

Dallas Public Library

BT

MAY 8 1948

Dallas, Texas

TEXAS BUSINESS REVIEW

A MONTHLY SUMMARY OF BUSINESS AND ECONOMIC CONDITIONS IN TEXAS

BUREAU OF BUSINESS RESEARCH
COLLEGE OF BUSINESS ADMINISTRATION
THE UNIVERSITY OF TEXAS

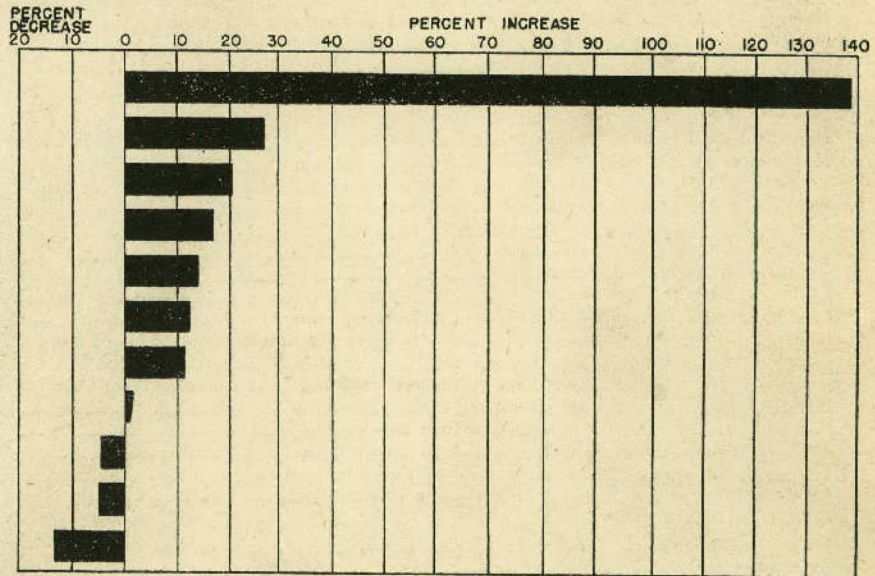
VOL. XXII, NO. 3

APRIL 1948

HIGHLIGHTS OF TEXAS BUSINESS

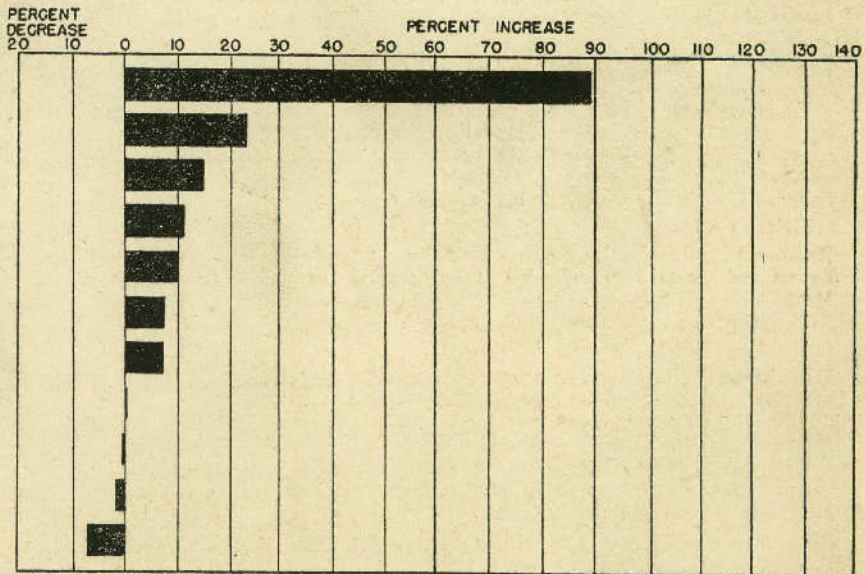
MARCH 1948 COMPARED
WITH MARCH 1947

- Construction contracts
- Bank debits
- Retail sales
- Postal receipts
- Electric power consumption
- Crude petroleum production
- Pay rolls
- Employment
- Life insurance sales
- Revenue freight loaded
- Cotton consumption



MARCH 1948 COMPARED
WITH FEBRUARY 1948

- Construction contracts
- Retail sales
- Bank debits
- Postal receipts
- Life insurance sales
- Revenue freight loaded
- Cotton consumption
- Employment
- Crude petroleum production
- Pay rolls
- Electric power consumption



TWENTY CENTS PER COPY

TWO DOLLARS PER YEAR

FIGURES FOR THE MONTH

	Mar. 1948	Feb. 1948	Mar. 1947
INDEX OF TEXAS BUSINESS ACTIVITY (1935-39=100)*	211.8	213.6	187.6
Index of department and apparel store sales (10)	361.4	336.6	275.9
Index of miscellaneous freight carloadings in Southwestern District (20)	158.7	155.7	151.1
Index of crude oil runs to stills (5)	174.8	178.4	146.8
Index of electric power consumption (15)	301.5	326.3	263.9
Index of employment (25)	121.9	121.5	119.6
Index of pay rolls (25)	238.4	242.5	212.0
TRADE			
Retail sales, total	\$444,621,000	\$360,857,000	\$369,385,000
Durable goods stores	\$160,928,000	\$126,200,000	\$121,477,000
Nondurable goods stores	\$283,693,000	\$234,657,000	\$247,908,000
Ratio of credit sales to net sales in department and apparel stores	61.5	62.8	56.8
Ratio of collections to outstandings in department and apparel stores	55.3	53.6	58.9
Advertising linage in 36 newspapers	34,164,240	31,447,894	30,943,067
Postal receipts in 57 cities	\$ 3,184,006	\$ 2,847,361	\$ 2,718,195
PRODUCTION			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours)	246,387	245,541	225,270
Man-hours worked in 419 manufacturing establishments	3,015,467	3,080,361	2,991,582
Crude oil runs to stills (42-gallon barrels)	48,932,361	46,037,157	41,115,709
Gasoline stocks at refineries (thousands of barrels)	24,048	24,556	19,902
Fuel oil stocks at refineries (thousands of barrels)	11,617	13,765	13,942
Cotton consumption (running bales)	14,720	13,745	16,979
Cotton linters consumed (running bales)	1,909	2,031	1,531
Cottonseed crushed (tons)	97,985	124,467	29,489
Manufacture of dairy products (1,000 lbs. milk equivalent)	39,335	32,223	59,008
Lumber production in southern pine mills (weekly per unit average in board feet)	210,558	188,301	228,105
Construction contracts awarded	\$ 99,456,683	\$ 52,432,159	\$ 41,604,860
Construction contracts awarded for residential building	\$ 32,005,098	\$ 21,130,914	\$ 19,213,853
Building permits issued in 49 cities	\$ 43,376,244	\$ 34,608,841	\$ 24,728,316
Number of loans made by savings and loan associations	1,878	1,376	1,836
Amount of loans made by savings and loan associations	\$ 7,544,827	\$ 5,624,728	\$ 6,783,062
Telephones in service in 40 cities (end of month)	947,317	934,780
Crude petroleum production (daily average in barrels)	2,402,600	2,417,800	2,129,750
AGRICULTURE			
Farm cash income	\$ 48,402,000	\$ 48,479,000	\$ 77,372,000
Shipments of livestock (carloads)	3,376	2,631	10,255
Rail shipments of fruits and vegetables (carloads)	11,687	12,871	15,002
Rail shipments of poultry (carloads)	6	8	11
Rail shipments of eggs (shell equivalent in carloads)	131	40	333
Interstate receipts of eggs at Texas stations (shell equivalent in carloads)	12	10	1
FINANCE			
Loans, reporting member banks in Dallas District (thousands)	\$ 1,012,000	\$ 1,022,000	\$ 753,000
Loans and investments, reporting member banks in Dallas District (thousands)	\$ 2,185,000	\$ 2,210,000	\$ 1,838,000
Demand deposits adjusted, reporting member banks in Dallas District (thousands)	\$ 1,835,000	\$ 1,848,000	\$ 1,491,000
Bank debits in 20 cities (thousands)	\$ 3,532,248	\$ 3,055,464	\$ 2,770,129
Corporation charters issued (number)	401	336	233
Ordinary life insurance sales (thousands)	63,387	57,565	66,474
Sales of United States savings bonds	\$ 15,273,685	\$ 17,789,563	\$ 17,664,108
TRANSPORTATION			
Revenue freight loaded in Southwestern District (carloads)	278,168	259,263	292,378
Export and coastal cars unloaded at Texas ports (carloads)	14,404	13,579	18,436
Miscellaneous freight carloadings in Southwestern District (carloads)	181,549	160,264	172,999
Air express shipments (number)	26,283	21,960	24,376
LABOR			
Total nonagricultural employment	1,663,400	1,658,900	1,609,600
Manufacturing employment	337,100	340,200	324,800
Nonmanufacturing employment	1,326,300	1,318,700	1,284,800
Nonagricultural civilian labor force in 15 labor market areas	1,240,066	1,231,971	1,209,370
Unemployment in 15 labor market areas	57,490	60,195	67,861
Placements in employment in 15 labor market areas	20,407	18,323	21,163
GOVERNMENT			
Revenue receipts of State Comptroller	\$ 39,656,815	\$ 40,844,513	\$ 27,913,535
Federal internal revenue collections	\$184,570,083	\$168,606,777	\$134,460,298
PRICES			
Index of consumers' prices in Houston (1935-39 = 100)	170.0	170.4	157.1
Index of food prices in Houston (1935-39 = 100)	216.0	218.1	196.3

