.

Texas *cotton consumption* during July 1948 decreased in the yearly comparison, cotton dropping 8.1% and linters 4.1% below July 1947. The July 1948 drop in cotton consumption of 11.6% from June 1948 was partially balanced by a 48.4% increase in consumption of linters.

Industry-wide buyers' resistance to high cotton goods prices is reflected in Texas *spindle* activity during July. Spindles in place for July 1948 showed a 4.4% increase over July 1947, but both monthly and yearly comparisons of spindle activity and total spindle hours were down more than 10%.

As the result of a large and early crop, *cottonseed* received at Texas mills in July showed a marked increase in both the monthly and yearly comparisons.

Cottonseed crushing for July 1948 jumped ahead of June 1948 by 60.0%, an advance of 146.1% over July 1947.

## COTTON MANUFACTURING

Source: Bureau of the Census, U.S. Department of Commerce.

Item	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
<b>CONSUMPTION*</b>					
Cotton .....	11,936	13,509	12,985	- 8.1	- 11.6
Linters .....	2,286	1,540	2,333	- 4.1	+ 48.4
<b>SPINNING ACTIVITY</b>					
Spindles in place ..	240,000	239,000	239,928	+ 4.4	+ 0.4
Spindles active ..	190,000	217,000	212,414	- 10.6	- 12.4
Total spindle hours	67,000,000	91,000,000	76,668,485	- 12.6	- 26.4
Average spindle hours .....	278	381	333	- 16.5	- 27.0
<b>COTTONSEED†</b>					
Received at mills ..	84,552	9,459	59,370	+ 42.4	+793.9
Crushed .....	55,296	34,550	22,465	+146.1	+ 60.0
Stocks at end of month .....	64,132	34,876	53,233	+ 20.5	+ 83.9

\*In running bales.

†In tons.

During July 1948 the combination of buyers' resistance and poor cattle pastures led to a considerable decrease in the *manufacture of dairy products*. The total milk equivalent used in manufacture of dairy products in July dropped 11.5% below June production. This was a 28.8% drop from July 1947, with American cheese production suffering a 35.8% fall from July of last year. Although production of creamery butter for July 1948 was above the June 1948 figure by 1.5%, it was 20.3% below July 1947.

#### MANUFACTURE OF DAIRY PRODUCTS

Products	Unit	July 1948	June 1948	July 1947	Percent change	
					July 1948 from July 1947	July 1948 from June 1948
<b>TOTAL MILK EQUIVALENT*</b>						
1,000 lbs.		67,230	75,926	94,479	-28.8	-11.5
Creamery butter ..	1,000 lbs.	1,481	1,459	1,859	-20.3	+ 1.5
Ice cream† .....	1,000 gals.	1,574	2,077	2,265	-30.5	-24.2
American cheese ..	1,000 lbs.	886	1,221	1,379	-35.8	-27.4
Other .....	1,000 lbs.	3,504	3,458	5,603	-27.5	+ 1.8

\*Milk equivalent of dairy products was calculated from production data.

†Includes sherbets and ices.

Temporary acceleration in clearing of storage elevators in order to accommodate this year's crop resulted in 6.9% more *wheat* being sent to mills in June than in May of this year. This increase was short of the number of bushels ground in June 1947 by 9.1%.

#### WHEAT GRINDINGS AND FLOUR PRODUCTION

Source: Bureau of the Census, U. S. Department of Commerce

Item	Unit	June 1948	May 1948	June 1947	Percent change	
					June 1948 from June 1947	June 1948 from May 1948
Wheat ground .....	1,000 bu.	4,167	3,897	4,585	- 9.1	+ 6.9
Wheat flour .....	1,000 sks.	1,824	1,707	1,942	- 7.0	+ 6.9

*Cement production* in Texas showed a higher-than-seasonal increase (4.3%) in June 1948 over the preceding month, as shipments picked up by a similar



rate. Stocks dwindled by 15.1%, and at the end of June were down to 495 thousand barrels. The *index of cement production* compiled by the Bureau thus jumped 9.9% from May to June, after adjustment for seasonal variation, to 217.4% of its prewar base. Production, shipments, and stocks were all well ahead of June 1947.

**CEMENT PRODUCTION**

(in thousands of barrels)

Source: Bureau of Mines, U. S. Department of Interior

Item	June 1948	May 1948	June 1947	Percent change	
				June 1948 from June 1947	June 1948 from May 1948
Production	1,142	1,095	1,043	+ 9.5	+ 4.3
Shipments	1,231	1,182	1,084	+18.6	+ 4.1
Stocks	495	583	420	+17.9	-15.1

The Southern Pine Association reported a July 1948 drop of 6.3% from June 1948 in average weekly production of *lumber* per unit. Weekly lumber shipments were down 3.3% for this period. July 1948 shipments were below those of July 1947 by 3.6%. Average unfilled orders per unit for July 1948 were up 16.1% from June 1948, but 17.1% below July 1947.

**LUMBER PRODUCTION IN SOUTHERN PINE MILLS**

(in board feet)

Source: Southern Pine Association

Item	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
Average weekly production per unit	215,528	280,114	215,977	- 0.2	- 6.3
Average weekly shipments per unit	203,053	209,923	210,641	- 3.6	- 3.3
Average unfilled orders per unit, end of month	828,699	713,642	989,107	-17.1	+16.1

**Construction**

(Because of the accumulated deficiency of building in all sections of the State, data on the volume of construction work are an extremely important part of the business situation. Building permits or contracts awarded are generally used to measure building activity, but recent studies by the United States Bureau of Labor Statistics indicate there is considerable lag in beginning construction of buildings for which permits have been issued, and that actual costs are now 25% or more above the permit valuation. Loans by savings and loan associations reflect the financing of residential housing.)

The total value of *construction contracts* in July 1948 was down 12% from June 1948. While there was a substantial increase in value of engineering and residential contracts for this period, there was more than a 50% drop in value of nonresidential contracts. In the yearly comparison July 1948 was ahead of July 1947 by 20%, an increase which would seem to substantiate mid-year estimates released by the Department of Commerce to the effect that Texas this year is expected to run a close second to California, which has led all states in new construction since World War II.

*Building permits* in 53 Texas cities totaled \$40,500,351 in July, compared with \$33,121,815 in June, or an increase of 22.3% during the month. July permits rose 23.1% from a year earlier.

After adjustment for seasonal variation, the Bureau's *index of building permits* climbed 52.7% to a level almost seven times greater than the prewar (1935-39) base period. The index stood at 794.7 in July, compared with 520.6 in June 1948, and 631.9 in July 1947.

Further support of this estimate is shown by the increase in total amount of *loans* and in value of building permits for July 1948 over July 1947.

**BUILDING PERMITS**

City	July 1948	June 1948	July 1947
<b>TOTAL</b>	<b>\$40,500,351</b>	<b>\$33,121,815</b>	<b>\$32,010,666</b>
Abilene	274,404	538,621	290,700
Amarillo	1,042,192	789,834	678,493
Austin	1,879,545	3,034,836	4,366,820
Beaumont	1,475,575	1,044,350	1,495,788
Big Spring	35,005	64,695	79,700
Borger	181,900	174,550	82,300
Brownsville	460,890	245,160	66,180
Brownwood	79,649	79,700	90,472
Bryan	63,860	101,290	176,523
Childress	54,350	19,270	21,700
Cleburne	27,625	31,760	225,980
Coleman	6,600	12,500	43,000
Corpus Christi	1,350,598	1,307,191	1,333,249
Dallas	6,240,536	6,120,881	5,238,508
Del Rio	61,500	65,435	12,350
Denison	310,457	111,314	101,574
Denton	318,550	153,850	253,525
Edinburg	76,437	69,430	104,425
El Paso	2,279,190	1,055,355	399,450
Fort Worth	2,955,798	8,567,453	1,773,231
Gainesville	46,600	48,400	27,300
Galveston	892,973	400,521	180,379
Gladewater	127,850	8,590	20,470
Harlingen	73,735	182,575	225,715
Houston	8,654,000	5,170,980	6,119,057
Jacksonville	13,713	25,305	29,300
Kenedy	5,750	47,295	1,100
Kerrville	25,865	1,016,900	73,317
Lamesa	25,175	70,250	103,250
Lockhart	27,425	204,060	10,460
Longview	74,850	194,935	193,300
Lubbock	2,060,639	1,345,932	1,169,469
McAllen	126,237	110,150	407,186
Marshall	93,002	202,433	237,170
Midland	1,542,750	316,810	266,275
Nacogdoches	30,750	14,200	30,000
New Braunfels	56,467	112,733	34,592
Palestine	45,233	73,223	17,937
Paris	97,050	39,375	35,200
Plainview	236,450	206,000	334,000
Port Arthur	727,967	225,637	195,172
San Antonio	3,015,309	2,191,735	2,514,232
Seguin	19,325	71,900	86,405
Sherman	67,732	95,409	82,368
Snyder	10,000	0	3,400
Sweetwater	65,450	78,745	217,555
Temple	175,590	203,675	100,434
Texarkana	42,311	143,270	182,243
Texas City	893,220	205,820	533,755
Tyler	352,863	437,739	1,339,107
Victoria	39,431	137,530	33,590
Waco	842,833	1,400,253	1,064,575
Wichita Falls	256,905	411,150	277,290

## CONSTRUCTION CONTRACTS

Source: Texas Contractor

Type of building	July 1948	June 1948	July 1947	Percent change	
				July 1948	July 1948
				from July 1947	from June 1948
TOTAL	\$76,186,654	\$86,579,292	\$63,587,522	+ 19.8	- 12.0
Engineering	18,681,811	5,635,088	8,599,658	+117.2	+231.5
Nonresidential	25,995,316	55,478,567	26,004,621	- 0.03	- 53.3
Residential	31,509,527	25,265,642	28,983,338	+ 8.7	+ 24.7

## LOANS MADE BY SAVINGS AND LOAN ASSOCIATIONS\*

Source: Federal Home Loan Bank of Little Rock

Type	NUMBER, TOTAL	July 1948	June 1948	July 1947	Percent change	
					July 1948	July 1948
					from July 1947	from June 1948
		2,046	1,780	2,052	- 0.3	+18.8
Construction		568	458	518	+ 9.7	+24.0
Purchase		778	720	899	-18.5	+ 8.1
Refinance		190	117	163	+16.6	+62.4
Recondition		284	197	218	+30.3	+44.2
Other		226	238	254	-11.0	- 5.0
AMOUNT, TOTAL	\$7,889,004	\$6,938,848	\$7,821,902	+ 0.9	+13.8	
Construction	2,690,135	2,248,777	2,626,210	+ 2.4	+19.6	
Purchase	3,387,089	3,112,489	3,732,752	- 9.2	+ 8.8	
Refinance	653,417	444,638	510,542	+28.0	+47.0	
Recondition	436,599	338,666	331,976	+31.5	+30.8	
Other	721,764	794,268	621,022	+16.2	- 9.1	

## Public Utilities

(The consumption of electric power by industrial concerns is a measure of the volume of industrial activity, since it may be assumed that the amount of power used will be directly related to manufacturing volume. Residential and commercial power consumption show a seasonal variation due to the changing amount of lighting needed.)

Total electric power consumption as reported by 10 electric power companies in Texas revealed an increase in both the monthly and yearly comparisons. A 7.6% advance in consumption was recorded for July 1948 over June 1948, and July consumption was above that of July 1947 by 17.4%. Commercial and residential users in July 1948 each consumed 10% more than industrial users in July 1947. However, industrial electric power consumption for July 1948 was ahead of that of July 1947 by 10.7%.

## ELECTRIC POWER CONSUMPTION\*

(in thousands of kilowatt hours)

Use	July 1948	June 1948	July 1947	Percent change	
				July 1948	July 1948
				from July 1947	from June 1948
TOTAL	653,869	607,398	557,839	+17.4	+ 7.6
Commercial	147,862	135,800	121,024	+22.2	+ 8.9
Industrial	300,490	290,760	271,411	+10.7	+ 3.3
Residential	106,701	98,402	85,770	+24.4	+14.2
Other	98,816	87,936	78,783	+25.5	+12.4

\*Prepared from reports of 10 electric power companies to the Bureau of Business Research.

According to the report of the Federal Power Commission the percentage gain in Texas of electric energy production for June 1948 over June 1947 was 5.8% greater than the production for the United States as a whole. The monthly increase for June 1948 over May 1948 stood at 6.6%.

An additional 10,123 telephones were put in service in 40 Texas cities during July according to report of the Bell Telephone Company. While this number represents only a 1.0% monthly gain over the previous month, the number of telephones in service in July 1948 advanced over July 1947 by 17.5%.

## Natural Resources

(The production of crude petroleum is a major industry in Texas, and the changes in the volume of production have a direct effect upon the income produced in the State. Figures on the number of well completions by districts indicate the extent to which new sources of oil and gas are being developed and the areas of the State in which drilling operations are in process.)

Although crude petroleum production in Texas dropped fractionally (1.2%) from June to July 1948, it was ahead of July 1947 production by 8.3%.

The value of crude oil in July 1948 represented a 45.4% gain over the value of July 1947. Likewise, natural and casinghead gas values for July 1948 were 51.1% above values of July 1947.

Drilling activity declined between June and July. Well completions totaled 1,007, including oil, gas, and dry wells. Through the end of July, 6,678 wells had been completed in Texas since the beginning of the year, compared to 5,167 in the same period of 1947.

North Central Texas continued to lead other districts in number of wells drilled.

## WELL COMPLETIONS

Source: The Oil and Gas Journal

District	July 1948*				Jan.-July (all wells)	
	Total	Oil	Gas	Dry	1948	1947
TEXAS	1,007	621	42	344	6,678	5,167
North Central Texas	331	160	5	166	2,074	1,674
West Texas	297	246	2	49	1,823	1,222
Panhandle	45	37	6	2	856	249
Eastern Texas	46	22	6	18	812	294
Texas Gulf Coast	145	82	14	49	1,057	910
Southwest Texas	143	74	9	60	1,056	813

\*For four weeks ending July 31, 1948.