*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

For the third month, Texas business appeared to be in a state of uncertain balance, and although the March level of the composite *index of business activity* compiled by the Bureau of Business Research declined 0.8% from February, the decrease was not decisive enough to be considered a significant turn in the index. Business activity in March was at approximately the same rate as in February. The composite index of business dropped from the postwar high of 213.6 reached in February to 211.8, representing a decline of 0.8% after allowance is made for the normal seasonal variation between the two months. It can be seen from the chart below that the rise in Texas business since October 1945 has been comparatively steady, with sharp downward breaks being reversed by a continuation of the upward sweep of the index, which carried it last month to a point only 10.2% below the wartime peak and within 0.2% of the level of July 1945, the last full month of hostilities.

For the preceding two months the rise in the index was the net result of diverse movements in the components of the index, but in March these movements resulted in a net decline. In March as in February, three of the components rose and three fell. *Miscellaneous freight carloadings* in the Southwestern District moved up 1.8% after adjustment for seasonal variation, reaching the highest point since December 1947. *Sales of department and apparel stores* increased 7.4% to bring the index to 361.4, its highest level since the all-time peak of August 1946 when it was 383.5. It is not impossible that the late spring combined with the early date of Easter crowded an unusual amount of buying of clothing into the month of March. If this is true, it means that the volume of business in March was an unusual situation which may not be repeated. The index of *employment* remained steady with an increase of only 0.3% over February, while *pay rolls* declined 1.7%. The largest decline in any component was in *electric power consumption*, which showed a decline of 7.6%, the index dropping from 326.3 in February to 301.5 in March. The index of *crude runs to stills* fell from 178.4 to 174.8, or 2.0% below the February level.

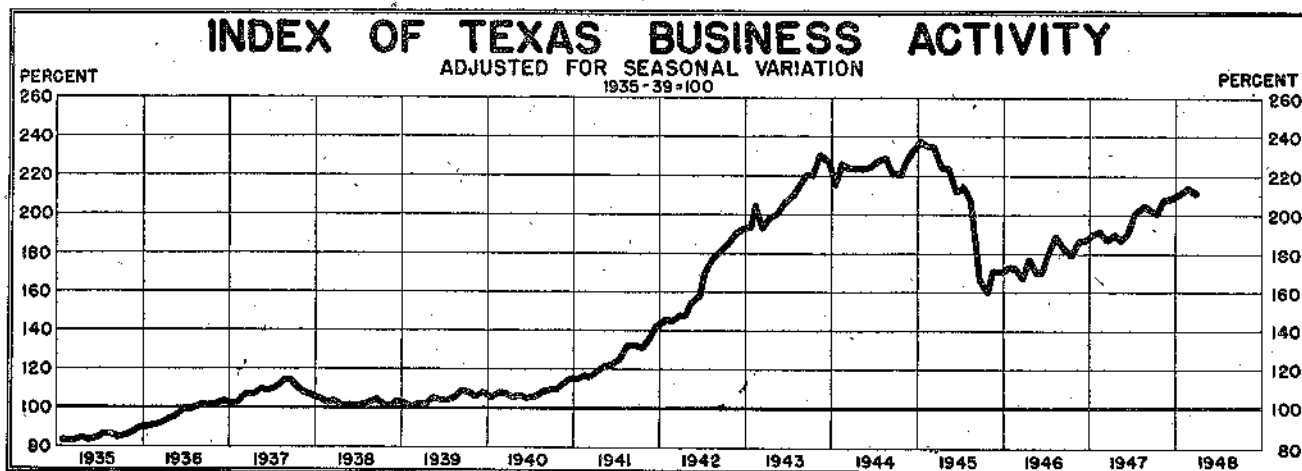
The increase in business activity over a year ago can be seen in the comparison of the composite index and its components with March 1947. The components all registered substantial gains, ranging from 31.0% for department and apparel store sales to 1.9% for employment. Crude runs to stills were 19.1% ahead of the same month last year, and electric power consumption 14.2%. Pay rolls reflected increased weekly earnings and were 12.5% above March 1947, in spite of an increase of only 1.9% in the number employed. The weighted average of these six components gives the composite index of business activity a value 12.9% above March 1947; this percentage may be considered as representative of the increase in business activity over the last 12 months.

The Bureau's *index of bank debits* in principal Texas cities rose 4.4% in March, to recover most of the loss suffered in February. The index for March stood at 428.5, just 1.3% below the peak in January 1948. In comparison with March 1947 the index of bank debits was up 27.5%, considerably more than the increase in the composite index of business activity. However, bank debits are influenced more by prices than is the composite index of business activity, and during the past year the general price level has probably risen as much as 10%.

The *index of postal receipts* in Texas cities rose 2.3% in March, and was 16.8% above March 1947. Since this index measures the changes in the volume of mail

THIS MONTH

In response to numerous requests, the Bureau this month adds a map of the crop-reporting districts of Texas to the section on Agriculture (see page 11). This map, to be carried regularly in the REVIEW, will be of special interest to those who follow trends in farm cash income on a district basis. A larger map of crop-reporting districts with county designations may be obtained from the Bureau upon request.



handled, it serves as a barometer of business activity. It is not affected by changes in the price level.

The volume of retail trade made a strong recovery in March, after having declined for two consecutive months. The condition of retail trade appears to be one of the strongest elements in the current business situation. The Bureau's estimate of sales was 23.2% over February after adjustment for seasonal variation. An unusual feature of *retail sales* for March was the fact that both durable goods stores and nondurable goods stores increased sales at the same rate. The recent trend has been for durable goods stores to account for most of the increase. However, the factors mentioned above as significant in department store sales (the late spring and the early date of Easter) probably have had an effect on the total sales of nondurable goods stores. In comparison with March 1947, total retail sales were up 20.4%. Sales of durable goods stores were above the average, with a rise of 32.5%, while nondurable goods stores were up only 14.4%.

The weakest part of the business picture in March was in industrial activity, a reversal of the pattern of February, when industrial activity showed increases and trade declined. The Bureau's *index of industrial power consumption* was down 3.7% from February, after adjustment for seasonal variation. Since the variations in the amount of industrial power consumed reflect the rate of operations in the industrial plants, it appears conclusive that industrial activity slowed down in March. This is corroborated by the fact that crude runs to stills declined 2.0% after allowance for seasonal variation, and crude petroleum production failed to increase the usual seasonal amount with the result that the seasonally-adjusted index declined 0.4%. Man-hours worked in Texas manufacturing establishments declined 2.1% in March, and stood only 0.8% higher than in March 1947. The number of employees working in manufacturing industries decreased 0.9% from February, but was 3.8% above March of last year.

Probably the strongest phase of the business situation in the first quarter of 1948 was the building industry. Throughout the last seven months of 1947 building permits were more than four times the 1935-39 level, and for the first three months of 1948 the *index of building permits* compiled by the Bureau averaged 563.2% above the prewar base period (1935-39). Permits issued in Texas cities during the first three months of 1948 were 88.4% above the first quarter of 1947. *Total contracts awarded* during the first quarter of 1948 exceeded the total of the first quarter of last year by 63.7%, while residential contracts awarded were 120.9% above the first quarter of 1947.

The Bureau's *index of farm cash income* declined slightly in March, in spite of the fact that farm prices in March recovered some of the ground lost in February. The March index, after adjustment for seasonal variation, was down 8.8% from February and was 39.7% below the level of March 1947. The index for March was 202.3% above the prewar base (1935-39). For the first quarter of 1948 Texas cash farm income was 10.4% below the same period of 1947.

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 \$444,621,000, or 23.2% more than in February. An increase of 20.4% over March 1947 contrasts favorably with a national rise of only 7%. Recovery from adverse weather in February and from the hesitation caused by the break in commodity and stock prices combined with an early Easter helped produce the March increases, to a new high point seasonally. However, Easter business over much of the nation was reported to be disappointing. In Texas, durable goods lines continued to contribute the larger sales gains, 27.5% over February and 32.5% over March 1947. In contrast, nondurable goods stores produced a 20.9% rise over February and only 14.4% sales gain over a year ago. For January-March 1948, the total sales rise over 1947 was 15.8%, to which durable goods contributed a 24.9% increase but nondurables only 11.4%.

ESTIMATES OF TOTAL RETAIL SALES

(in thousands of dollars)

Type of store	Percent change					
	Mar. 1948	Jan.-Mar. 1948	Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948	Jan.-Mar. 1948 from Jan.-Mar. 1947	
TOTAL	444,621	1,198,864	+20.4	+23.2	+15.8	
Durable goods stores	160,928	429,207	+32.5	+27.5	+24.9	
Nondurable goods stores	283,693	769,657	+14.4	+20.9	+11.4	

The *index of total retail sales* (adjusted for seasonal variation and based on the prewar years 1935-39) rose strongly from 303.8 of February to a new high point of 328.9, bettering December's earlier high of 325.2 and the 1947 average index of 291.5. Adjusted to remove the influence of price increases, the index of total retail sales rose to 174.1 for March from 160.8 in February, 172.6 in December, and a 1947 average index of 161.8. The durable goods index returned to 365.4 in March after dipping to 337.4 in February from January's 368.6, but still above the 1947 average index of 320.0. The index for nondurable goods reached a new high of 308.5 in March over December's earlier high of 303.4 (nearly matched by 302.1 in February 1946) and a 1947 average index of 275.2. Except for jewelry and drug stores and eating and drinking places, the indexes for individual kinds of business turned upward in March. New index high points were reached for general merchandise stores, food stores, and apparel stores.

By kinds of business, buying for an early Easter was reflected in sales increases over 1947 for florists (34.5%), apparel stores (13.0%), department stores (15.6%), and general merchandise stores (17.2%). Large increases were reported by automotive (24.8%) and building materials dealers (21.4%), and filling stations (18.4%). Only eating and drinking places (3.8%) and drug stores (1.7%) registered sales decreases from last year. Increases over February ranged from 5.1% for drug stores to 42.9% for general merchandise 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	
		Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
Apparel stores	215	+ 13.0	+ 37.0
Automotive	192	+ 24.8	+ 27.0
Building material, lumber and hardware	219	+ 21.4	+ 31.6
Country general	63	+ 4.2	+ 21.1
Department stores	48	+ 15.6	+ 32.9
Drug stores	125	- 1.7	+ 5.1
Eating and drinking places	93	- 3.8	+ 5.6
Filling stations	60	+ 18.4	+ 26.5
Florists	40	+ 34.5	+ 35.9
Food	188	+ 6.4	+ 18.8
Furniture and household appliance stores	149	+ 9.9	+ 18.3
General merchandise	49	+ 17.2	+ 42.9
Jewelry stores	37	+ 2.8	+ 4.6
All other stores	110	+ 15.8	+ 15.1

For months in 1947 and early 1948, towns under 2,500 population reported the largest sales gain percentages, and cities over 100,000 the smallest increases. Intermediate sized communities showed a tendency for dollar sales to increase less as the population increased. March sales abandoned that pattern, as reported nationally as well as in this State. Texas cities of 50,000 to 100,000 population made largest increases, and towns of 2,500 the smallest percentages. Cities of 2,500 to 50,000 reported second highest.

**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		
		Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948	Jan.-Mar. 1948 from Jan.-Mar. 1947
Over 100,000	550	+14.4	+27.4	+ 7.9
50,000-100,000	211	+22.1	+29.9	+12.4
2,500-50,000	662	+17.8	+29.7	+12.2
Under 2,500	160	+ 8.5	+18.1	+11.0

In contrast with February when 21 cities reported sales decreases, retailers in all individual cities reporting for March registered sales increases over 1947. Five cities had sales increases of 31% to 35%, and 5 of 21% to 28%. Only 4 cities had sales rises of less than 10%.

The ratio of credit sales to total net sales in 66 department and apparel stores stood in March at 61.5% as compared with 56.8% a year earlier; but the average collection ratio fell from 58.9% to 55.3% on the yearly comparison. As during months before, Dallas (70.3%) among cities and women's specialty shops (69.3%) among types maintained the highest credit percentages; Austin (52.4%) and El Paso (52.9%), and dry goods-apparel stores (45%), the lowest. The best collection showings compared with 1947 were in El Paso (49.6% to 45.8%) and Dallas (58.2% to 58.8%). Highest rates of collections (62.8%) were in the towns not listed separately and in the dry goods-apparel stores (65.1%).

**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 outstanding†	
		Mar. 1948	Mar. 1947	Mar. 1948	Mar. 1947
ALL STORES	66	61.5	56.8	55.3	58.9
BY CITIES:					
Austin	7	52.4	46.7	59.6	66.1
Beaumont	8	64.2	59.8	55.2	58.8
Bryan	3	54.6	46.7
Corpus Christi	4	56.4	51.4	58.2	68.7
Dallas	12	70.8	66.9	58.2	58.8
El Paso	3	52.9	48.4	49.6	45.8
Fort Worth	5	59.4	54.5	50.8	63.1
Houston	5	62.5	57.6	52.9	57.6
San Antonio	4	54.8	47.6	52.0	57.0
Waco	5	59.5	53.5	56.4	58.7
Other	15	49.9	47.1	62.8	67.1
BY TYPE OF STORE:					
Department stores (annual sales over \$500,000)	19	60.7	55.4	54.5	59.2
Department stores (annual sales under \$500,000)	10	47.4	44.2	55.7	59.0
Dry goods-apparel stores	5	45.0	39.7	65.1	67.4
Women's specialty shops	16	69.8	66.2	56.0	58.7
Men's clothing stores	16	55.8	50.7	62.1	63.8
BY VOLUME OF NET SALES (1947):					
Over \$2,500,000	28	68.6	59.0	54.7	58.4
\$1,000,000-\$2,500,000	11	53.7	48.1	62.0	66.3
\$500,000-\$1,000,000	17	46.8	43.4	60.8	56.6
Less than \$500,000	15	48.5	45.9	52.4	66.8

*Credit sales divided by net sales.

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

Sales of gasoline subject to tax totaled 145,378,898 gallons in February, a decrease of 5.7% from January and of 2.6% from a year ago. Sales to the federal government were 16,193,347 gallons, which fell 41.5% below January but bettered February 1947 by 16.0%.

Advertising linage in 36 newspapers of leading Texas cities was 10.4% larger than for March 1947 and 8.6% over February 1948. March 1947 had registered a 23.5% increase over February 1947.

Attendance records at State parks in March registered 149,102 visitors with 43,636 cars, or 9.8% more visitors and 3.1% more cars than in March 1947. These attendances nearly doubled the figures for February with its adverse weather.

Postal receipts, as reported by 57 Texas cities, were 11.8% larger than in February and 17.1% more than for March 1947. The March index, seasonally adjusted, stood at 236.1, nearly to the all-time high of 238.9 recorded in December 1947. Only 3 communities reported postal receipts smaller than a year ago. Increases ranging from 20% to 68% were reported by 21 cities.