Carbon black values were down in both the monthly and yearly comparisons. Production for July 1948 amounted to \$3,218,228 as against \$3,343,650 for July 1947.

## VALUE OF NATURAL RESOURCES PRODUCED

Source: State Comptroller of Public Accounts

Item	July 1948	June 1948	July 1947	Percent change	
				July 1948	July 1948
				from July 1947	from June 1948
Carbon black	\$ 3,218,228	\$ 5,346,650	\$ 3,343,650	- 8.7	- 39.6
Crude oil	190,751,153	197,972,528	131,167,513	+45.4	- 3.6
Natural and casing-head gas	12,186,687	13,925,460	8,066,199	+51.1	- 8.5

## AGRICULTURE

### Income

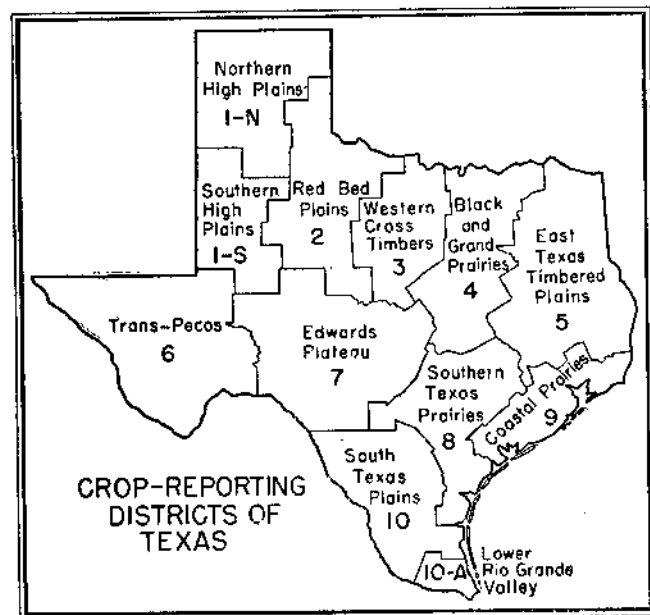
(The amount of income received by farmers is a composite measure of the prosperity of agriculture, taking into account both the volume of products sold and the prices received. Since the marketings of many products are concentrated in certain seasons of the year, it is important that the data be adjusted for seasonal variations in order to show the basic changes in the situation of agriculture.)

Texas farmers received an estimated \$164,918,000 from the sale of livestock and crops in July. *Farm income* rose 25.1% above June, reflecting increased sales of wheat and cotton, but fell 25.8% below a year earlier despite larger income from cotton, wool, hogs, and fruits and vegetables. The seasonally-adjusted *index* stepped up to 568.9 (1935-39=100) in July from 344.8 in June.

In comparison with July 1947, cash income for all districts except two, South Texas Plains and Southern Texas Prairies, declined.

#### FARM CASH INCOME

District	Indexes, 1935-39 = 100, adjusted for seasonal variation			Amount, Jan.-July (in thousands of dollars)	
	July 1948	June 1948	July 1947	1948	1947
	TEXAS	568.9	344.8	767.1	\$695,105
1-N	541.8	399.6	1,286.4	95,806	172,913
1-S	447.3	303.2	495.0	53,489	48,774
2	596.5	555.0	1,037.2	73,391	104,976
3	449.2	628.8	607.0	47,234	54,648
4	209.5	362.1	293.2	72,884	84,767
6	155.0	109.6	136.9	31,142	39,268
6	422.5	296.8	455.9	19,228	17,271
7	208.5	309.0	262.4	62,294	56,838
8	689.4	452.7	811.7	72,018	59,857
9	486.7	579.8	513.0	36,594	32,315
10	1902.6	798.2	571.6	52,867	33,712
10-A	1206.9	485.7	1,326.9	73,758	92,826



Influenced greatly by larger wheat sales from a month earlier, the Northern High Plains District turned in \$41,267,000 for the highest farm cash income in July, but this amount was 56.7% under the \$95,360,000 reported for July of last year. Marketing of the new cotton crop in the Lower Rio Grande Valley pushed farm income to \$32,593,000 in July. For third place, the Southern Texas Prairies reported a July income of \$24,689,000, as marketings of cotton and hogs increased.

For the first seven months in 1948, farm cash income in Texas totaled \$695,105,000, falling 12.4% below a like period in 1947. Although several districts showed increases, they were counterbalanced by sharp declines in the Northern High Plains and the Red Bed Plains, the Lower Rio Grande Valley, East Texas Timbered Plains, Western Cross Timbers, and Blackland Prairies.

### Prices

(The prices received by farmers constitute one of the elements of farm cash income. Changes in prices are of primary concern to farmers and all businessmen relying on the farm market. Farmers are also concerned with the prices which they have to pay for commodities used in family maintenance and production since these prices help to determine their real income.)

Prices received by Texas farmers slipped from June to July for 12 of 31 commodities listed separately in the accompanying table, increased for 13, and were unchanged for 6 items. Generally, grain, hay, sheep, and wool prices were below June, while most livestock,

#### PRICES OF TEXAS FARM PRODUCTS

Source: Bureau of Agricultural Economics, U.S. Department of Agriculture

Commodity	Unit	July 15 1948	June 15 1948	July 15 1947
Corn	bu.	\$ 2.00	\$ 2.01	\$ 2.00
Wheat	bu.	2.10	2.24	1.92
Oats	bu.	1.01	1.02	0.84
Flaxseed	bu.	5.70	5.70	5.00
Barley	bu.	1.40	1.48	1.24
Grain sorghum	cwt.	2.85	3.40	2.65
Rice	bu.	3.45	3.50	2.50
Potatoes	bu.	1.95	1.75	1.60
Sweet Potatoes	bu.	3.15	2.40	2.90
Cotton lint	lb.	0.82	0.882	0.86
Cottonseed	ton	96.00	94.00	79.00
Cowpeas	bu.	5.40	5.10	5.15
Peanuts	lb.	0.108	0.108	0.09
Hogs	cwt.	26.10	29.20	28.50
Beef Cattle	cwt.	23.60	22.50	17.10
Veal calves	cwt.	26.70	25.80	16.50
Sheep	cwt.	11.20	11.70	16.00
Lambs	cwt.	28.00	21.50	17.80
Milk cows	head	140.00	140.00	112.00
Chickens	lb.	0.275	0.270	0.247
Turkeys	lb.	0.808	0.800	0.825
Eggs	doz.	0.395	0.375	0.388
Butter	lb.	0.70	0.70	0.68
Butterfat	lb.	0.73	0.72	0.69
Milk, retail	qt.	0.196	0.190	0.18
Milk, wholesale	cwt.	5.80	5.75	5.10
Wool	lb.	0.56	0.60	0.48
All hay, loose	ton	20.50	22.00	14.20
Alfalfa hay, loose	ton	26.00	28.00	20.00
Oranges	box	2.45	2.19	—
Grapefruit	box	0.73	0.83	—

poultry, and fruits and vegetables registered gains. Prices for milk cows, dairy products, flaxseed, and peanuts were unchanged from June.

In comparison with July 1947, prices of all items except wheat, grain sorghum, and cotton lint advanced over comparable levels.

The *index of prices received by farmers* throughout the United States, compiled by the United States Department of Agriculture, edged up 2% from June to 301 in July, only 2% below the all-time high of 307 set in January 1948.

The *index of prices paid by farmers* remained at the high peak of 251% of the 1909-14 base, which was reached in June and January of this year.

### Marketings

(The level of farm income is affected not only by changes in prices, but by the volume of products farmers send to market in a given month. Data on shipments of farm products must also be used to explain the changes in the level of farm income from month to month.)

*Livestock shipments* fell 32.4% from June to July as the result of a reduction in all livestock shipments. Except for a 13.6% rise in hog shipments, movement of all items shared in the over-all 31.5% decline from July 1947.

Interstate plus Fort Worth shipments slid 33.4% in July to 5,630 carloads, as shipments of all kinds of livestock decreased from 25.0% to 59.6% under a month earlier.

### SHIPMENTS OF LIVESTOCK

(in carloads)\*

Source: Bureau of Business Research in cooperation with the Bureau of Agricultural Economics, U.S. Department of Agriculture

Classification	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL SHIPMENTS	6,000	8,870	8,760	- 31.5	- 32.5
Cattle	4,107	5,413	5,713	- 28.1	- 24.1
Calves	582	874	1,000	- 41.8	- 33.4
Hogs	502	666	442	+ 13.6	- 24.6
Sheep	809	1,917	1,605	- 49.6	- 57.8
INTERSTATE PLUS					
FORT WORTH	5,630	8,449	8,048	- 30.0	- 33.4
Cattle	3,838	5,113	5,183	- 26.1	- 25.0
Calves	544	799	908	- 40.1	- 31.9
Hogs	493	657	440	+ 12.0	- 25.0
Sheep	760	1,880	1,507	- 49.6	- 59.6
INTRASTATE MINUS					
FORT WORTH†	370	421	717	- 48.4	- 12.1
Cattle	274	300	525	- 47.8	- 8.7
Calves	38	75	92	- 53.7	- 49.3
Hogs	9	9	2	+350.0	0.0
Sheep	49	37	98	- 50.0	+ 32.4

\*Rail-car basis: cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.

†Intrastate truck shipments are not included. Fort Worth shipments are combined with interstate forwardings to show the bulk of market disappearance for the month.

*Rail shipments of eggs* declined sharply to 283 carloads in July from 388 in June. *Interstate receipts of eggs* at Texas stations, however, slipped to 14 carloads from 18 in June. Marketings of chickens rose to 6 carloads from only 2 in June.

### INTERSTATE RECEIPTS OF EGGS BY RAIL AT TEXAS STATIONS

(in carloads)

Source: Bureau of Business Research in cooperation with the Division of Agricultural Statistics, Bureau of Agricultural Economics, U. S. Department of Agriculture

Type	July 1948	June 1948	July 1947
TOTAL RECEIPTS—SHELL EQUIVALENT*	14	18	10
Shell	6	4	10
Frozen	4	7	0
Dried	0	0	0

\*Dried eggs and frozen eggs are converted to a shell-egg equivalent on the following basis: 1 rail-carload of dried eggs = 8 carloads of shell eggs and 1 carload of frozen eggs = 2 carloads of shell eggs.

### RAIL SHIPMENTS OF POULTRY AND EGGS FROM TEXAS STATIONS

(in carloads)

Source: Bureau of Business Research in cooperation with the Division of Agricultural Statistics, Bureau of Agricultural Economics, U. S. Department of Agriculture

Classification	July 1948	June 1948	July 1947
Chickens	6	2	8½
Turkeys	0	10	12½
Eggs—shell equivalent*	283	388	235
Shell	3	0	1
Frozen	44	34	25
Dried	24	40	23

\*Dried eggs and frozen eggs are converted to a shell-egg equivalent on the following basis: 1 rail-carload of dried eggs = 8 carloads of shell eggs and 1 carload of frozen eggs = 2 carloads of shell eggs.

Marketings of *fruits and vegetables* dropped 51.6% from June and 20.9% from July 1947. The monthly setback was the result of decreases in movements of all fruits and vegetables except potatoes and watermelons. Except for increased onion shipments, marketings of all fruits and vegetables fell considerably below comparable year-ago levels.

### RAIL SHIPMENTS OF FRUITS AND VEGETABLES\*

(in carloads)

Source: Compiled from reports of Bureau of Agricultural Economics, U.S. Department of Agriculture

Item	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL	4,682	9,678	5,918	- 20.9	- 51.6
Cantaloups	30	94	87	- 55.2	- 68.1
Cucumbers	6	0	0	—	—
Grapefruit	191	642	0	—	- 70.2
Mixed citrus	1	194	0	—	- 99.5
Onions	65	631	40	+ 70.0	- 89.2
Oranges	8	23	0	—	- 65.2
Peppers	3	0	17	- 32.4	—
Potatoes	421	102	553	- 23.9	+312.7
Tomatoes	301	4,649	1,418	- 78.3	- 93.5
Watermelons	3,652	2,961	3,804	- 4.0	+ 23.8
All other fruits and vegetables	1	332	19	- 94.7	- 99.7

\*Figures for oranges and grapefruit include both rail and truck shipments.

### Cold Storage

(In both periods of shortages and surpluses, the storage holdings of perishable food products are important because of their effect on prices. The seasonal nature of farm products is in part offset by the accumulation of stocks in periods of peak production to be withdrawn in periods of low production. Deviations from the normal levels of holdings will exert pressure on the price structure.)

Holdings of creamery butter, fluid and plastic cream, American cheese, and shell eggs rose substantially from June to July, but stocks of frozen eggs and poultry were reduced. Although holdings of creamery butter and poultry declined sharply from July 1947, stocks of other items gained.

Occupancy of space in private and semi-private warehouses and meat packing establishments was unchanged from June. In public cold storage warehouses, occupancy of cooler space stepped up to 71% from 64% in June, and use of freezer space edged downward to 66% from 67% in June.

#### COLD STORAGE HOLDINGS

Source: Production and Marketing Administration, U.S. Department of Agriculture

Item	Unit (000's)	July 1 1948	June 1 1948	Percent change		
				July 1 1947	July 1948 from July 1947	July 1948 from June 1948
<b>Cream:</b>						
Fluid	lbs.	222	178	148	+ 50.0	+ 28.3
Plastic	lbs.	398	288	814	+ 26.8	+ 83.2
Creamery butter	lbs.	866	332	1,159	- 25.3	+160.8
American cheese	lbs.	3,966	3,502	3,175	+ 24.9	+ 13.2
Shell eggs	cases	153	139	124	+ 23.4	+ 10.1
Frozen eggs	lbs.	17,902	18,331	13,847	+ 29.8	- 2.3
Poultry	lbs.	1,499	1,624	4,168	- 64.0	- 7.7

#### COLD STORAGE SPACE

Source: Production and Marketing Administration, U.S. Department of Agriculture

Type	Net piling space* (1,000 cu. ft.)	Percent of space occupied		
		July 1 1948	June 1 1948	July 1 1947
<b>Public cold storage warehouses:</b>				
Cooler	4,553	71	64	76
Freezer	3,965	66	67	79
<b>Private and semi-private warehouses:</b>				
Cooler	312	100	100	100
Freezer	71	—	—	—
<b>Meat packing establishments:</b>				
Cooler	2,453	100	100	65
Freezer	1,089	100	100	84

\*Space survey October 1, 1945.