POSTAL RECEIPTS

City	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	\$3,184,006	\$2,847,361	\$2,718,195	+17.1	+11.8
Abilene	84,916	81,877	80,817	+15.2	+ 9.5
Amarillo	66,488	57,784	58,510	+24.3	+15.1
Austin	137,651	131,065	137,150	+ 0.4	+ 5.0
Beaumont	54,208	46,638	47,032	+15.3	+16.2
Big Spring	10,437	8,632	7,829	+33.8	+20.9
Borger	8,091	8,231	6,835	+18.4	- 1.7
Brownsville	15,708	12,161	11,558	+35.9	+29.2
Brownwood	12,657	10,344	11,074	+14.3	+22.4
Bryan	10,233	8,811	9,992	+ 2.4	+16.1
Childress	3,587	3,611	3,425	+ 4.7	- 0.7
Cleburne	6,030	5,851	5,198	+16.0	+ 3.1
Corpus Christi	69,421	63,370	65,886	+ 5.4	+ 9.5
Dallas	881,744	716,181	698,060	+19.2	+16.1
Del Rio	6,863	6,977	4,078	+68.3	- 1.6
Denison	11,216	9,903	9,178	+22.2	+18.3
Denton	14,301	12,918	12,296	+16.3	+10.7
Edinburg	6,600	5,662	5,633	+17.2	+16.6
El Paso	106,834	96,302	92,712	+15.2	+10.9
Fort Worth	345,664	302,404	293,329	+17.3	+14.3
Gainesville	5,593	6,986	5,839	- 4.2	-19.9
Galveston	53,925	50,886	51,449	+ 4.3	+ 6.0
Gladewater	4,288	3,688	3,536	+20.7	+15.9
Greenville	11,398	10,478	9,738	+16.1	+ 7.9
Harlingen	15,158	15,030	12,661	+19.7	+ 0.9
Houston	535,644	487,755	487,888	+17.0	+ 9.8
Jacksonville	5,663	5,552	5,003	+13.2	+ 2.0
Kenedy	1,920	2,082	2,035	- 5.7	- 7.8
Kerrville	5,602	4,640	4,322	+29.6	+23.4
Lamesa	4,866	4,337	4,231	+15.0	+ 0.6
Laredo	16,524	14,324	15,919	+ 3.3	+11.5
Lockhart	2,195	2,028	1,965	+11.7	+ 3.2
Longview	16,961	16,969	14,330	+11.4	- 5.9
Lubbock	42,449	45,655	34,772	+22.1	- 7.0
Lufkin	9,247	8,307	7,780	+13.9	+11.3
McAllen	12,855	11,556	10,235	+20.1	+ 6.9
Marshall	11,893	10,939	10,834	+ 9.3	+ 8.7
Midland	17,381	14,632	13,147	+32.2	+18.8
New Braunfels	8,398	5,746	5,348	+57.0	+46.2
Palestine	8,463	7,794	6,527	+29.7	+ 8.6
Pampa	9,126	9,961	9,232	- 1.7	- 8.4
Paris	11,275	10,000	9,757	+15.6	+12.8
Plainview	8,371	6,766	5,876	+42.5	+23.7
Port Arthur	27,699	23,314	22,116	+25.2	+18.3
San Angelo	27,060	25,709	21,688	+24.8	+ 5.3
San Antonio	309,328	278,343	265,893	+20.9	+10.9
Seguin	5,380	4,895	4,584	+17.4	+ 9.9
Sherman	14,266	13,314	11,963	+19.3	+ 7.2
Snyder	2,484	1,977	2,031	+22.3	+25.6
Sweetwater	10,082	7,655	8,835	+14.1	+31.7
Temple	13,830	13,929	13,407	+ 3.2	+ 7.0
Texarkana	28,527	24,913	23,730	+20.2	+14.5
Texas City	10,846	8,306	6,980	+55.4	+30.6
Tyler	89,514	31,422	23,225	+40.0	+25.3
Vernon	6,740	5,396	5,090	+32.4	+24.9
Victoria	9,736	8,608	8,347	+16.3	+14.4
Waco	63,342	64,677	58,985	+15.9	+ 5.7
Wichita Falls	39,940	39,775	38,815	+ 2.9	+ 0.4

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.)

The dollar volume for Texas wholesalers as a group showed a decrease of 8% from January to February 1948. This drop represented a very substantial decline and one of the largest since November 1947. Sales for February 1948 were 7% over sales for the same month in 1947. Changes in sales volume for selected lines of wholesaling in Texas varied greatly from January to February 1948. Increases were recorded in only the electrical group (12%) and machinery, equipment and supplies, except electrical (2%). Declines were registered in all lines ranging from 27% for automotive supplies to 6% for drugs and sundries.

Inventory values moved upward from January to February by 4%. While the increase appears to be a small one, the total for inventories in February 1948 was 17% above inventory values for February 1947. The increase in inventory values, when considered with the decline in sales, may indicate that consumer resistance to high prices was at work. All branches of wholesaling in Texas, except groceries, had increased the value of their inventories from January to February 1948. The largest (7%) increase occurred in the electrical group and the smallest was 3% for automotive supplies, hardware, and tobacco products. In addition to consumer resistance to higher prices, the tightening of credit in general and among retailers in particular has probably had an effect on retailers' sales, and is of course reflected in their purchases. Scattered reports over the nation indicate that the national picture is somewhat the same as that for Texas. Increases have been general and in some lines the increases are very disturbing. Whether the current "war scare" will bring about a wave of purchasing and reduce inventories at wholesale remains to be seen.

PERCENTAGE CHANGES IN WHOLESALERS' SALES AND INVENTORIES

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

Business	Sales		Inventories	
	Feb. 1948 from Feb. 1947	Feb. 1948 from Jan. 1948	Feb. 1948 from Feb. 1947	Feb. 1948 from Jan. 1948
TOTAL	+ 7	- 8	+17	+ 4
Automotive supplies	- 2	-27	+29	+ 3
Electrical group	+31	+12	+26	+ 7
Hardware	+ 6	- 9	+28	+ 3
Machinery, equipment and supplies (except electrical)	+65	+ 2	+47	+ 5
Drugs and sundries*	+ 3	- 6	-11	+ 5
Groceries	- 1	-13	+ 5	0
Tobacco products	- 9	-12	+57	+ 3
All others	-18	-10	+43	+ 6

*Includes 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.)

Combined exports from the ports of Galveston and Houston declined for the second month, reaching a March level substantially (27.5%) below March 1947. The February-to-March decrease of 4.0% followed a similar (5.7%) reduction in the preceding month.

Although the total export movement from the two ports was down, Houston and Galveston separately did not follow a uniform pattern. Galveston turned in a 23.7% loss from January to February this year, in contrast to a 53.8% increase at Houston. Moreover, this variation continued in the February-March comparisons, when Galveston had a 3.5% gain, and Houston a 16.3% decline.

At Galveston, major increases in export tonnage in March as compared to February were noted in cotton, grains other than wheat and rice, flour, and sulphur. In relation to March 1947, however, all important commodity groups witnessed substantial losses, especially wheat, other grain, flour, and sulphur.

Wheat and rice were the only products moved in heavier volume in March than in February this year at the port of Houston. Cotton, flour, carbon black, and all other commodities showed declines, none of which was below 20%. Rice exports increased sixfold and wheat exports picked up by almost 7,000 tons to soften the decline somewhat. Compared with March 1947, Houston's decline was only 5.1% in the aggregate. Again wheat and rice, together with carbon black, held the decline to a smaller percentage than the sizable reductions in all other commodity groups would indicate.

The water-borne foreign trade of Texas ports matched the national movement between November and December, declining in shipping weight but increasing in

dollar value. Texas exports climbed to \$86,700,000 in December, for an 8.5% gain over November and a 22.6% lead over the 1946 average of \$70,700,000. Imports of \$7,900,000 showed a similar rise over November (9.7%), but held a stronger lead over the 1946 average (46.3%).

The Galveston Customs District, which handled over four-fifths of Texas water-borne foreign trade, was responsible for the November-December gain. Activity at that District rose enough to counterbalance sizable percentage decreases at Sabine and Laredo.

Total exports from Texas customs districts (water-borne and other) dropped to \$126.1 million in January 1948 from \$137.3 million in December 1947, an 8.2% decline. All districts except Sabine, with a 10.5% increase, contributed to the monthly loss. In January 1948 as compared with January 1947, however, total exports rose 14.2%. Increases were reported at Galveston (20.9%) and Sabine (57.0%), whereas El Paso (-20.5%) and Laredo (-10.4%) turned in declines.

Imports at Texas districts showed a heavier decline (23.2%) under December, falling to \$11.6 million in January from \$15.1 million in December. El Paso, Laredo, and Galveston registered decreases. On a yearly basis, reduction in imports were similar to the monthly changes.

A late release from the Bureau of the Census announced a rise in general imports into the United States from \$545.8 million in January to \$582.0 million in February 1948. By continents, the increase was due to heavier imports from North America, Europe, Australia, and Africa. Imports from Asia and South America declined. Exports from the United States, contrary to import movement, declined from \$1,090.7 million to \$1,086.3 million, as exports were lower to all continents except Asia.

EXPORTS FROM GALVESTON AND HOUSTON

(in tons)

Source: Galveston and Houston Maritime Associations, Inc.

Port and product	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	527,814	549,060	728,255	- 27.5	- 4.0
GALVESTON, TOTAL	358,171	341,120	493,620	- 28.5	+ 8.5
Cotton	24,055	18,827	24,664	- 2.5	+ 27.8
Wheat	171,611	221,912	205,406	- 18.5	- 22.7
Other grain	28,727	5,583	88,185	- 67.4	+114.5
Flour	81,593	22,479	61,174	- 48.4	+ 40.5
Sulphur	85,295	58,779	75,168	- 18.1	+ 21.4
Other	31,890	18,540	39,028	- 18.3	+ 72.0
HOUSTON, TOTAL	174,643	208,540	184,001	- 5.1	- 16.3
Cotton	15,411	20,616	25,432	- 39.4	- 25.2
Wheat	75,214	68,689	59,832	+ 25.6	+ 9.5
Rice and rice products	8,302	1,350	959	+785.7	+510.4
Flour	10,282	26,771	30,832	- 63.1	- 61.6
Carbon black	9,910	12,635	8,576	+ 15.6	- 21.6
Other	55,524	78,469	58,820	- 5.6	- 29.2

WATER-BORNE IMPORTS OF GENERAL MERCHANDISE

(in thousands of dollars)

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

Customs district	Dec. 1947	Nov. 1947	Monthly average 1946	Percent change	
				Dec. 1947 from 1946 avg.	Dec. 1947 from Nov. 1947
TOTAL	7,900	7,200	5,400	+ 46.8	+ 9.7
Sabine	—	100	100	—	—
Galveston	7,000	6,100	4,600	+ 52.2	+ 14.3
Laredo	900	1,000	700	+ 28.5	- 10.0

WATER-BORNE EXPORTS OF DOMESTIC AND FOREIGN MERCHANDISE

(in thousands of dollars)

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

Customs district	Dec. 1947	Nov. 1947	Monthly average 1946	Percent change	
				Dec. 1947 from 1946 avg.	Dec. 1947 from Nov. 1947
TOTAL	86,700	79,900	70,700	+ 22.6	+ 8.5
Sabine	13,700	17,000	9,200	+ 48.9	- 18.4
Galveston	72,800	62,200	60,700	+ 19.1	+ 16.2
Laredo	400	700	800	- 50.0	- 42.9

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.)

Proponents of steel allocation for the petroleum industry, principally independent producers weary of the struggle for tubular goods, were listing signs pointing to the eventual adoption of some kind of channeling plan. Although most pressure for tubular allocation comes from independent groups, at least one spokesman for a major company is on record as predicting that allocation is coming. Perhaps the biggest step toward allocation came with release of the National Petroleum Council's report on the oil industry's steel requirements. The report set up an over-all need for 15,571,500 tons of steel for the 18-month period beginning April 1. Gist of the report was that the industry would need one of each 6.5 tons of steel produced in the United States during the period covered. Most statements from the steel industry do not favor allocation, believing the problem to be too complex.

REFINERY STOCKS*

(in thousands of barrels)

Source: *The Oil and Gas Journal*

Section and item	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TEXAS					
Gasoline	24,048	24,556	19,902	+25.8	- 2.1
Distillate	4,236	5,078	6,156	-31.2	-25.4
Residual	5,884	6,704	6,025	- 2.3	-12.2
Kerosene	1,497	1,389	1,761	-15.0	+ 8.2
TEXAS GULF COAST					
Gasoline	10,742	20,848	15,402	+28.2	- 3.0
Distillate	3,926	5,363	5,843	-32.8	-26.8
Residual	5,058	5,317	5,304	- 4.6	-13.0
Kerosene	1,185	1,191	1,585	-25.2	- 0.5
INLAND TEXAS					
Gasoline	4,305	4,308	4,500	- 4.8	+ 2.3
Distillate	810	315	318	- 1.0	- 1.6
Residual	826	887	721	+14.6	- 6.9
Kerosene	312	192	176	+77.8	+62.5

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

Strongest of the agricultural commodities is *cotton*. One factor in its strength has been improvement in export prospects. The trade is counting on European Recovery Program funds to boost shipments. In addition, Congress is considering a bill to finance exports to Germany and Japan. But cotton is not without its strong points at home. Mill men figure they will keep busy making uniforms for the enlarged armed forces. Farmers are making up their minds how much to plant; the higher price will probably mean more acreage (supplies of labor, seed, and fertilizer permitting).

COTTON MANUFACTURING

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

Item	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
CONSUMPTION*					
Cotton	14,720	13,745	16,979	- 13.3	+ 7.1
Linters	1,909	2,031	1,531	+ 24.7	- 6.0
SPINNING ACTIVITY					
Spindles in					
places	237,000	234,000	245,824	- 3.6	+ 1.3
Spindles active	231,000	229,000	242,886	- 4.9	+ 0.9
Total spindle					
hours†	102,000,000	89,000,000	106,805,866	- 4.5	+ 14.6
Average spindle					
hours	429	380	434	- 1.2	+ 12.9
COTTONSEED†					
Received at					
mills	14,147	13,923	4,679	+202.4	+ 1.6
Crushed	97,955	124,467	29,489	+232.3	- 21.3
Stocks at end					
of month	173,168	257,006	38,443	+350.4	- 32.6

*In running bales.

†In tons.

The continuing drouth and the high cost of feeds do not indicate a seasonal decrease in price of *dairy* products.

On April 26, the House of Representatives will vote on a bill to wipe out all federal taxes on license fees and margarine. It is generally agreed that the Senate will go pro-margarine.

Dairy manufacturing in Texas picked up over February, but continued to lag behind year-ago levels.

MANUFACTURE OF DAIRY PRODUCTS

Product	Unit	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
					Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL MILK EQUIVALENT*						
	1,000 lbs.	39,385	32,223	59,008	-38.3	+22.1
Creamery butter						
	1,000 lbs.	802	823	1,323	-39.4	- 2.5
Ice cream†						
	1,000 gals.	1,153	704	1,291	-10.7	+63.3
American cheese						
	1,000 lbs.	493	439	905	-45.5	+12.3
All other						
	1,000 lbs.	1,846	1,124	3,075	-40.0	+64.2

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

†Includes sherbets and ices.

The *flour-milling industry*—at least temporarily—has come to the end of the biggest boom in its history. So flour mills are undergoing a revision of operating schedules. There is a twofold reason for the slump: (1) a drastic cut in flour exports, and (2) unusually slow domestic flour sales. Flour output figures are sharply lower than a year ago. Latest Bureau of the Census reports show a February production 15% less than in January and 18% less than February 1947. It is to meet this situation that millers are cutting running time to three, four, or five days per week. Many marginal plants have been closed.

WHEAT GRINDINGS AND FLOUR PRODUCTION

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

Item	Unit	Percent change				
		Feb. 1948	Jan. 1948	Feb. 1947	Feb. 1948 from Feb. 1947	Feb. 1948 from Jan. 1948
Wheat ground	1,000 bu.	3,280	3,913	4,177	-21.5	-16.2
Wheat flour	1,000 sks.	1,464	1,730	1,794	-18.4	-15.4

Grapefruit juice canning finally registered a gain over the 1946-47 season, although a very slight one. Shipments showed a good gain of about 10%.

GRAPEFRUIT JUICE CANNING

(in cases of 24/2's)

Source: Texas Cannery Association

Item	Percent change		
	1947-48 Season*	1946-47 Season	1947-48 from 1946-47
Production	6,987,682	6,944,035	+ 0.6
Shipments	4,262,828	3,870,444	+10.1
Stocks	8,487,186	8,149,760	+10.7

*Through April 8.

Cement production showed appreciable gains in both monthly and yearly figures. With a decline in shipments, stocks increased in relatively large quantity. The index of production revealed a 29.2% increase over January 1948 and a 19.1% increase over February 1947 and stood at 258.7 (1935-39 = 100).