### Fertilizer Sales

(Sales of fertilizer are indicative of the amount of money farmers need and are able to spend in keeping up the soil fertility of their farms. Sales figures are based on monthly statistics for the equivalent number of short tons of fertilizer represented by the tax tags sold to fertilizer producers and which are required by law to be attached to each bag of fertilizer sold.)

Fertilizer sales in Texas in July were approximately 22,453 tons, compared with 19,846 tons a year earlier, and 11,719 tons in July 1946. For the first seven

months of 1948, Texas sales totaled 280,216 tons, which is an increase of 22% over the comparable year-ago period.

### Cotton

(The cotton balance sheet shows the basic demand and supply factors affecting cotton, which is an outstanding element in the farm income of the State.)

If the government's estimates of cotton production in the United States of 15,159 bales proves to be true, it will give this country a satisfactory working supply for carrying out its world recovery program. It will go a long way toward making possible the stepping up of world consumption to near normal basis.

This generous supply has come at a time particularly opportune for the United States to carry out its recovery program with a minimum of cost. It is also fortunate that this relatively large crop has come as a result of prospective record yield per acre because that means relatively lower costs.

The average yield per acre, as forecast August 8, is 313.5 lbs. The highest average estimated yield per acre on August 1 prior to this was 279.4 lbs. in 1943. As the balance sheet shows, the government's estimate as of August 1 was for a crop of 15,169,000 bales, which makes a total supply for the year 1948-49 of 17,992,000 bales, not counting imports which will be not far from 250,000 bales. As shown by the balance sheet of August 1, this is not an alarmingly large supply in the United States.

World production in 1947-48 was about 3.5 million bales short of consumption or 28.5 million consumption against production of 25 million. With the world recovery program sponsored by the United States, it is quite possible for world cotton consumption to reach 29.5 million bales this year. In that case, foreign countries would need to increase production from this year's 13 million bales to 14.5 million bales before production would equal consumption.

The cotton situation is thus not something at which to be alarmed. This generous supply of cotton can, if properly merchandised, prove a great blessing. It is hoped that a way will be found to assure the free flow of this cotton into consumption in both this country and abroad.

#### COTTON BALANCE SHEET FOR THE UNITED STATES AS OF AUGUST 1

(in thousands of running bales except as noted)

Year	Carryover Aug. 1	Government estimate* Aug. 1	Balance Aug. 1
1939-40	13,033	11,412	24,445
1940-41	10,564	11,429	22,025
1941-42	12,166	10,317	22,988
1942-43	10,640	12,085	23,725
1943-44	10,659	12,558	23,217
1944-45	10,727	11,022	21,749
1945-46	11,160	10,134	21,294
1946-47	7,522	9,290	16,812
1947-48	2,521	11,844	14,365
1948-49	2,823*	15,169	17,992

\*Does not include 259,000 on bales of the 1948 crop ginned prior to August 1.

# LOCAL BUSINESS

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>ABILENE:</b>			
Retail sales of independent stores		+ 24.1	+ 3.6
Department and apparel store sales		+ 31.7	0.0
Postal receipts	\$ 34,099	+ 11.3	+ 1.1
Building permits	\$ 274,404	- 6.6	- 69.4
Bank debits to individual accounts (thousands)	\$ 32,584	+ 18.6	- 1.8
End-of-month deposits (thousands)*	\$ 42,654	+ 10.4	+ 1.7
Annual rate of deposit turnover	9.2	+ 8.2	- 4.2
Air express shipments	132	+ 0.6	- 10.8
Unemployment	1,000	- 25.3	- 23.1
Placements in employment	427	- 28.0	- 33.9
Nonagricultural civilian labor force	18,349	+ 20.6	- 1.2

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>AMARILLO:</b>			
Retail sales of independent stores		+ 8.3	+ 7.4
Department and apparel store sales		+ 4.5	+ 7.5
Building permits	\$ 1,042,192	+ 53.6	+ 32.0
Postal receipts	\$ 70,095	+ 14.5	+ 0.8
Bank debits to individual accounts (thousands)	\$ 94,308	- 2.6	+ 10.2
End-of-month deposits (thousands)*	\$ 84,460	+ 7.1	- 0.4
Annual rate of deposit turnover	13.3	- 10.7	+ 7.3
Air express shipments	509	+ 27.3	+ 0.6
Unemployment	1,400	- 3.4	- 6.7
Placements in employment	894	- 11.7	- 27.3
Nonagricultural civilian labor force	35,584	+ 19.6	- 0.5

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>AUSTIN:</b>			
Retail sales of independent stores		+ 25.3	+ 0.8
Department and apparel store sales		+ 18.1	- 5.3
Postal receipts	\$ 130,965	+ 8.7	- 16.5
Building permits	\$ 1,879,545	- 57.0	- 7.6
Bank debits to individual accounts (thousands)	\$ 105,338	+ 24.7	- 8.0
End-of-month deposits (thousands)*	\$ 104,449	+ 9.2	- 0.5
Annual rate of deposit turnover	12.1	+ 14.2	- 8.3
Air express shipments	425	- 8.6	- 12.6
Unemployment	1,476	- 27.0	- 3.7
Placements in employment	725	- 14.5	- 41.8
Nonagricultural civilian labor force	44,656	+ 1.1	- 0.02

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>BEAUMONT:</b>			
Retail sales of independent stores		+ 27.5	+ 2.0
Department and apparel store sales		+ 15.6	- 10.7
Postal receipts	\$ 51,511	+ 16.0	+ 2.7
Building permits	\$ 1,475,575	- 1.4	+ 41.3
Bank debits to individual accounts (thousands)	\$ 96,232	+ 37.3	+ 1.0
End-of-month deposits (thousands)*	\$ 100,700	+ 23.6	+ 7.4
Annual rate of deposit turnover	11.9	+ 15.5	- 2.5
Export and coastal cars unloaded	332	- 47.6	- 49.4
Air express shipments	316	- 6.8	- 5.1

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>BROWNSVILLE:</b>			
Retail sales of independent stores		+ 31.1	+ 18.3
Postal receipts	\$ 13,995	+ 23.2	+ 19.9
Building permits	\$ 460,390	+ 596.2	+ 87.8
Export cars unloaded	648		+ 288.0
Air express shipments	654	- 71.2	+ 8.0
Coastal cars unloaded	94		+ 40.3

\*Excludes deposits to credit of banks.

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>BROWNWOOD:</b>			
Retail sales of independent stores		+ 6.3	- 6.2
Department and apparel store sales		+ 15.2	+ 14.0
Postal receipts	\$ 11,677	+ 14.3	- 13.1
Building permits	\$ 79,649	- 12.0	- 0.1
Air express shipments	34		+ 3.0
<b>BRYAN:</b>			
Department and apparel store sales		+ 10.5	+ 2.9
Postal receipts	\$ 7,966	- 5.6	- 30.0
Building permits	\$ 63,860	- 63.8	- 37.0
Air express shipments	85	+ 29.6	+ 20.7

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>CORPUS CHRISTI:</b>			
Retail sales of independent stores		+ 12.9	+ 5.0
Department and apparel store sales		+ 8.1	+ 2.7
Postal receipts	\$ 87,797	+ 4.4	+ 4.4
Building permits	\$ 1,350,593	+ 0.9	+ 3.3
Bank debits to individual accounts (thousands)	\$ 88,763	+ 17.4	+ 5.8
End-of-month deposits (thousands)*	\$ 77,281	+ 13.9	+ 5.1
Annual rate of deposit turnover	13.3	+ 1.5	+ 4.7
Air express shipments	516	- 6.0	- 6.2
Unemployment	1,800	- 23.8	- 26.9
Placements in employment	1,263	+ 44.7	- 4.8
Nonagricultural civilian labor force	48,318	- 8.7	+ 0.5
Water connections	22,595	+ 10.2	+ 0.8
Electrical connections	26,022	+ 8.7	+ 0.8

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>CORSICANA:</b>			
Postal receipts	\$ 9,734	+ 8.8	+ 5.9
Bank debits to individual accounts (thousands)	\$ 9,425	+ 11.0	- 6.5
End-of-month deposits (thousands)*	\$ 18,925	+ 0.7	- 0.9
Annual rate of deposit turnover	6.0	+ 11.1	- 6.3

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>DALLAS:</b>			
Retail sales of independent stores		+ 10.1	+ 0.8
Apparel stores		+ 1.7	- 6.8
Automotive stores		+ 16.5	+ 13.3
General merchandise stores		+ 26.0	+ 2.2
Drug stores		- 0.5	- 3.1
Filling stations		+ 26.2	+ 5.6
Florists		- 13.8	- 13.3
Food stores		+ 8.4	+ 6.1
Furniture and household stores		- 16.1	- 16.1
Lumber, building material, and hardware stores		- 2.2	- 1.6
Eating and drinking places		- 4.4	+ 4.9
All other stores		+ 23.4	+ 2.3
Postal receipts	\$ 780,037	+ 15.6	- 0.1
Building permits	\$ 6,240,536	+ 19.1	+ 2.0
Nonagricultural civilian labor force	232,920	+ 5.3	+ 0.8
Air express shipments	7,621	+ 13.4	- 0.9
Bank debits to individual accounts (thousands)	\$ 1,061,127	+ 24.7	+ 5.6
Placements in employment	4,615	+ 27.7	- 11.6
Unemployment	5,800	- 47.3	- 3.3
Annual rate of deposit turnover	17.5	+ 13.6	+ 4.2
End-of-month deposits (thousands)*	\$ 715,431	+ 7.0	- 2.6

\*Excludes deposits to credit of banks.

# S CONDITIONS

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>EL PASO:</b>			
Retail sales of independent stores.....		+ 15.5	+ 5.6
Department and apparel store sales .....		+ 19.4	+ 9.6
Postal receipts .....	\$ 103,176	+ 15.5	+ 6.4
Building permits .....	\$ 2,279,190	+470.6	+116.0
Bank debits to individual accounts (thousands) .....	\$ 119,004	+ 38.5	- 0.4
End-of-month deposits (thousands)* \$ .....	110,684	+ 6.4	- 1.4
Annual rate of deposit turnover .....	12.8	+ 24.3	+ 4.9
Air express shipments .....	1,226	- 10.3	- 5.8
Unemployment .....	2,500	- 10.7	- 3.8
Placements in employment .....	893	- 12.5	- 17.2
Nonagricultural civilian labor force.....	51,750	+ 8.2	- 0.4
Railroad carloadings:			
Inbound .....	3,341	---	- 2.8
Outbound .....	3,172	---	+ 0.3

<b>FORT WORTH:</b>			
City and item	July 1948	July 1948 from July 1947	July 1948 from June 1948
Retail sales of independent stores.....		+ 10.1	- 0.5
Apparel stores .....		+ 9.4	- 5.8
Automotive stores .....		+ 5.1	+ 8.5
General merchandise stores .....		+ 15.8	- 1.6
Drug stores .....		+ 0.3	+ 0.3
Florists .....		- 0.8	- 10.1
Food stores .....		+ 8.7	+ 4.5
Furniture and household stores .....		+ 18.6	- 15.5
Lumber, building material, and hardware stores .....		+ 9.9	+ 1.6
Eating and drinking places .....		+ 12.8	+ 1.0
All other stores .....		- 2.4	- 1.8
Postal receipts .....	\$ 300,429	+ 9.3	+ 3.0
Building permits .....	\$ 2,985,798	+ 63.4	- 18.3
Nonagricultural civilian labor force.....	134,675	+ 2.9	+ 0.5
Air express shipments .....	1,669	+ 14.3	- 4.8
Bank debits to individual accounts (thousands) .....	\$ 346,191	+ 1.7	- 6.9
Placements in employment .....	3,849	+ 6.3	- 7.8
Unemployment .....	6,500	- 33.7	- 3.0
Annual rate of deposit turnover .....	15.1	+ 0.7	- 6.8
End-of-month deposits (thousands)* \$ .....	274,371	+ 0.9	+ 0.03

<b>GALVESTON:</b>			
City and item	July 1948	July 1948 from July 1947	July 1948 from June 1948
Retail sales of independent stores.....		+ 9.4	+ 4.1
Department and apparel store sales .....		+ 6.9	- 0.3
Postal receipts .....	\$ 47,704	+ 2.3	- 8.2
Building permits .....	\$ 892,978	+895.1	+123.0
Bank debits to individual accounts (thousands) .....	\$ 70,865	+ 19.2	- 5.0
End-of-month deposits (thousands)* \$ .....	93,527	+ 4.6	+ 2.5
Annual rate of deposit turnover .....	9.2	+ 15.0	- 5.2
Export coastal cars unloaded .....	12,001	+ 1.5	+ 4.1
Air express shipments .....	290	- 29.1	- 15.5
Unemployment (area) .....	2,000	- 20.0	+ 17.6
Placements in employment (area) .....	765	- 29.2	- 23.2
Nonagricultural civilian labor force (area) .....	56,162	+ 2.2	- 4.0

<b>LOCKHART</b>			
City and item	July 1948	July 1948 from July 1947	July 1948 from June 1948
Retail sales of independent stores .....		+ 1.4	- 4.8
Department and apparel store sales .....		+ 11.5	- 13.8
Postal receipts .....	\$ 2,812	+ 26.7	+ 16.3
Building permits .....	\$ 27,425	+163.7	- 86.6
Bank debits to individual accounts (thousands) .....	\$ 2,833	+ 19.9	+ 0.1
End-of-month deposits (thousands)* \$ .....	4,684	+ 8.9	- 0.1

\*Excludes deposits to credit of banks.

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>HOUSTON:</b>			
Retail sales of independent stores.....		+ 25.6	- 6.0
Apparel stores .....		+ 13.3	- 3.0
Automotive stores .....		+ 17.6	- 2.4
General merchandise stores .....		+ 16.9	+ 3.8
Drug stores .....		+ 5.2	+ 2.3
Filling stations .....		- 2.6	- 7.3
Florists .....		- 31.1	- 21.0
Food stores .....		+ 55.0	- 16.5
Furniture and household stores .....		+ 29.2	+ 2.5
Lumber, building material, and hardware stores .....		+ 13.5	+ 6.4
Eating and drinking places .....		+ 10.6	+ 4.4
All other stores .....		+ 5.4	- 4.0
Postal receipts .....	\$ 584,789	+ 12.5	+ 1.5
Building permits .....	\$ 8,654,000	+ 41.4	+ 67.4
Export and coastal cars unloaded .....	7,188	- 9.5	+ 20.2
Air express shipments .....	6,032	+ 9.2	- 6.4
Bank debits to individual accounts (thousands) .....	\$ 1,094,618	+ 30.6	+ 0.3
Placements in employment .....	4,637	- 7.5	- 13.5
Unemployment (area) .....	8,500	- 29.2	- 5.6
Railroad carloadings (tons):			
Inbound .....	1,251,562	+ 47.3	+ 0.8
Outbound .....	368,476	+ 8.9	- 6.6
Annual rate of deposit turnover .....	14.3	+ 13.0	- 2.0
End-of-month deposits (thousands)* \$ .....	891,011	+ 15.1	+ 1.1
Nonagricultural civilian labor force (area) .....	318,237	+ 6.0	+ 0.3

<b>LAMESA:</b>			
City and item	July 1948	July 1948 from July 1947	July 1948 from June 1948
Retail sales of independent stores.....		- 5.4	- 4.8
Postal receipts .....	\$ 4,360	+ 24.8	+ 1.1
Building permits .....	\$ 85,175	- 67.5	- 49.9

<b>LAREDO:</b>			
City and item	July 1948	July 1948 from July 1947	July 1948 from June 1948
Department and apparel store sales .....		+ 15.0	+ 5.2
Postal receipts .....	\$ 17,671	+ 8.5	+ 10.7
Bank debits to individual accounts (thousands) .....	\$ 17,024	+ 10.9	- 11.9
End-of-month deposits (thousands)* \$ .....	23,179	+ 12.3	- 0.9
Annual rate of deposit turnover .....	8.8	- 2.2	- 12.0
Air express shipments .....	260	- 3.3	+ 9.2
Electric power consumption (000's KWH) .....	3,316,270	+ 11.3	+ 2.8
Natural gas consumption .....	39,435	- 0.8	- 2.9
Tourist cars entering Mexico .....	3,767	+ 2.6	+ 28.1
Tourists entering Mexico .....	18,430	+ 16.4	+ 27.3

<b>LUBBOCK:</b>			
City and item	July 1948	July 1948 from July 1947	July 1948 from June 1948
Retail sales of independent stores.....		+ 16.6	- 8.7
Department and apparel store sales .....		+ 10.9	- 0.8
Postal receipts .....	\$ 50,764	+ 23.6	+ 24.1
Building permits .....	\$ 2,060,639	+ 72.6	+ 53.1
Bank debits to individual accounts (thousands) .....	\$ 59,218	+ 12.6	+ 0.8
End-of-month deposits (thousands)* \$ .....	65,024	+ 13.9	- 5.6
Annual rate of deposit turnover .....	10.6	- 7.0	+ 2.9
Air express shipments .....	286	+ 48.2	- 13.6
Unemployment .....	300	+ 14.3	- 5.9
Placements in employment .....	598	+ 20.6	- 13.7
Nonagricultural civilian labor force.....	26,300	+ 1.5	+ 1.0

<b>MARSHALL:</b>			
City and item	July 1948	July 1948 from July 1947	July 1948 from June 1948
Department and apparel store sales .....		+ 6.1	- 14.1
Postal receipts .....	\$ 12,410	+ 13.6	- 5.7
Building permits .....	\$ 93,092	- 60.8	- 54.1

\*Excludes deposits to credit of banks.

# LOCAL BUSINESS CONDITIONS

(Continued)

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>PLAINVIEW:</b>			
Retail sales of independent stores	-----	+ 21.3	- 0.3
Department and apparel store sales	-----	+ 18.3	+ 21.7
Postal receipts	\$ 8,301	+ 5.3	+ 6.4
Building permits	\$ 236,450	- 29.2	+ 14.8
Air express shipments	72	---	- 7.7

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>PORT ARTHUR:</b>			
Retail sales of independent stores	-----	+ 21.6	+ 10.1
Department and apparel store sales	-----	+ 8.6	- 16.5
Postal receipts	\$ 26,849	+ 24.1	+ 6.6
Building permits	\$ 727,967	+273.0	+222.6
Bank debits to individual accounts (thousands)	\$ 33,251	+ 23.5	+ 7.0
End-of-month deposits (thousands)*	\$ 39,917	+ 1.7	- 0.1
Annual rate of deposit turnover	11.5	+ 25.0	+ 5.5
Export cars unloaded	1,379	+ 91.3	+ 97.3
Air express shipments	189	- 4.3	- 1.1
Coastal cars unloaded	342	+ 11.0	- 10.2

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>SAN ANGELO:</b>			
Retail sales of independent stores	-----	+ 7.0	+ 0.9
Department and apparel store sales	-----	+ 8.7	+ 14.4
Postal receipts	\$ 29,556	+ 10.7	+ 8.9
Bank debits to individual accounts (thousands)	\$ 29,348	+ 15.4	- 15.2
End-of-month deposits (thousands)*	\$ 33,366	+ 5.0	- 2.2
Annual rate of deposit turnover	8.9	+ 6.0	- 16.8
Air express shipments	499	- 9.6	- 15.9

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>SAN ANTONIO:</b>			
Retail sales of independent stores	-----	+ 11.2	- 1.9
Apparel stores	-----	+ 15.2	- 4.9
Automotive stores	-----	+ 32.9	+ 4.3
General merchandise stores	-----	+ 1.9	- 6.8
Drug stores	-----	- 2.4	- 2.7
Filling stations	-----	+ 17.8	+ 1.2
Food stores	-----	+ 10.9	+ 3.0
Furniture and household stores	-----	- 7.7	- 10.1
Lumber, building material, and hardware stores	-----	+ 18.1	+ 3.4
Eating and drinking places	-----	+ 1.7	+ 7.8
All other stores	-----	- 1.6	- 12.1
Postal receipts	\$ 297,545	+ 14.3	- 6.1
Building permits	\$ 3,015,309	+ 19.9	+ 87.6
Nonagricultural civilian labor force	157,779	- 1.4	- 0.1
Air express shipments	2,404	- 13.6	- 10.6
Bank debits to individual accounts (thousands)	\$ 244,036	+ 10.3	- 5.9
Placements in employment	2,546	+ 7.5	+ 12.9
Unemployment	5,000	- 60.0	- 4.8
Annual rate of deposit turnover	9.2	+ 9.5	- 6.1
End-of-month deposits (thousands)*	\$ 315,160	+ 0.5	- 0.9
Consumption of electricity (KWH)	45,686,050	+ 13.1	+ 1.8
Consumption of natural gas (000's of cu. ft.)	703,538	+ 8.3	- 4.7

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>TEMPLE:</b>			
Retail sales of independent stores	-----	+ 19.7	- 1.3
Department and apparel store sales	-----	+ 12.0	+ 2.7
Postal receipts	\$ 13,445	+ 10.3	- 5.8
Building permits	\$ 175,590	+ 74.7	- 13.3
Air express shipments	50	+ 23.2	- 29.6

\*Excludes deposits to credit of banks.

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>TEXARKANA:</b>			
Retail sales of independent stores	-----	+ 16.1	+ 9.2
Department and apparel store sales	-----	+ 10.6	+ 1.2
Postal receipts	\$ 30,285	+ 11.8	+ 13.0
Building permits	\$ 42,911	- 78.5	- 71.1
Bank debits to individual accounts (thousands)	\$ 25,630	+ 19.7	+ 1.9
End-of-month deposits (thousands)*	\$ 21,896	- 0.6	- 8.4
Annual rate of deposit turnover	8.5	+ 21.4	+ 6.3
Air express shipments	82	- 15.5	- 6.8
Unemployment	3,155	- 8.6	+ 20.4
Placements in employment	578	+ 4.2	+ 6.1
Nonagricultural civilian labor force	33,831	+ 3.1	+ 0.8

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>TEXAS CITY:</b>			
Retail sales of independent stores	-----	+ 2.0	+ 3.7
Department and apparel store sales	-----	+ 7.2	- 10.0
Postal receipts	\$ 8,227	+ 6.3	- 6.1
Building permits	\$ 898,220	+ 68.3	+386.4
Unemployment (area)	2,000	- 20.0	+ 17.6
Placements in employment (area)	765	- 39.2	- 23.2
Nonagricultural civilian labor force (area)	56,162	+ 2.2	- 4.0
Coastal cars unloaded	415	---	+ 6.4

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>TYLER:</b>			
Retail sales of independent stores	-----	+ 0.5	- 6.3
Department and apparel store sales	-----	+ 10.7	+ 9.6
Postal receipts	\$ 31,214	+ 20.6	+ 8.2
Building permits	\$ 852,868	- 36.3	+ 74.3
Bank debits to individual accounts (thousands)	\$ 43,628	+ 29.4	+ 8.7
End-of-month deposits (thousands)*	\$ 53,615	+ 12.1	- 0.5
Annual rate of deposit turnover	9.7	+ 14.1	+ 6.6
Air express shipments	622	+ 8.6	- 10.4

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>WACO:</b>			
Retail sales of independent stores	-----	+ 9.1	- 9.7
Department and apparel store sales	-----	+ 10.0	- 6.1
Postal receipts	\$ 66,487	+ 8.6	+ 1.2
Building permits	\$ 842,833	- 20.8	- 39.8
Bank debits to individual accounts (thousands)	\$ 48,499	+ 9.6	- 4.5
End-of-month deposits (thousands)*	\$ 62,292	+ 1.7	- 1.0
Annual rate of deposit turnover	9.2	+ 4.5	- 5.2
Air express shipments	253	+ 67.5	+ 6.3
Unemployment	3,250	- 7.1	+ 1.6
Placements in employment	528	- 2.4	- 8.3
Nonagricultural civilian labor force	46,355	+ 0.7	+ 0.2

City and item	July 1948	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>WICHITA FALLS:</b>			
Retail sales of independent stores	-----	- 9.0	- 13.0
Department and apparel store sales	-----	+ 8.0	- 7.3
Postal receipts	\$ 40,970	+ 14.2	+ 4.2
Building permits	\$ 256,905	- 7.4	- 37.5
Bank debits to individual accounts (thousands)	\$ 54,893	+ 15.1	- 9.2
End-of-month deposits (thousands)*	\$ 80,035	+ 12.0	0.0
Annual rate of deposit turnover	8.3	0.0	- 9.8
Air express shipments	327	+ 9.4	- 2.1
Unemployment	1,037	- 41.3	- 11.4
Placements in employment	513	+ 4.9	- 17.9
Nonagricultural civilian labor force	31,333	+ 4.9	+ 0.1

\*Excludes deposits to credit of banks.



## FINANCE

### Bank Credit

(Since bank credit is essential to all business, the conditions of the commercial banks and the Federal Reserve Banks is a significant indicator of the state of business. Changes in the volume of credit that the banks have outstanding reflect the state of business. The condition of the Federal Reserve Banks in like manner reflects the condition of credit available to commercial banks.)

According to the July 28 statement of *condition of the weekly reporting member banks* in the Dallas district, loans and investments continued to increase over June, holdings of government securities rose again (except for a \$4 million drop in Treasury certificates). Reserves with Federal Reserve banks were increased \$7 million, cash in vault by \$3 million (9.4%), but balances with domestic banks were reduced \$50 million (15.0%).

Total deposits of the member banks moved up again this time by \$35 million or 1.5%, with comparable relative gains in time and demand deposits. However, United States Government deposits continued to be reduced, and interbank deposits were lowered by \$43 million.

The condition of the *Dallas Federal Reserve Bank* remained approximately the same as last month. There was, however, a 3.8% (\$62 million) increase in the bank's total resources in the four-week period ending July 28. Major changes were in gold certificate reserves (up 8.5%) and "other" assets (up 20.0%). On the liabilities side of the Bank balance sheet the \$62 million total increase was spread fairly evenly over the different accounts. Capital accounts declined in the aggregate. Deposits at the Dallas bank rose another 3.4%, or \$31 million.

#### CHANGES IN CONDITION OF WEEKLY REPORTING MEMBER BANKS

Source: Board of Governors of the Federal Reserve System

Item	Percent change*		
	July 1948 from July 1947	July 1948 from June 1948	July 1947 from June 1947
<b>ASSETS</b>			
Loans and investments .....	+ 5.6	+ 1.4	+ 1.7
Loans .....	+ 21.1	+ 0.8	+ 2.0
Total U.S. Government securities ..	- 6.2	+ 2.8	+ 1.6
Treasury bills .....	+104.2	+ 40.0	- 44.2
Treasury certificates of indebted- ness .....	- 14.4	- 2.0	+ 0.9
Treasury notes .....	- 21.6	+ 2.1	+ 7.8
United States bonds .....	- 4.8	+ 1.7	+ 3.5
Other securities .....	+ 17.2	+ 2.7	+ 1.0
Reserve with Federal Reserve Banks +	4.1	+ 1.5	+ 1.1
Cash in vault .....	+ 12.9	+ 9.4	+ 6.9
Balances with domestic banks .....	+ 0.7	- 15.0	- 5.4
<b>LIABILITIES</b>			
Total deposits (except interbank) ...	+ 7.8	+ 1.5	+ 1.8
Demand deposits adjusted .....	+ 6.9	+ 2.0	+ 1.5
Time deposits .....	+ 7.5	+ 1.8	- 0.8
United States Government deposits +	95.0	- 18.8	+ 11.1
Interbank deposits:			
Domestic banks .....	+ 5.8	- 7.4	- 0.5
Foreign banks .....	0.0	0.0	0.0
<b>CAPITAL ACCOUNTS</b> .....	+ 5.5	+ 0.5	+ 2.8

\*Percentage comparisons based on week ending nearest the close of calendar month.