CEMENT PRODUCTION

(in thousands of barrels)

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

Item	Percent change				
	Feb. 1948	Jan. 1948	Feb. 1947	Feb. 1948 from Feb. 1947	Feb. 1948 from Jan. 1948
Production	1,038	935	914	+19.0	+16.4
Shipments	678	909	818	-17.1	-25.4
Stocks	953	543	534	+78.5	+75.5

March production of lumber was up 11.8% over February, but was down 7.7% from March 1947.

LUMBER PRODUCTION IN SOUTHERN PINE MILLS

(in board feet)

Source: Southern Pine Association

Item	Percent change				
	Mar. 1948	Feb. 1948	Mar. 1947	Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
Average weekly production per unit	210,558	188,301	228,105	- 7.7	+11.8
Average weekly shipments per unit	198,813	189,960	208,109	- 4.5	+ 4.7
Average unfilled orders per unit, end of month	732,700	845,636	918,557	-14.6	- 7.4

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 outlook for building in Texas improved in March, after a seige of inclement weather had restricted construction activity the early part of the year. All Bureau indicators of building activity picked up over February and were well above comparable year-ago levels.

BUILDING PERMITS

City	Mar. 1948	Feb. 1948	Mar. 1947
TOTAL	\$43,376,244	\$34,608,841	\$24,728,316
Abilene	692,600	254,215	263,253
Amarillo	1,358,885	591,825	407,973
Austin	2,330,480	1,557,525	1,602,415
Beaumont	812,291	478,854	421,299
Big Spring	5,713,859	102,325	105,450
Borger	97,100	111,100	901,900
Brownsville	102,297	58,890	93,603
Brownwood	188,091	153,613	40,468
Bryan	180,305	56,225	155,555
Childress	22,410	48,295	16,250
Corpus Christi	786,132	8,919,895	1,852,548
Corsicana	180,150	17,465	64,817
Dallas	10,924,062	6,119,065	4,485,292
Denton	125,360	58,550	105,650
Edinburg	46,492	88,100	103,845
El Paso	656,775	878,585	554,935
Fort Worth	2,694,175	1,286,239	1,832,275
Gainesville	27,450	43,025	54,054
Galveston	195,709	174,127	208,829
Gladewater	238,475	17,475	10,400
Graham	61,000	10,000	23,100
Harlingen	204,260	181,775	176,186
Houston	6,043,462	10,919,125	3,854,520
Jacksonville	36,350	24,300	22,350
Kerrville	37,200	45,910	82,535
Lamesa	84,500	23,600	42,650
Lockhart	9,400	34,310	19,400
Longview	158,825	70,625	91,950
Lubbock	1,148,248	1,259,097	2,254,513
McAllen	196,954	86,035	97,373
Marshall	65,507	403,674	56,052
Midland	360,000	286,250	203,625
Nacogdoches	36,000	16,725	75,250
New Braunfels	202,610	76,015	71,600
Palestine	63,878	69,275	37,308
Pampa	218,575	103,150	89,570
Paris	97,050	18,725	56,600
Plainview	141,800	195,600	41,500
Port Arthur	201,844	182,923	232,432
San Antonio	3,962,742	2,312,813	1,882,602
Seguin	49,590	57,950	64,602
Sherman	49,983	49,997	82,961
Sweetwater	98,500	56,420	50,450
Temple	123,853	230,475	110,475
Texarkana	66,046	377,135	271,630
Texas City	294,610	118,030	99,025
Tyler	734,288	526,649	515,715
Victoria	124,969	29,750	56,360
Waco	767,117	793,480	691,335
Wichita Falls	470,160	383,620	158,325

Intentions to build, as reflected in the value of city *building permits*, advanced 25.3% over February, recovering from a setback of similar proportions the month before. Although below seasonal expectations, the February-to-March upturn held permit values 75.4% above March 1947, as the seasonally-adjusted index dropped to 550.1% of the 1935-39 average from 601.4% in February. There is some question, however, as to the efficacy of adjusting current building figures on the basis of prewar and wartime activity when building activity was no more "normal" than it is at present.

Construction contracts awarded increased 89.7% over February to almost \$100 million, with major gains in engineering (74.6%), nonresidential (154.1%), and residential (51.5%) contracts. Although all types of contracts had strong gains, there is evidence that residential contracts are lagging behind public and private industrial building. Compared with March 1947, total contract awards were up 139.1%, engineering contracts skyrocketed 247.1%, nonresidential soared 177.4%, and residential contracts were up just 66.6%.

CONSTRUCTION CONTRACTS

Source: Texas Contractor

Type of building	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	\$99,456,682	\$52,432,159	\$41,604,860	+139.1	+ 89.7
Engineering	26,556,081	15,209,963	7,651,146	+247.1	+ 74.6
Nonresidential	40,805,504	16,091,282	14,739,861	+177.4	+154.1
Residential	32,005,098	21,130,914	19,213,853	+ 66.6	+ 51.5

Savings and loan associations in Texas granted 1,878 new loans during March, a pickup of 36.5% over February in number. Valuation on the loans of \$7,544,827 was 34.1% over February. In both number and amount, total loans exceeded March 1947 by 2.3% and 11.2%, respectively. In view of the monthly and yearly ad-

LOANS MADE BY SAVINGS AND LOAN ASSOCIATIONS

Source: Federal Home Loan Bank of Little Rock

Type	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
NUMBER, TOTAL	1,878	1,376	1,386	+ 2.3	+36.5
Construction	510	363	477	+ 6.9	+40.5
Purchase	820	604	849	- 3.4	+35.8
Refinance	138	111	110	+25.5	+24.3
Recondition	168	106	170	- 4.1	+53.8
Other	247	192	230	+ 7.4	+28.6
AMOUNT, TOTAL	\$7,544,827	\$5,624,728	\$6,783,602	+11.2	+34.1
Construction	2,649,556	1,682,489	2,069,967	+28.0	+57.5
Purchase	3,420,582	2,774,042	3,528,965	- 3.1	+28.3
Refinance	411,020	359,007	337,629	+21.7	+14.5
Recondition	292,538	201,549	196,850	+48.6	+45.2
Other	771,081	607,641	648,651	+18.9	+26.9

vances shown in nearly all types of financing, the 3% decline in loans for the purpose of purchasing existing homes is noteworthy. In contrast, loans for the construction of new homes rose 6.9% in number and 28.0% in value.

National figures depict a tightened credit situation in the field of Veterans' Administration guaranteed home loans, as the differential between mortgage loans at 4% interest and other types of government securities has narrowed since the fall of 1947. Texas bankers, at a recent meeting in Galveston showed a similar situation, proposing that interest rate ceilings on F.H.A. and V.A. loans be increased to 4½ or 5% to induce bankers to loan money on homes in view of present high construction costs.

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.)

The *electric power consumption* in Texas showed a contraseasonal decline from January to February, dipping 2.4% compared to a normal rise of around 5% at that time of the year. There were reverses in all types of consumption except industrial, which remained virtually unchanged (up 0.3%). Adjusted for seasonal variation, the over-all *index of power consumption* dropped 7.6% to 301.5% of the 1935-39 average while industrial power consumption fell 3.7% to 276.0, on the same basis. The February-to-March reductions were very similar in 1947.

Production of electric energy for public use in Texas totaled 683,903,000 kilowatt hours in February 1948, according to the Federal Power Commission. This figure represented a 4.4% decrease from January, but a 17.5% advance over February 1947. That the Texas production picture was somewhat improved over the national totals was indicated by a greater decline (7.4%) for the month in United States production and a smaller gain over the year (13.1%) than was experienced in this State.

The number of Southwestern Bell *telephones in service* moved up 1.3% over February to a total of 947,317 in the 40 Texas cities covered in the totals.

ELECTRIC POWER CONSUMPTION*

(in thousands of kilowatt hours)

Use	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	520,237	583,169	455,694	+14.2	- 2.4
Commercial	109,394	112,523	91,045	+20.2	- 2.8
Industrial	248,387	245,541	225,270	+ 9.4	+ 0.3
Residential	90,665	97,733	76,106	+19.1	- 7.2
Other	78,791	77,872	63,273	+16.6	- 4.6

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

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.)