#### SUMMARY STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANK OF DALLAS

(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

Classification	July 28 1948	June 30 1948	July 30 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
<b>ASSETS</b>					
Gold certificate reserves .....	568,619	524,244	488,580	+ 16.4	+ 8.5
U.S. Government securities .....	961,184	967,949	921,778	+ 4.8	- 0.7
Discounts and advances .....	8,412	8,154	3,474	+142.1	+ 3.2
Other cash .....	10,807	11,690	11,203	- 3.5	- 8.5
Other assets .....	147,249	122,830	102,989	+ 48.1	+ 20.0
<b>TOTAL ASSETS</b> .....	<b>1,696,871</b>	<b>1,634,867</b>	<b>1,528,024</b>	<b>+ 11.0</b>	<b>+ 3.8</b>
<b>LIABILITIES</b>					
Federal Reserve notes .....	600,511	596,394	586,592	+ 2.4	+ 0.7
Deposits .....	940,133	908,795	829,278	+ 13.4	+ 3.4
Other liabilities .....	129,277	102,485	87,855	+ 48.0	+ 26.1
<b>TOTAL LIABILITIES</b> .....	<b>1,669,921</b>	<b>1,607,674</b>	<b>1,503,225</b>	<b>+ 11.1</b>	<b>+ 3.9</b>
Capital paid in .....	7,706	7,655	7,135	+ 8.0	+ 0.7
Surplus .....	15,418	15,418	15,084	+ 2.2	0.0
Other capital accounts .....	3,826	4,120	2,580	+ 28.9	- 19.8
<b>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</b> .....	<b>1,696,871</b>	<b>1,634,867</b>	<b>1,528,024</b>	<b>+ 11.0</b>	<b>+ 3.8</b>

Reporting on its 1948 survey of consumer finances, the Federal Reserve Board drew some noteworthy conclusions. Liquid assets in the hands of consumers have been increased by approximately \$12 billion in the past two years. Holdings are so large that, although the rate of growth recently has not been as great as during the war, they continue to have an important effect on consumer expenditures and investments. The survey showed an appreciable decline in the number of holders of government bonds since the end of the war. Two-thirds of the spending units receiving terminal leave bonds cashed them during 1947, and spent the money primarily in buying consumer goods. Of the spending units surveyed, 10% with incomes of \$5,700 and above held 43% of the total liquid assets early this year. By occupational groups, there were found to be significant differences in the amounts of liquid assets held. Professional and business people hold relatively large amounts, clerical and sales personnel moderate amounts, with a somewhat smaller proportion of skilled and semiskilled workers holding liquid assets.

### Bank Debts

(Since the bulk of business transactions are settled by check, changes in bank debts to individual accounts represent changes in the volume of transactions and are a basic measure of business activity.)

Bank debts increased 0.3% for July to a total of \$3.7 billion for 20 Texas cities. Amarillo (10.2%) and Corpus Christi (8.8%) showed the largest increases, while San Angelo had the greatest decrease of

15.2%. Bank debits for July 1948 were 21.3% higher than those for the same month a year ago.

The annual rate of deposit turnover for July 1948 increased 11.4% over that of July 1947, although there was a decline of 0.7% from June 1948. Dallas, Fort Worth, and Houston led in July with deposit turnover of 17.5, 15.1, and 14.8, respectively. Corsicana continued to show the lowest rate of deposit turnover of 6.0 for July 1948 as compared to 6.4 for June 1948 and 5.4 for July 1947.

The average rate of deposit turnover for July was 13.7 as compared to 13.8 for June 1948 and 12.3 for July 1947.

### BANK DEBITS\*

(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

City	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL	\$3,674,092	\$3,662,475	\$3,027,712	+21.3	+0.3
Ablene	32,584	33,185	27,480	+18.6	-1.8
Amarillo	94,308	85,613	96,805	-2.6	+10.2
Austin	106,888	114,557	84,544	+24.7	-8.0
Beaumont	96,232	95,280	70,111	+37.3	+1.0
Corpus Christi	83,768	76,995	71,351	+17.4	+8.8
Corsicana	9,425	10,075	8,488	+11.0	-6.5
Dallas	1,061,127	1,004,961	851,215	+24.7	+5.6
El Paso	119,004	119,516	89,121	+33.5	-0.4
Fort Worth	346,191	371,878	340,468	+1.7	-6.9
Galveston	70,865	74,576	59,461	+19.2	-5.0
Houston	1,094,613	1,091,405	838,117	+30.6	+0.3
Laredo	17,034	18,313	15,867	+10.9	-11.9
Lubbock	59,218	58,733	52,570	+12.6	+0.8
Port Arthur	38,251	35,748	29,775	+28.5	+7.0
San Angelo	29,348	24,611	25,487	+15.4	-15.2
San Antonio	244,036	259,462	220,312	+10.8	-5.9
Texarkana†	25,680	25,201	21,453	+19.7	+1.9
Tyler	43,638	40,130	33,715	+29.4	+8.7
Waco	48,499	50,804	44,245	+9.8	-4.5
Wichita Falls	54,898	60,432	47,687	+15.1	-9.2

\*Debits to deposit accounts except interbank accounts.

†Includes two banks in Arkansas, Eighth District.

### Corporation Charters

(The issue of corporation charters measures the additions to the business population and reflects the state of optimism or pessimism of businessmen.)

According to reports from the Secretary of State, domestic corporations chartered during July reached

#### CORPORATION CHARTERS ISSUED BY CAPITALIZATION

Source: Office of the Secretary of State

Capitalization	July 1948	June 1948	July 1947
Over \$100,000	11	19	20
\$5,000-\$100,00	215	198	242
Less than \$5,000	63	72	76
No capital stock	49	47	47
Capitalization not specified	3	4	5

a total of 341, which was an increase of 53 over those chartered in June 1948. Merchandising again topped the list with 101. Manufacturing totaled 32, while real estate rose to 45. A majority of these new charters were issued to medium-sized businesses with capitalization of from \$5,000 to \$100,000.

#### CORPORATION CHARTERS ISSUED BY CLASSIFICATIONS

Source: Secretary of State

Classification	July 1948	June 1948	July 1947
<b>DOMESTIC CORPORATIONS</b>			
Capitalization*	\$9,071	\$9,128	\$11,502
Number	341	288	390
Banking-finance	18	11	11
Construction	15	14	19
Manufacturing	32	55	53
Merchandising	101	86	105
Oil	7	11	18
Public service	1	3	3
Real estate	45	36	49
Transportation	9	10	6
All others	74	62	79
No capital stock	49	47	47
<b>FOREIGN CORPORATIONS</b>			
Number	46	41	35

\*In thousands of dollars.

### Business Failures

(The number of failures and the amount of liabilities vary inversely with the prosperity of business and reflect in a simple and direct manner what is happening to business.)

Business failures during July 1948 were only half as numerous as in June 1948, though still a third again as numerous as in July 1947. According to reports of Dun and Bradstreet, Inc., there were 6 failures in July 1948, compared with 12 for June 1948, and 4 for July 1947. Liabilities in July 1948 were \$735,000 or \$123,000 per failure. June liabilities for 12 failures were \$430,000 or \$36,000 per failure.

#### BUSINESS FAILURES

Source: Dun and Bradstreet, Inc.

	July 1948	June 1948	July 1947
Number	6	12	4
Liabilities*	\$735	\$430	\$390
Average liabilities per failure	\$123	\$36	\$98

\*In thousands of dollars.

### Life Insurance Sales

(Since the sales of life insurance are relatively sensitive to the changes in consumer income, they may be used as a measure of the consumer market.)

Sales of ordinary life insurance decreased 5.2% in Texas during July to \$61,583 thousand, 8.5% below the \$67,333 thousand of July 1947. Sales over the nation for July also were below (2.2%) the figures for the same month last year, and were 4.9% below sales for June 1948. Total national sales for July 1948 were \$1,184 million compared with \$1,244 million for June 1948 and \$1,211 million for July 1947.

## TRANSPORTATION

### Rail

(The movement of goods by rail is fundamental to all business operations, and changes in the number of freight cars loaded reflect basic changes in the volume of business. The commodity groups are significant for the information they give on specific industries. The miscellaneous group includes manufactured goods and is generally considered a measure of the volume of trade. Merchandise L.c.I. shipments include the same type of goods shipped in smaller lots. Cars unloaded for export reflect the changes in the volume of exports.)

Texas railroads were in the news more than once last month, and several developments are worthy of note here.

Of major interest was an Interstate Commerce Commission action granting long-term freight-rate increases to the railroads and water carriers. The ruling had the effect of making permanent recent upward adjustments which had been made on a temporary basis, but made sufficient changes in rate structure among commodities to effect increased revenue of approximately \$67 million more than present levels. On a territorial basis, authorized permanent rate hikes vary from 20% within Western territory other than zone 1 to 30% within Eastern territory, north of the Ohio and Potomac rivers and west of the Mississippi. Within Southern territory the rise is 25%. Although railroad officials were said to be disappointed that the increases granted were not larger, the way was still open for railroad men to petition the ICC for additional assistance without the formality of a new proceeding.

Of more local nature in Texas recently were several other developments concerning railroads. It was announced that service between Waco and Yoakum would be continued by the Texas and New Orleans Railroad, according to a ruling of the Texas Railroad Commission in denying an application by the railroad for suspension of passenger service between those points. A long dispute over the construction of a new depot in Austin was settled, as the Missouri-Pacific received permission to proceed with the structure. The Texas and Pacific announced new service between El Paso and St. Louis via Fort Worth and Dallas, to be run by diesel-electric road freight locomotives. The supply of grain ships at Houston docks last month finally

caught up with demand, and elevator officials requested permission to receive additional cars of wheat and milo to take care of grain ships due the rest of the month.

Total revenue freight loadings in the Southwest continued on a fairly even keel, characteristic of the trend in recent months, with a 3.5% increase from June to July. A decline of 2.7% showed up in the comparison of July 1948 movement with that of July 1947, however, which further narrowed the small edge 1948 had held over 1947 in the first six months of the year.

The index of miscellaneous freight carloadings, adjusted for seasonal variation, dropped 0.8% to 146.1% of the 1935-39 average.

### Air

(The total volume of commodities shipped by air express is only a very small percentage of all commodities moved, but the rapid increase in the use of this type of transportation makes its growth of general interest to business.)

Air express shipments slid 4.7% under June figures, holding a slight (1.0%) edge over July 1947, according to reports from the Railway Express Agency. For the first six months shipments in 1948 had been 8.5% above 1947.

#### AIR EXPRESS SHIPMENTS

Source: Railway Express Agency

City	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL	24,764	25,989	24,520	+ 1.0	- 4.7
Abilene	182	204	181	+ 0.6	- 10.8
Amarillo	509	506	400	+ 27.3	+ 0.6
Austin	425	486	465	- 8.6	- 12.6
Beaumont	316	233	330	- 6.8	- 5.1
Big Spring	42	67	63	- 33.3	- 37.3
Brownsville	654	635	2,270	- 71.2	+ 3.0
Brownwood	34	33	*	-	+ 3.0
Bryan	85	29	27	+ 29.6	+ 20.7
Corpus Christi	516	550	540	- 6.0	- 6.2
Dallas	7,621	7,689	6,722	+ 13.4	- 0.9
Engle Pass	57	80	*	-	- 23.3
El Paso	1,226	1,302	1,367	- 10.8	- 5.8
Fort Stockton	20	18	*	-	+ 11.1
Fort Worth	1,869	1,753	1,460	+ 14.8	- 4.8
Galveston	290	343	409	- 29.1	- 15.5
Houston	5,032	5,377	4,608	+ 9.2	- 6.4
Laredo	260	298	269	- 3.3	+ 9.2
Longview	201	163	81	+148.1	+ 23.3
Lubbock	286	331	198	+ 43.2	- 13.6
Midland	213	255	166	+ 23.3	- 16.5
Mineral Wells	21	26	24	- 12.5	- 19.2
Odessa	221	260	178	+ 24.2	- 15.0
Palestine	7	15	*	-	- 53.3
Paris	22	26	*	-	- 15.4
Plainview	73	78	*	-	- 7.7
Port Arthur	180	182	188	- 4.3	- 1.1
San Angelo	499	693	552	- 9.6	- 15.9
San Antonio	2,404	2,688	2,784	- 13.6	- 10.6
Sweetwater	23	40	47	- 40.4	- 30.0
Temple	50	71	39	+ 23.2	- 29.6
Texarkana	32	33	97	+ 15.5	- 6.8
Tyler	622	694	573	+ 8.6	- 10.4
Victoria	27	35	*	-	- 22.9
Waco	253	238	151	+ 67.5	+ 6.3
Wichita Falls	327	334	209	+ 9.4	- 2.1
Other	361	229	19	+1800.0	+ 67.6

\*Air express service originated at a later date.