The three-month rise in *crude petroleum production* was interrupted in March when daily average output dipped fractionally (0.6%) to 2,402,600 barrels. However, March 1948 output remained 12.8% above that of March 1947. Adjusted for seasonal variation, the *index of petroleum production* declined slightly to 193.3% of the 1935-39 average.

Drilling activity in Texas was more extensive in the four weeks ending March 27 than in a comparable period for February. A total of 769 wells were completed in March, against 691 in February.

WELL COMPLETIONS

Source: *The Oil and Gas Journal*

District	March 1948*				Jan.-Mar. (all wells)	
	Total	Oil	Gas	Dry	1948	1947
TEXAS	769	494	35	240	2,445	1,970
North Central Texas	280	117	9	104	721	600
West Texas	228	192	3	83	671	480
Panhandle	40	29	6	5	133	113
Eastern Texas	31	20	3	8	123	110
Texas Gulf Coast	116	65	6	45	393	385
Southwest Texas	124	71	8	45	404	282

*For four weeks ending March 27, 1948.

The value of *carbon black* production registered a seasonal increase of 25.9% over February, according to State Comptroller reports. March output valued at \$3,886,050 was only 0.4% above that for March 1947.

Natural and casinghead gas production rose 30.7% from February to March, to a level 68.7% ahead of March 1947. March output was valued at \$15,130,634, compared to \$8,967,727 in March 1947.

The value of *crude oil* output during March, placed at \$182,011,224, declined 3.2% from the preceding month, but was nearly double the March 1947 output (up 92.2%). Higher prices for crude petroleum were principally responsible, since the volume figures noted above showed an increase in quantity production of only 12.8% above last March.

VALUE OF NATURAL RESOURCES PRODUCED

Source: State Comptroller of Public Accounts

Item	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
Carbon black	\$ 3,886,050	\$ 3,087,044	\$ 3,869,019	+ 0.4	+25.9
Crude oil	182,011,224	185,114,624	94,674,976	+92.2	- 3.2
Natural and casing-head gas	15,130,634	11,579,288	8,967,727	+68.7	+30.7

AGRICULTURE

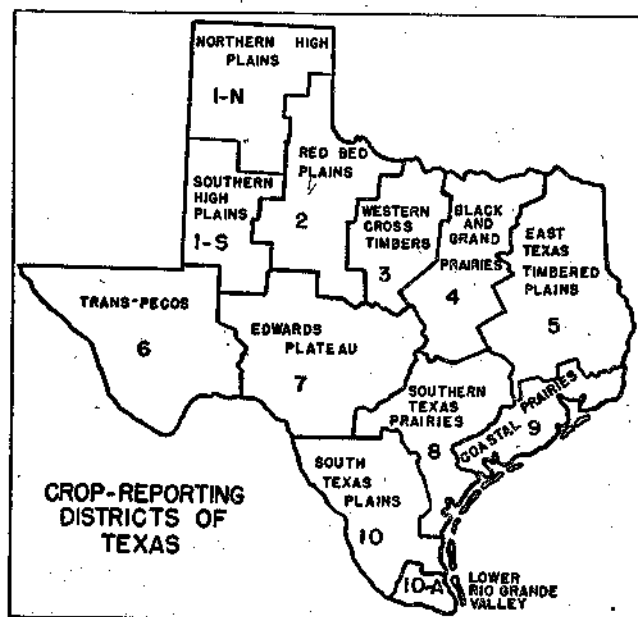
Income

(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.)

The decline in farm income noted last month continued through March, as the Bureau's index of *farm cash income* received by Texas farmers dropped 8.8% under February, after seasonal adjustment. The March decrease wiped out the narrow advance 1948 had previously held over 1947, and cumulative income for the first three months of 1948 fell 10.4% under the corresponding 1947 period. Dollar income was estimated at \$180,424,000 for January-March 1948, compared to \$201,328,000 for January-March 1947.

FARM CASH INCOME

District	Indexes, 1935-39 = 100, adjusted for seasonal variation			Amount, Jan.-Mar. (in thousands of dollars)	
	Mar. 1948	Feb. 1948	Mar. 1947	1948	1947
TEXAS	202.3	221.9	335.6	180,424	201,328
1-N	221.5	452.4	804.7	22,197	39,937
1-S	222.8	276.5	319.1	28,587	16,194
2	202.4	215.6	331.7	15,873	17,523
3	321.6	264.8	330.5	7,765	8,622
4	167.4	154.7	133.7	22,191	23,283
5	223.1	245.6	242.1	9,959	9,745
6	133.1	131.1	121.9	6,206	5,146
7	231.7	200.0	356.1	8,717	9,031
8	293.1	265.2	331.0	16,184	16,342
9	291.1	392.1	338.0	15,044	13,843
10	420.5	446.6	626.5	8,811	9,835
10-A	251.6	258.8	506.9	19,390	31,937



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.)

With the exception of livestock, the volume of marketings of most Texas farm products appeared to be below February 1948 and March 1947 levels.

Livestock shipments increased 28.3% over February to 3,376 carloads in March. All types of livestock shipments rose except calves, which were off 17.7%. The February-to-March increase was far less, however, than that of 71.1% reported at the same season last year, and the March 1948 volume of shipments fell 67.1% under March 1947 for all categories of animals.

SHIPMENTS OF LIVESTOCK

(in carloads)*

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

Classification	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL SHIPMENTS	3,376	2,681	10,255	- 67.1	+ 28.3
Cattle	2,070	1,471	8,145	- 74.6	+ 38.5
Calves	297	861	626	- 52.6	- 17.7
Hogs	749	629	766	+ 2.2	+ 19.1
Sheep	260	170	718	- 63.8	+ 52.9
INTERSTATE PLUS					
FORT WORTH	3,085	2,372	9,437	- 67.8	+ 28.0
Cattle	1,809	1,279	7,494	- 76.9	+ 41.4
Calves	240	310	506	- 52.6	- 22.6
Hogs	737	620	755	+ 2.4	+ 18.9
Sheep	249	163	682	- 63.5	+ 52.8
INTRASTATE MINUS					
FORT WORTH†	341	259	818	- 58.3	+ 31.7
Cattle	261	192	651	- 59.9	+ 35.9
Calves	-57	51	120	- 53.5	+ 11.8
Hogs	12	9	11	+ 9.1	+ 33.3
Sheep	11	7	36	- 69.4	+ 57.1

*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 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	Mar. 1948	Feb. 1948	Mar. 1947
Chickens	3	6	10.5
Turkeys	3	2	7.5
Eggs—shell equivalent*	181	40	333
Shell	3	0	3
Frozen	28	4	49
Dried	9	4	29

*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.

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	Mar. 1948	Feb. 1948	Mar. 1947
TOTAL RECEIPTS—SHELL EQUIVALENT*	12	10	1
Shell	6	0	1
Frozen	3	1	0
Dried	0	1	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.

Chicken shipments from Texas stations dropped to 3 carloads, only half as many as in February and considerably under the 10½ carloads moved in March 1947.

Shipments of *fruits and vegetables* totaled 11,687 carloads, registering a 9.2% decline under February and a 22.1% fall from March 1947, according to data compiled from United States Department of Agriculture reports. Weather conditions throughout the month, which left some portions of the State in near-drought status, threatened further reductions in vegetable production if rain did not come soon. In the Valley, the United States Market News Service reported that there were still 10.8 million boxes of grapefruit and 2 million boxes of oranges yet to be marketed, just as the State Agriculture Commissioner announced the extension of the season this year to July 17, instead of July 1. The initial carload of onions from the anticipated 3,528,000-sack (50 pounds each) production in South Texas, moved out of Laredo on March 30.

RAIL SHIPMENTS OF FRUITS AND VEGETABLES*

(in carloads)

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

Item	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	11,687	12,871	15,002	- 22.1	- 9.2
Beets	144	103	116	+ 24.1	+ 33.3
Beets and carrots	47	14	44	+ 6.8	+ 35.7
Cabbage	1,672	3,007	2,670	- 37.4	- 44.4
Carrots	1,412	849	1,117	+ 26.4	+ 66.3
Grapefruit	4,077	3,285	5,378	- 24.1	+ 26.0
Mixed citrus	410	496	615	- 31.9	- 15.5
Mixed citrus and vegetable	44	66	95	- 53.7	- 33.3
Mixed vegetables	1,920	2,802	2,847	- 32.6	- 31.5
Oranges	1,095	1,187	925	+ 18.4	- 3.7
Spinach	718	808	970	- 26.0	- 11.1
All other fruits and vegetables	189	349	225	- 33.2	- 60.2

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

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.)