#### REVENUE FREIGHT LOADED IN SOUTHWESTERN DISTRICT

(in carloads)

Source: Car Service Division, Association of American Railroads

Item	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL	308,115	292,774	311,556	- 2.7	+ 3.5
Grain and grain products	47,325	37,621	53,014	- 9.8	+27.1
Livestock	5,001	6,094	8,725	-42.7	-17.9
Coal	23,740	22,621	17,898	+32.6	+ 4.9
Coke	939	811	675	+39.1	+15.8
Forest products	23,334	22,599	24,775	- 5.8	+ 3.3
Ore	2,501	2,885	2,853	-13.5	-13.3
Merchandise (l.c.I.)	27,723	27,621	28,789	- 3.6	+ 0.4
Miscellaneous	172,052	172,521	174,342	- 1.6	- 0.3

New air parcel post regulations passed by Congress just before adjournment set up a new postal zone system, reducing rates on packages of more than eight ounces, beginning September 1. Some confusion regarding the measure exists, however, in view of the fact that in its closing days Congress had also passed a law increasing the rate on all air mail from 5c to 6c an ounce after January 1, 1949. To settle the conflicting measures, legal interpretation or possibly additional legislation is needed.

Air freight to South America is scheduled to begin out of Houston by early fall. Last month bilateral aviation conferences were under way in Mexico City with a view to improving air service to Mexico and other Latin-American points.

Also in July, the Civil Aeronautics Board established lower specific commodity rates on seven types of air freight flown north from Florida or eastward from California and Texas.

### Water

(Since a sizable volume of traffic moves into and out of the State by water, statistics on water-borne commerce are an important indicator not only of transportation but of general business activity.)

Unloadings of cars at Texas ports jumped 12.8% from June to July, as activity heightened at all ports except Beaumont. Galveston received 12,001 cars for export, a 4.1% increase over June; Houston unloaded 7,188 cars, a 20.0% gain.

#### EXPORT AND COASTAL CARS UNLOADED\*

Source: Car Service Division, Association of American Railroads

Port	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL	22,899	19,866	21,428	+ 4.4	+ 12.8
Beaumont	882	656	638	- 47.6	- 49.4
Port Arthur	1,721	1,078	1,027	+ 87.6	+ 59.6
Texas City	415	390	0	—	+ 6.4
Houston	7,188	5,980	7,948	- 9.5	+ 20.2
Galveston	12,001	11,528	11,825	+ 1.5	+ 4.1
Brownsville	742	284	0	—	+217.1

\*Excluding coal.

All water-borne commerce at Beaumont, Brownsville, and Corpus Christi combined dropped 11.4% from June. Viewed separately, Brownsville showed a sharp gain with traffic more than doubled in comparison with June 1948 and 88.8% above July 1947; Beaumont traffic fell 38.1% from June and 37.6% below last July; and Corpus Christi showed a 14.5% monthly loss, but a 7.5% increase over July 1947.

#### WATER-BORNE COMMERCE AT TEXAS PORTS (tons)

Port	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL	1,802,345	2,146,774	1,732,602	+ 9.8	-11.4
Beaumont	18,386	29,716	23,476	-27.6	-38.1
Brownsville	123,795	57,414	65,572	+88.8	+115.6
Corpus Christi	1,760,164	2,059,644	1,687,554	+ 7.5	-14.5

## LABOR

### Employment

(Employment statistics are among the most important indicators of Texas business and economic activity. The estimates of total employment in Texas include all employees, both production workers and others, but exclude proprietors, officers of corporations, and other principal executives. More detailed statistics on Texas employment, pay rolls, hours, earnings, and man-hours are analyzed in a Supplement to the Review on Texas Employment and Pay Rolls.)

The July 1948 *nonagricultural employment* in Texas gained 0.8% or 13,800 persons over June. The gain as compared to the same period last year was 4.9%. Along with numerous other areas, new employment records were established in Houston, Beaumont, and Dallas. The composition of the nonagricultural employed group of Texas has begun to change somewhat in character.

Texas manufacturing employment has increased 84% in eight years according to Texas Employment Commission figures. This employment gain has been well distributed by industry and labor market area.

The 1.2% drop in manufacturing employment in Texas during July may well be accounted for by the 12.4% seasonal loss in the food industry. Because of the smaller number of people involved, the 15.6% employment increase in the manufacture of transportation equipment, except electrical, did not balance the loss in food.

The 7.0% increase in workers engaged in crude petroleum production pushed up employment in the mining industry group. Transportation and public utilities increased employment, while the trade group was below last month. Wholesale trade employed slightly more workers but retail trade sustained fairly significant losses in the apparel and automobile classifications.

Employment in finance and services was up in most classifications. For the first time in several months, employment in contract construction declined. Activity in contract construction as reflected by employment is still considerably above the same period for last year.

Although over-all employment was 4.9% higher for July 1948 than for July 1947, the declines cover a wider range of activity than has recently been evident in previous similar comparisons.

### Pay Rolls

(Pay roll figures are generally recognized as significant indicators of income and purchasing power by both economists and businessmen. Emphasis on the maintenance of purchasing power as a goal for the country's postwar economy gives particular importance to these figures at this time.)

Pay roll reports compiled by the Bureau of Business Research in cooperation with the federal Bureau of Labor Statistics indicate a favorable business condition for July.

Pay rolls increased in industries turning out iron and steel, machinery, except electrical, and "other" durable goods. There was a pay roll drop in nonferrous metals and lumber and timber. Nondurable goods industries showed considerable pay roll declines in textiles, apparel, food, and printing and publishing. The

pay roll decline of 9.8% for food manufacturing from June was a direct reflection of seasonal factors.

Pay rolls were up in all nonmanufacturing groups except retail trade. Here again the seasonal factor controlled the decline. Crude petroleum production, with an 8.9% increase, led all the groups in pay roll gains for July.

Only furniture and finished lumber and "other" non-durable goods were significantly below 1947 pay roll levels for the same period.

### Hours and Earnings

(Statistics on hours and earnings show clearly the effects of the shift of the State's economy and the general upward movement of wages since V-J Day. Average hourly earnings are computed by dividing the total number of man-hours worked in reporting establishments into total pay rolls.)

Hours worked in the 15 manufacturing groups of Texas during July 1948 averaged 43.0, while the average work week of the nonmanufacturing groups reporting was 42.1. Compared to July 1947 there was an increase of 1.2% in the average work week for all manufacturing industries and an increase of approximately 1.0% for all reporting nonmanufacturing industries.

The strong upward trend, manifested in last month's report, is even more significant in the report on *hourly earnings* for July 1948. The nation-wide third-round

wage increase averages from 10 to 13%, and the accompanying table shows that many Texas firms have granted similar increases.

Because of bigger hourly earnings, *weekly take-home pay* remained at a high level for the month. The most

### ESTIMATES OF NONAGRICULTURAL EMPLOYMENT IN TEXAS

(in thousands)

Source: Bureau of Business Research in cooperation with Bureau of Labor Statistics, U.S. Department of Labor

Industry	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
<b>TOTAL</b>	1,738.8	1,720.0	1,653.5*	+ 4.9	+ 0.8
<b>Manufacturing</b>	350.7	354.8	335.2	+ 4.6	- 1.2
Durable goods	151.8	147.2	139.4	+ 8.9	+ 3.1
Nondurable goods	198.9	207.6	195.8	+ 1.6	- 4.2
<b>Nonmanufacturing</b>	1,388.1	1,365.2	1,318.3*	+ 4.9	+ 1.3
Iron and steel	20.2	19.9	18.3	+10.4	+ 1.5
Machinery, except electrical	82.4	82.1	80.4	+ 6.6	+ 0.9
Transportation equipment, except automobiles	30.3	26.2	25.5	+18.3	+15.6
Nonferrous metals	11.2	11.2	9.4	+19.1	0.0
Lumber and timber	34.1	34.2	30.5	+11.8	- 0.3
Furniture	10.7	10.6	11.8	- 9.3	+ 0.9
Stone, clay, and glass	9.7	9.8	9.9	- 2.0	- 1.0
Other durable goods	3.2	3.2	3.6	-11.1	0.0
Textiles	10.2	10.1	9.3	+ 9.7	+ 1.0
Apparel	25.2	25.0	25.2	0.0	+ 0.8
Food	69.0	78.8	72.2	- 4.4	-12.4
Paper and allied products	3.8	3.6	3.4	+11.8	+ 5.6
Printing and publishing	19.9	20.2	20.1	- 1.0	- 1.5
Chemicals	24.2	23.5	18.4	+21.5	+ 3.0
Petroleum	39.3	39.0	35.9	+ 1.0	+ 0.8
Other nondurable goods	7.3	7.4	8.3	-12.0	- 1.4
<b>Mining</b>	103.9	97.5	94.1	+10.4	+ 6.6
Crude petroleum and natural gas production	97.2	90.8	87.7	+10.8	+ 7.0
Other mining	6.7	6.7	6.4	+ 4.7	0.0
<b>Transportation and public utilities</b>	228.4	225.4	212.9*	+ 7.3	+ 1.3
Interstate railroads	65.5	66.5	66.5	- 1.5	- 1.5
Telephone and telegraph	83.3	82.6	29.9	+11.4	+ 2.1
Other transportation and public utilities	129.6	126.3	116.5*	+11.2	+ 2.6
<b>Trade</b>	390.3	392.0	396.0	- 1.4	- 0.4
Wholesale	105.3	105.1	113.1	- 6.9	+ 0.2
Retail	285.0	286.9	282.9	+ 0.7	- 0.7
General merchandise	57.5	59.2	58.4	- 1.5	- 2.9
Food and liquor	39.4	39.4	41.0	- 3.9	0.0
Automobile	23.5	24.1	25.0	- 6.0	- 2.5
Apparel	22.9	24.2	20.9	+ 9.6	- 5.4
Other retail trade	141.7	140.0	137.6	+ 3.0	+ 1.2
<b>Finance and service</b>	300.9	294.1	277.3	+ 8.5	+ 2.3
Bank and trust companies	19.5	19.1	17.5	+11.4	+ 2.1
Insurance	26.0	26.0	24.5	+ 6.1	0.0
Real estate and other financial agencies	27.5	26.1	23.4	+17.5	+ 5.4
Hotels	24.2	23.9	24.2	0.0	+ 1.3
Other personal services	50.4	51.4	51.7	- 2.5	- 1.9
Medical services	33.4	33.1	29.6	+12.8	+ 0.9
Other business and professional services	119.9	114.5	105.4	+12.7	+ 4.7
<b>Contract construction</b>	112.0	112.6	96.6	+15.9	- 0.5
<b>Government</b>	247.6	248.6	241.4	+ 2.6	+ 1.6

\*Revised.

### CHANGES IN PRODUCTION WORKER PAY ROLLS IN SPECIFIED INDUSTRIES

Source: Bureau of Business Research in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

Industry	Number of reporting establishments	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>MANUFACTURING</b>			
Durable goods:			
Iron and steel	29	+20.7	+ 3.0
Machinery, except electrical	37	+24.4	+ 3.6
Nonferrous metals	15	+16.0	- 0.6
Lumber and timber	22	+12.7	- 1.9
Furniture and finished lumber	25	- 7.9	+ 0.7
Stone, clay, and glass	37	+ 7.9	0.0
Other durable goods	9	+47.2	+ 2.5
Nondurable goods:			
Textiles	16	+17.6	- 4.4
Apparel	28	- 0.7	- 7.6
Food	118	+ 4.6	- 9.3
Paper	17	+13.6	+ 2.9
Printing and publishing	34	+30.3	- 3.6
Chemicals	66	+44.9	+ 6.3
Petroleum refining	36	+ 9.8	+ 6.3
Other nondurable goods	5	- 7.8	+ 5.7
<b>NONMANUFACTURING</b>			
Crude petroleum production	39	+25.9	+ 8.9
Hotels*	12	+ 8.3†	+ 0.5†
Insurance	110	+16.6	+ 1.1
Public utilities	150	+15.4	+ 2.2
Quarrying	13	+11.9	+ 2.6
Retail trade*	319	+12.5	- 2.6
Wholesale trade*	138	+11.4	+ 0.7

\*Figures cover all employees except proprietors, firm members, officers of corporations, or other principal executives.

†Cash payments only; the additional value of board, room, and tips cannot be computed.

## HOURS AND EARNINGS\*

Source: Bureau of Business Research in cooperation with the Bureau of Labor Statistics,  
U. S. Department of Labor

Industry	Average weekly hours		Average hourly earnings (in cents)		Average weekly earnings (in dollars)		Percent change July 1948 from July 1947		
	July** 1948	July† 1947	July** 1948	July† 1947	July** 1948	July† 1947	Weekly hours	Hourly earnings	Weekly earnings
	<b>MANUFACTURING, TOTAL</b> .....	43.0	42.5	122.1	110.9	52.50	47.13	+ 1.2	+ 10.1
Durable goods .....	43.5	42.4	120.3	108.7	52.83	46.09	+ 2.6	+ 10.7	+ 13.5
Iron and steel .....	42.9	40.9	127.0	118.2	54.48	48.84	+ 4.9	+ 7.4	+ 12.7
Machinery, except electrical .....	43.2	41.1	136.6	119.5	59.01	49.11	+ 5.1	+ 14.3	+ 20.2
Nonferrous metals .....	40.9	40.0	141.5	149.7	57.87	59.88	+ 2.3	- 5.5	- 3.4
Lumber and timber .....	44.6	43.2	89.1	81.6	39.74	39.83	- 7.5	+ 9.2	+ 1.0
Furniture and finished lumber .....	40.7	44.2	97.8	82.6	39.80	36.51	- 7.9	+ 18.4	+ 9.0
Stone, clay, and glass .....	44.8	43.0	100.4	89.1	44.98	38.81	+ 4.2	+ 12.7	+ 17.4
Other durable goods .....	44.4	38.4	139.9	122.7	62.12	47.12	+ 15.6	+ 14.0	+ 31.8
Nondurable goods .....	42.6	42.6	123.3	112.5	52.53	47.98	0.0	+ 9.6	+ 9.6
Textiles .....	41.1	40.4	96.1	90.2	39.50	36.44	+ 1.7	+ 6.5	+ 8.4
Apparel .....	37.2	32.2	71.7	75.0	26.67	24.90	+ 12.0	- 4.4	+ 7.1
Food .....	45.3	46.4	101.9	91.5	46.16	42.45	- 2.4	+ 11.4	+ 8.7
Paper .....	43.5	42.5	106.7	95.9	46.41	40.76	+ 2.4	+ 11.3	+ 18.9
Printing and publishing .....	41.9	39.0	169.2	148.9	70.89	53.07	+ 7.4	+ 19.6	+ 22.1
Chemicals .....	43.1	43.9	140.5	126.0	60.56	55.31	- 1.8	+ 11.5	+ 9.5
Petroleum refining .....	41.1	43.2	130.3	162.1	74.35	70.08	- 4.9	+ 11.6	+ 6.2
Other nondurable goods .....	44.4	44.8	88.7	92.1	39.88	41.26	- 0.9	- 8.7	- 4.6
<b>NONMANUFACTURING</b>									
Crude petroleum production† .....	41.8	41.2	132.0	155.6	76.08	64.11	+ 1.5	+ 17.0	+ 18.7
Hotels .....	44.4	46.5	50.5	41.3	22.42	19.20	- 4.5	+ 22.8	+ 16.8
Public utilities .....	39.8	40.4	108.4	101.4	43.14	40.97	- 1.5	+ 8.9	+ 5.3
Quarrying† .....	39.8	43.4	144.1	127.5	57.85	55.84	- 3.8	+ 13.0	+ 8.6
Retail trade .....	42.0	42.2	79.5	77.4	33.39	32.56	- 0.5	+ 2.7	+ 2.2
Wholesale trade .....	44.9	42.9	98.4	92.5	44.13	39.63	+ 4.7	+ 6.4	+ 11.8

\*Figures do not cover proprietors, firm members, officers of corporations, or other principal executives. Manufacturing data cover production and related workers; nonmanufacturing data cover all employees except as noted.

†Figures cover production workers only.

‡Manufacturing data revised.

\*\*Preliminary data.

### MAN-HOURS WORKED IN IDENTICAL MANUFACTURING ESTABLISHMENTS

Source: Bureau of Business Research in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

Industry	Number of reporting establishments	Percent change	
		July 1948 from July 1947	July 1948 from June 1948
<b>TOTAL</b> .....	410	+ 4.1	+ 0.5
<b>Durable goods:</b>			
Iron and steel .....	26	+ 8.2	+ 1.9
Machinery, except electrical .....	36	+ 9.7	+ 1.3
Nonferrous metals .....	10	+ 4.1	- 1.7
Lumber and timber .....	18	- 0.3	- 0.2
Furniture and finished lumber .....	23	-15.1	+ 0.8
Stone, clay, and glass .....	34	- 2.6	- 0.5
Other durable goods .....	6	+30.2	+ 6.2
<b>Nondurable goods:</b>			
Textiles .....	12	+ 9.9	- 2.6
Apparel .....	24	- 9.8	- 4.3
Food .....	95	- 6.3	-10.4
Paper and allied products .....	9	+ 7.8	+ 4.7
Printing and publishing .....	30	+12.2	- 3.6
Chemicals .....	62	+24.9	+ 3.6
Petroleum .....	30	- 8.8	+ 1.9
Other nondurable goods .....	4	+17.5	+ 8.4

encouraging gains were reported in petroleum refining, up to \$74.35 from last month's \$70.03; crude petroleum production, up to \$76.08 from last month's \$66.90; and iron and steel, up to \$54.48 from last month's \$52.82. The purchasing power of these dollar-and-cent increases may not be as high as employees desire, because of the continuing increases in prices (see page 25).

### Man-hours

(The reports which the Bureau receives on employment include every employee who worked any part of the week. This means that changes in the number of employees in an industry do not always measure the changes in the volume of output. Changes in the number of man-hours worked, however, are closely associated with the rate of manufacturing activity, and may be used as a measure of the volume of production.)

Significant gains continued to be shown in durable goods industries, measured by *man-hours* worked in Texas manufacturing establishments. Textiles, apparel, food, and printing and publishing showed definite decreases from June to July 1948. The only durable goods industry showing a major decrease in yearly comparisons was furniture and finished lumber.

Reports from 410 manufacturing concerns in Texas showed man-hours worked during July 1948 to be 4.1% in excess of time worked in July 1947 and 0.5% above June 1948. This July-over-July increase is above the average rate of increase for the months this year prior to July, for in January-June man-hours were just 1.3% above a like 1947 period. It should be noted, however, that these data cover production workers only. They should bear a close relationship to physical industrial production, but not necessarily to total employment. Figures on the number of persons employed in manufacturing establishments, production workers and others, show an average increase of 4.5% for 1948 to date over 1947.

### Unemployment

(Estimates of unemployment in various areas of the State are currently made by the Texas Employment Commission. Data on the payment of unemployment benefits also provide a rough measure of unemployment in Texas, although only employees in establishments employing 8 or more workers for 20 or more weeks per year are covered. Veterans' claim actions and disbursements are less inclusive, but throw light on the important problem of veteran re-employment.)

Unemployment declined 5.5% in July 1948 from June 1948 in the 15 labor market areas of Texas. Compared to July 1947, unemployment was down 33.4%. Only 46,168 persons were reported as unemployed in Texas in July 1948 as compared to 48,878 in June and 69,312 in July 1947. Texas unemployment is closely following the national trend, as the labor market becomes even tighter.

Unemployment compensation benefits paid out in July amounted to \$382,974 (excluding veterans' claims and disbursements). Collections deposited during the month were \$3,039,176, which left \$189,400,837 available for payments in the unemployment trust fund account at the end of the month, as compared to the \$185,816,614 at the end of June

The second quarterly report of benefit determinations for 1948, issued by the Social Security Board, indicated that 16,484 new claims for benefits were received in Texas. Of the total 2,381 were disallowed because of insufficient wage credits.

### UNEMPLOYMENT

Source: Texas Employment Commission

Area	July 1948	June 1948	July 1947
TOTAL	46,168	48,878	69,312
Abilene	1,000	1,800	1,338
Amarillo	1,400	1,500	1,450
Austin	1,476	1,532	2,023
Corpus Christi	1,900	2,600	2,650
Dallas	5,800	6,000	11,000
El Paso	2,500	2,600	2,800
Fort Worth	6,500	6,700	9,800
Galveston-Texas City	2,000	1,700	2,500
Houston-Baytown	3,500	3,000	12,000
Longview	1,800	1,900	1,750
Lubbock	800	850	700
San Antonio	5,000	5,250	12,500
Texarkana	3,155	3,620	3,450
Waco	3,250	3,200	3,500
Wichita Falls	1,087	1,226	1,851

### Placements

(The number of placements reported by the Texas Employment Commission indicates roughly the relationship of the supply of and the demand for jobs in various parts of the State. Placements do not include private placements in business and industry, but only those made through the State Employment Service. Furthermore, the number of placements made should not be considered as additions to total employment, since many of them represent shifts from one job to another.)

Placement activity in the 15 labor market areas of Texas was down 13.9% in July 1948 from June 1948, but remained 2.6% above July 1947. There were 23,486 placements by the Texas Employment Commission in July, compared to the 27,283 of June and the 22,897 of July 1947.

The greatest declines were reported in the larger areas; however, much of the inactivity is due in part to the summer vacation period and in part to the fact that many large companies are expanding and workers are finding placements for themselves.

### PLACEMENTS IN EMPLOYMENT

Source: Texas Employment Commission

Area	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL	23,486	27,283	22,897	+ 2.6	-13.9
Abilene	427	646	598	-23.0	-33.9
Amarillo	894	1,230	1,013	-11.7	-27.3
Austin	725	1,245	848	-14.5	-41.8
Corpus Christi	1,263	1,327	873	+44.7	-4.8
Dallas	4,615	5,228	3,615	+27.7	-11.6
El Paso	893	1,079	1,020	-12.5	-17.2
Fort Worth	3,849	4,176	3,604	+ 6.3	- 7.8
Galveston-Texas City	765	996	1,030	-29.2	-23.2
Houston-Baytown	4,637	5,361	5,014	- 7.5	-13.5
Longview	660	642	792	-16.7	+ 2.3
Lubbock	598	693	496	+20.6	-13.7
San Antonio	2,546	2,924	2,369	+ 7.5	-12.9
Texarkana	573	540	550	+ 4.2	+ 6.1
Waco	528	576	541	- 2.4	- 8.8
Wichita Falls	513	625	489	+ 4.9	-17.9

### Labor Force

(Estimates of the nonagricultural civilian labor force are made currently for the State's principal labor market areas by the Texas Employment Commission. Labor force data, indicating the total supply of labor in these areas, include all employed workers, as well as all others who are available for jobs and who are willing and able to work.)

The nonagricultural labor force showed a gain of 3.7% over a year ago, but only 0.1% in July over June. Lubbock showed the greatest monthly gain and Galveston-Texas City, the greatest loss.

Recent selective service legislation will doubtless bring a reduction in the civilian labor force in the coming months, or else cause a levelling-off at present levels. Additions to the labor force come chiefly from the age group which is subject to the draft, i.e., young persons under 25 years of age.

With the exception of Corpus Christi and San Antonio, there were more persons in the labor force in every area than 12 months earlier.

The Mexican foreign office issued a statement to the effect that Mexico has not changed its stand regarding contract labor for Texas in 1948. "Lack of positive action by Texas to stop discrimination against persons of Mexican descent as well as nationals was the deciding factor in foreign office consultations on the matter," according to the Mexican consular head.

The July 1948 report on the national labor force showed that total civilian employment in the United States reached a level of 61.5 million in the week of July 4-10. The civilian labor force, including both employed and unemployed available for work, rose by 350,000 between June and July to a new all-time high of 63,850,000. This rise conformed to the regular seasonal expectations, according to the Bureau of the Census, compilers of the estimates.

#### NONAGRICULTURAL CIVILIAN LABOR FORCE

Source: Texas Employment Commission

Area	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
TOTAL	1,259,854	1,257,821	1,213,927	+ 3.7	+ 0.1
Ablene	13,349	13,580	15,218	+20.6	- 1.2
Amarillo	35,534	35,719	29,705	+19.6	- 0.5
Austin	44,656	44,663	44,189	+ 1.1	- 0.02
Corpus Christi	48,318	48,093	50,160	- 3.7	+ 0.5
Dallas	282,929	231,140	221,140	+ 5.3	+ 0.8
El Paso	51,750	51,932	50,151	+ 3.2	- 0.4
Fort Worth	134,675	134,025	130,386	+ 2.9	+ 0.5
Galveston-Texas					
City	56,162	57,936	54,948	+ 2.2	- 4.0
Houston-Baytown	318,237	317,155	300,179	+ 6.0	+ 0.3
Longview	23,105	23,270	22,659	+ 2.0	- 0.6
Lubbock	26,300	26,050	25,922	+ 1.5	+ 1.0
San Antonio	157,779	157,893	160,010	- 1.4	- 0.1
Texarkana	33,381	33,624	32,864	+ 3.1	+ 0.3
Waco	46,355	46,273	46,018	+ 0.7	+ 0.2
Wichita Falls	31,333	31,273	29,378	+ 4.9	+ 0.1

#### Industrial Relations

(A knowledge of current developments in industrial relations is necessary to an understanding of the State's labor picture.)

Recent increases in the cost of living have brought about a three-cent wage increase to all General Motors hourly paid employees. The increase is in accordance with the contract signed last spring tying wage increases to the cost of living. It is significant that no other major concern has followed the General Motors pattern in its contract. Management can expect increased labor demands as prices continue to increase and profit figures expand over 1947.

The Association of Communication Equipment Workers composed of workers who install telephone equipment for Western Electric is moving from the "cold strike" to the formalized strike stage. Rumors pertaining to the spread of the argument to include other telephone workers are probably not being taken too seriously, but any strike by equipment installation workers will greatly hinder new telephone additions for long-waiting customers.

## GOVERNMENT

### Federal Finance

(Federal collections of income, pay roll, and excise taxes vary directly with the level of business prosperity. During the war period federal taxation has likewise become an important determinant of general business activity.)

Internal revenue collections in July, the first month of the new federal fiscal year, dropped sharply from June and showed a narrow lead over the same month a year earlier.

Fiscal 1948 ended on June 30 with Texas collections for the year 18.9% above the previous 12-month period. However, July 1948 brought only \$62 million to federal coffers from Texas, which was just 3.3% above July 1947, when collections totaled \$60 million. Income and employment taxes brought in over three-fourths of this total.

Withholding taxes fell 14.1% under July 1947, but this decline was counterbalanced by increases in the three other tax groups shown in the accompanying table. Corporation and individual income tax receipts (exclusive of withholding) showed the major advance (40.3%) and brought in over \$20 million during July.

The outlook for federal finances for the new fiscal year is by no means a definite one, because it is subject to the vicissitudes of general business conditions and political factors, which are themselves in a state of uncertainty at present. Receipts for fiscal 1949 have been estimated at \$41 million, even after the 1948 tax cuts, which incidentally resulted in a reduction of only \$600 thousand in the past fiscal year's revenues. The Treasury is counting on increased income levels to offset a loss of \$1 billion from the tax cuts in fiscal 1949.

The public debt last year was reduced by some \$8 billion down to \$252,292 million, still a staggering sum. Republicans and Democrats are not in agreement as to the extent of further reduction in fiscal 1949; however, best estimates seem to indicate withdrawal of \$3 billion to \$4 billion of the debt by June 30, 1949.

#### FEDERAL INTERNAL REVENUE COLLECTIONS

Source: Office of the Collector, Internal Revenue Service, Treasury Department

District	July 1948	July 1947	Percent change
TEXAS	\$61,648,591	\$59,656,063	+ 3.3
Income	20,253,574	14,481,923	+ 40.3
Employment	4,248,742	4,212,595	+ 0.9
Withholding	25,209,022	29,334,579	- 14.1
Other	11,937,253	11,676,966	+ 2.2
FIRST DISTRICT	34,526,088	32,048,850	+ 7.7
Income	12,125,914	7,411,561	+ 63.6
Employment	2,562,294	2,270,095	+ 13.2
Withholding	14,153,110	15,937,993	- 11.2
Other	5,674,670	6,429,201	- 11.7
SECOND DISTRICT	27,122,503	27,607,213	- 1.3
Income	8,127,680	7,020,362	+ 15.3
Employment	1,679,348	1,942,500	- 13.5
Withholding	11,052,912	13,396,538	- 17.5
Other	6,362,583	5,247,765	+ 19.3



**State Finance**

(Statistics on State finance are closely connected with changes in the level of business activity. State occupation, production, use, and sales taxes and license fees vary directly with changing business conditions.)

Revenue receipts of the State government through July 30 were a whopping \$125 million over the intake for a like period of the previous fiscal year. Percentage-wise, the gain was 36.5%.

In a recent analysis of the revenue figures, the State Comptroller attributed 59% of the increase to inflationary factors, 29% to higher business volume, and 12% to changes in ad valorem tax rates. Federal grants-in-aid made up \$25 million and State revenue the remaining \$100 million.

Texas taxpayers were promised a 30-cent per \$100 valuation cut in state property tax payments for this year, when the automatic tax board set the ad valorem tax rate at 42 cents for 1948-49, instead of the 72-cent rate in force at present. The 42-cent levy includes 35 cents for available school funds, 2 cents for confederate pensions, and 5 cents for college building bonds. This reduction in the property tax rate was made possible by the large surplus in general revenue, estimated at \$97 million by the end of next fiscal year. It is expected that the tax cut will save Texans approximately \$15 million.

Along with rising revenues, governmental cost expenditures in Texas this year have mounted upward. Through the end of July costs had run to \$290 million, approximately 30% over the previous year. The net cash balance in the General Revenue Fund, however, was a bulging \$67 million on July 31, 1948. Altogether, all State funds totaled \$168 million, according to the Treasurer's latest report.

**REVENUE RECEIPTS OF STATE COMPTROLLER**

Source: State Comptroller of Public Accounts

Item	September 1-July 31			Percent change
	July 1948	1947-48	1946-47	
<b>TOTAL</b>	<b>\$ 41,688,088</b>	<b>\$470,555,870</b>	<b>\$344,692,358</b>	<b>+ 36.5</b>
Ad valorem tax	198,686	27,512,808	15,006,830	+ 83.3
Crude oil production tax	8,005,810	79,208,795	50,694,352	+ 56.2
Motor fuel tax (net)	6,580,510	64,787,602	58,455,874	+ 10.8
Cigarette tax and license	2,144,085	20,906,345	19,304,932	+ 8.3
Mineral leases, rentals, and bonuses	268,414	24,341,648	5,088,345	+333.1
Interest on securities owned	247,591	6,189,999	5,860,707	+ 10.4
Unclassified receipts from county tax collectors	32,274	91,066*	304,910*	- 70.1
Federal aid-highways	3,083,616	29,268,011	17,564,103	+ 66.6
Federal aid-public welfare	6,825,997	52,781,420	46,065,598	+ 14.6
Federal aid-public education	1,335,417	18,318,559	11,798,822	+ 55.3
Unemployment compensation taxes	3,055,724	20,827,964	16,872,886	+ 23.4
All other	9,854,959	126,553,785	98,634,819	+ 28.3

\*Credit. Negative balance due to excess of clearances over receipts.

**PRICES**

**Wholesale Prices**

(Changes in the prices of commodities are of fundamental importance to businessmen, since the level of prices has an important effect on profits. The index of wholesale prices compiled by the United States Bureau of Labor Statistics is the most comprehensive measure of price changes published in the United States.)

Wholesale prices continued to move beyond their 1920 peak reached early in July, and by July 31 climbed 1.0% to 168.3% of the 1926 base. But for a weakening in farm product prices the monthly rise would have been higher. Farm goods fell 2.5% between July 3 and July 31, however, and on the latter date were 92.2% above the base, and 6.3% over their year-earlier level. Food prices rose 2.0%, building materials 1.6%, while hides and leather and textile products went up fractionally. All commodity groups indicated prices at the wholesale level well above last year and (except for foods) somewhat above the rise in retail prices in the last 12 months.

Wholesale prices of building materials gained 1.6% between June 3 and July 31, to 200.7% of the base. This level was 13.6% above a year earlier.

**INDEXES OF WHOLESALE PRICES IN THE UNITED STATES**  
(1926 = 100)

Source: Bureau of Labor Statistics, U.S. Department of Labor

Group	July 31 1948	July 3 1948	Aug. 2 1947	Percent change	
				July 31 1948 from Aug. 2 1947	July 31 1948 from July 3 1948
<b>ALL COMMODITIES</b>	<b>168.3</b>	<b>166.7</b>	<b>151.3</b>	<b>+11.2</b>	<b>+ 1.0</b>
Farm products	192.2	197.2	180.8	+ 6.3	- 2.5
Foods	187.7	184.1	168.0	+11.7	+ 2.0
Hides and leather products	189.6	188.3	174.5	+ 8.7	+ 0.7
Textile products	148.3	148.1	139.0	+ 6.7	+ 0.1
Building materials	200.7	197.6	178.6	+13.6	+ 1.6
All commodities other than farm products	162.9	159.9	144.8	+12.5	+ 1.9
All commodities other than farm products and foods	152.1	149.8	134.7	+12.9	+ 1.5

**Consumers' Prices**

(All income figures must be used in connection with a measure of changes in consumers' prices, since the purchasing power of income is more significant than the aggregate amount in dollars. The increasing cost of living, as measured by indexes of consumers' prices, is of vital importance to all businessmen and consumers.)

Inflation gained further momentum over the nation and in Texas in July. The consumers' price index for Houston edged up 0.7%, and a cumulation of such apparently minor increments in the preceding months brought this measure of living costs 9.7% above July 1947.

Consumer food prices in Houston rose 1.0% from June to 222.1% of the prewar (1935-39) base period. Despite a 0.3% dip from a month earlier, apparel prices climbed 9.3% above July 1947 to a level more than twice as high as in the prewar period. Prices of house furnishings eased 0.2% upward to 199.1, or 8.2% above

July 1947. Although Houston consumers paid slightly less for fuel, electricity and ice than in the prewar period, these prices showed a 4.3% rise over June and a year earlier.

Housewives in Texas eyed the increase in food costs (11.8% since last July) with alarm and in several cities began an organized movement to boycott high-priced meats. Though such action might result in some temporary reductions, it is doubtful whether it could provide a cure for the basic problem involved—more consumer money bidding against a dwindling supply of goods, especially meats and other livestock products.

A rather startling number of upward price adjustments were announced in July and early August, with the promise of increases yet to come. Two big automotive manufacturers announced a rise in new car prices of \$75 per car and 8%, respectively; major steel producers upped prices close to 10%; Canadian newsprint in the United States \$4 a ton to a new \$115 price; and cigarettes went up an average of 5.5%. Haircuts would cost University of Texas students \$1.00, instead of 75c, and student dry cleaning rates were given a similar boost. If these were not sufficient, big

canners added approximately 10% (retail) to many items of canned goods. Oil men in Houston wondered how an increase in gasoline prices to motorists could be avoided this year.

A ray of hope was seen in a decline in feed prices which might stimulate production of meat, butter, and eggs. Margarine prices recently reacted to a dip in cottonseed oil prices.

#### INDEXES OF CONSUMERS' PRICES IN HOUSTON

(1935-39 = 100)

Source: Bureau of Labor Statistics, U.S. Department of Labor

Group	July 1948	June 1948	July 1947	Percent change	
				July 1948 from July 1947	July 1948 from June 1948
ALL ITEMS	178.7	172.5	158.4	+ 9.7	+ 0.7
Food	222.1	220.0	198.7	+11.8	+ 1.0
Apparel	208.2	208.8	190.4	+ 9.3	- 0.3
Rent	*	*	111.3	—	—
Fuel, electricity, and ice...	98.4	94.3	94.3	+ 4.3	+ 4.3
House furnishings	199.1	193.8	184.0	+ 8.2	+ 0.2
Miscellaneous	151.1	149.7	139.2	+ 8.5	+ 0.9

\*Not surveyed.

### TEXAS BUSINESS REVIEW

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### TABLE OF CONTENTS

Highlights of Texas Business	1
Figures for the Month	2
The Business Situation in Texas	3
Trade	
Retail Trade	4
Wholesale Trade	6
Foreign Trade	7
Production	
Manufacturing	8
Construction	9
Public Utilities	10
Natural Resources	10
Agriculture	
Income	11
Prices	11
Marketings	12
Cotton	13
Cold Storage	13
Fertilizer Sales	13
Local Business Conditions	14
Finance	
Bank Credit	17
Bank Debts	17
Life Insurance Sales	18
Business Failures	18
Corporation Charters	18
Transportation	
Rail	19
Air	19
Water	20
Labor	
Employment	20
Pay Rolls	20
Hours and Earnings	21
Man-hours	22
Unemployment	23
Placements	23
Labor Force	23
Industrial Relations	24
Government	
Federal Finance	24
State Finance	25
Prices	
Consumers' Prices	25
Wholesale Prices	25
Figures for the Year to Date	27
Barometers of Texas Business	28

# FIGURES FOR THE YEAR TO DATE

	January-July		Percent change
	1948	1947	
<b>TRADE</b>			
Estimated retail sales, total	\$2,941,559,000	\$2,538,087,000	+ 15.9
Durable goods, total	\$1,080,636,000	\$ 871,351,000	+ 24.0
Automotive stores	492,751,000	414,035,000	+ 19.0
Lumber, building materials, and hardware stores	465,637,000	346,393,000	+ 34.4
Furniture—household appliance stores	98,534,000	88,605,000	+ 11.2
Jewelry stores	23,714,000	22,318,000	+ 6.3
Nondurable goods, total	\$1,860,923,000	\$1,666,736,000	+ 11.7
Apparel	195,743,000	171,685,000	+ 14.0
Country general	42,405,000	42,183,000	+ 0.5
Department stores	215,753,000	187,825,000	+ 14.9
Eating and drinking places	178,131,000	177,398,000	+ 0.4
Filling stations	215,676,000	178,006,000	+ 21.2
Food	582,250,000	537,167,000	+ 8.4
General merchandise	151,480,000	105,417,000	+ 34.2
Drug stores	138,837,000	132,106,000	+ 5.1
Other	150,648,000	134,949,000	+ 11.6
Ratio of credit sales to net sales in department and apparel stores	60.6	52.8	+ 14.8
Ratio of collections to outstandings in department and apparel stores	53.9	58.3	- 7.5
Postal receipts in reporting cities	\$ 21,435,269	\$ 18,937,704	+ 13.2
<b>PRODUCTION</b>			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours)	2,232,851	1,958,717	+ 14.0
Man-hours worked in reporting manufacturing establishments	20,385,162	20,122,668	+ 1.3
Crude oil runs to stills (thousands of 42-gallon barrels)	348,608	289,833	+ 20.3
Cotton consumption (running bales)	93,217	106,844	- 12.8
Cotton linters consumed (running bales)	13,153	10,826	+ 21.5
Cottonseed crushed (tons)	583,457	231,160	+152.4
Manufacture of dairy products (1,000 lbs. milk equivalent)	369,384	543,380	- 32.0
Lumber production in southern pine mills (weekly per unit average in board feet)	209,634	215,864	- 2.9
Construction contracts awarded	\$ 532,523,941	\$ 365,756,030	+ 45.6
Construction contracts awarded for residential building	\$ 193,628,020	\$ 152,376,614	+ 27.1
Building permits issued in reporting cities	\$ 276,376,592	\$ 173,742,748	+ 59.1
Number of loans made by savings and loan associations	12,635	13,046	- 3.2
Amount of loans made by savings and loan associations	\$ 50,741,268	\$ 48,530,100	+ 4.6
Crude petroleum production (daily average in barrels)	2,418,078	2,147,836	+ 12.6
<b>AGRICULTURE</b>			
Farm cash income	\$ 695,100,000	\$ 793,214,000	- 12.4
Shipments of livestock (carloads)	55,505	80,773	- 31.3
Rail shipments of eggs (shell equivalent)	1,432	2,177	- 34.2
Interstate receipts of eggs at Texas stations (shell equivalent)	154	54	+185.2
Rail shipments of poultry (carloads)	53	107	- 50.5
<b>FINANCE</b>			
Bank debits in 20 cities (thousands of dollars)	\$ 24,502,161	\$ 19,856,517	+ 23.4
Corporation charters issued (number)	2,529	1,540	+ 64.2
Ordinary life insurance sales	\$ 371,043,804	\$ 366,076,467	+ 1.4
Business failures (number)	45	25	+ 80.0
<b>TRANSPORTATION</b>			
Revenue freight loaded in Southwestern District (carloads)	1,988,151	1,979,450	+ 0.4
Export and coastal cars unloaded at Texas ports	116,151	129,234	- 10.1
Miscellaneous freight carloadings in Southwestern District	1,221,242	1,154,529	+ 5.8
Air express shipments (number)	180,102	167,643	+ 7.4
<b>LABOR</b>			
Total nonagricultural employment (monthly average)	1,689,214	1,620,186	+ 4.3
Manufacturing employment	343,740	328,783	+ 4.5
Nonmanufacturing employment	1,345,474	1,291,403	+ 4.2
<b>GOVERNMENT</b>			
Revenue receipts of State Comptroller*	\$ 470,555,870	\$ 344,692,358	+ 36.5
Federal internal revenue collections†	\$ 61,648,591	\$ 59,656,063	+ 3.3
<b>PRICES</b>			
Index of consumers prices in Houston (monthly average; 1935-39=100)	173.7	158.4	+ 9.7
Index of food prices in Houston (monthly average; 1935-39=100)	222.1	198.7	+ 11.8

\*State fiscal year to date—September 1—July 31.

†Federal fiscal year to date—July 1—July 31.

# BAROMETERS OF TEXAS BUSINESS