The index of prices received by farmers throughout the United States recovered slightly from its February setback and averaged 1.4% higher at mid-March than the month before, according to the United States Department of Agriculture. At 283% of the 1910-14

PRICES OF TEXAS FARM PRODUCTS

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

Commodity	Unit	Mar. 15 1948	Feb. 15 1948	Mar. 15 1947
Wheat	bu.	\$ 2.14	\$ 2.11	\$ 2.50
Corn	bu.	2.23	2.00	1.60
Oats	bu.	1.21	1.10	0.99
Barley	bu.	1.65	1.55	1.37
Grain sorghum	cwt.	3.30	2.70	2.55
Rice	bu.	3.30	3.40	2.33
Potatoes	bu.	1.30	1.30	2.40
Sweet potatoes	bu.	2.65	2.65	2.50
Cotton lint	lb.	0.297	0.286	0.324
Cottonseed	ton	87.00	89.00	93.00
Cowpeas	bu.	3.65	4.10	3.50
Peanuts	lb.	0.098	0.096	0.084
Hogs	cwt.	21.60	21.20	24.00
Beef cattle	cwt.	20.10	18.20	16.10
Veal calves	cwt.	22.70	21.10	17.50
Sheep	cwt.	10.00	10.00	9.50
Lambs	cwt.	18.50	18.70	16.10
Milk cows	head	125.00	124.00	108.00
Chickens	lb.	0.254	0.242	0.249
Turkeys	lb.	0.304	0.302	0.251
Eggs	doz.	0.388	0.436	0.365
Butter	lb.	0.70	0.71	0.68
Butterfat	lb.	0.71	0.74	0.68
Milk, wholesale	cwt.	6.05	6.15	5.50
Wool	lb.	0.42	0.42	0.40
All hay, loose	ton	26.00	24.50	19.00
Alfalfa hay, loose	ton	35.50	35.00	28.50
Oranges	box	1.96	1.76	2.56
Grapefruit	box	0.40	0.52	0.87

base period, however, the index was still well below the record 307 reached at mid-January this year.

Texas farm commodities also reflected recovery from the sharp break experienced in February, and prices of most items remained above March 1947. Principal increases over February were in grain, cotton lint, most livestock items, and oranges. There were, however, further declines in grapefruit prices (to 40 cents a box), eggs and dairy products, rice, cottonseed, cowpeas, and lambs, with no change in potato prices.

The buying position of farmers in the nation improved somewhat over February, with the increase in prices received and a slight reduction in prices paid by farmers for off-the-farm goods, including interest and taxes.

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 tax tag sales in Texas represented 73,912 tons in March 1948, compared with only 40,405 in March 1947, and 43,265 in March 1946. For the January-March period this year, sales have reached 166,985 tons for a 20% rise over 1947.

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.)

During the past year the world cotton situation has changed from a chronic over-supply to a relative deficit of cotton. This is true because during the three years ending next July 31 the world will have consumed about 13 million more bales of cotton than it produced. The indications now are that world consumption during 1948-49 will also exceed production in spite of increases in acreage planted to cotton in this country and abroad.

The prevailing demand and supply conditions in cotton seem to assure farmers relatively good prices for both cotton and cottonseed during the 1948-49 cotton year.

COTTON BALANCE SHEET FOR THE UNITED STATES AS OF APRIL 1, 1948
(in thousands of running bales except as noted)

Year	Carryover Aug. 1	Imports to Apr. 1*	Final ginnings Mar. 20	Total	Consumption to Apr. 1	Exports to Apr. 1	Total	Balance as of Apr. 1
1938-39	11,633	95	11,623	23,249	4,609	2,788	7,389	15,860
1939-40	13,033	112	11,481	24,626	5,331	5,350	10,681	13,945
1940-41	10,594	100	12,298	22,992	6,071	811	6,882	16,110
1941-42	12,367	220	10,495	23,082	7,502	773	8,275	14,807
1942-43	10,590	160	12,438	23,188	7,500	720	8,220	14,968
1943-44	10,687	118	11,129	21,934	6,306	351	7,657	14,277
1944-45	10,727	89	11,339	22,655	6,509	1,020	7,529	15,126
1945-46	11,164	231	8,813	20,208	5,957	2,002	7,959	12,249
1946-47	7,522	193	8,513	16,228	6,919	2,634	7,553	6,675
1947-48	2,521	200†	11,549	14,270	6,302	1,065†	7,367	6,903

*In 500-pound bales.

†Seven months ending February. The cotton year begins August 1.

LOCAL BUSINESS

City and item	Percent change		
	Mar. 1948	Mar. 1948	Mar. 1948
		from Mar. 1947	from Feb. 1948
ABILENE:			
Retail sales of independent stores		+ 21.8	+ 42.8
Department and apparel store sales		+ 22.0	+ 53.2
Postal receipts	\$ 34,916	+ 15.2	+ 9.5
Building permits	\$ 692,800	+163.1	+172.4
Bank debits to individual accounts (thousands)	\$ 33,184	+ 23.0	+ 18.8
End-of-month deposits (thousands)*	\$ 40,390	+ 11.3	- 1.2
Annual rate of deposit turnover	9.7	+ 10.2	+ 15.5
Air express shipments	202	+ 14.8	+ 65.6
Unemployment	1,425	- 5.0	- 8.4
Placements in employment	336	- 30.5	+ 9.3

AMARILLO:			
Retail sales of independent stores		+ 17.2	+ 30.7
Department and apparel store sales		+ 17.4	+ 45.0
Postal receipts	\$ 66,488	+ 24.3	+ 15.1
Building permits	\$1,358,385	+233.1	+129.6
Bank debits to individual accounts (thousands)	\$ 82,591	+ 14.6	+ 15.1
End-of-month deposits (thousands)*	\$ 82,864	+ 10.8	+ 0.2
Annual rate of deposit turnover	12.0	+ 1.7	+ 17.6
Air express shipments	456	+ 10.4	+ 0.9
Unemployment	1,860	+ 15.6	+ 5.7
Placements in employment	636	+ 25.0	+ 18.6

AUSTIN:			
Retail sales of independent stores		+ 15.0	+ 30.8
Department and apparel store sales		+ 14.8	+ 46.0
Postal receipts	\$ 137,651	+ 0.4	+ 5.0
Building permits	\$ 2,330,480	+ 45.4	+ 49.6
Bank debits to individual accounts (thousands)	\$ 128,962	+ 30.4	+ 29.6
End-of-month deposits (thousands)*	\$ 101,397	+ 6.9	+ 1.3
Annual rate of deposit turnover	15.4	+ 22.2	+ 28.3
Air express shipments	581	+ 21.0	+ 46.0
Unemployment	1,661	- 24.4	- 2.4
Placements in employment	800	- 9.4	+ 27.6
Railroad carloadings:			
Inbound	1,837	+ 12.8	+ 37.0
Outbound	342	- 2.9	+ 26.7

BEAUMONT:			
Retail sales of independent stores		+ 25.2	+ 33.8
Department and apparel store sales		+ 30.6	+ 50.0
Postal receipts	\$ 54,208	+ 15.3	+ 16.2
Building permits	\$ 812,291	+ 92.8	+ 69.6
Bank debits to individual accounts (thousands)	\$ 100,850	+ 41.2	+ 16.1
End-of-month deposits (thousands)*	\$ 94,946	+ 16.0	- 4.0
Annual rate of deposit turnover	12.5	+ 21.4	+ 17.9
Export cars unloaded	388	- 35.2	- 13.4
Air express shipments	380	+ 38.7	+ 26.7
Water-borne commerce (tons)	14,962	- 36.3	- 22.1

BROWNSVILLE:			
Retail sales of independent stores		+ 8.2	+ 30.0
Postal receipts	\$ 15,708	+ 35.9	+ 29.2
Building permits	\$ 102,297	+ 9.3	+ 76.2
Export and coastal cars unloaded	529		+ 19.7
Air express shipments	684	- 72.3	- 33.9
Water-borne commerce (tons)	86,965	- 0.04	+ 33.3

BRYAN:			
Department and apparel store sales		+ 18.3	+ 47.5
Postal receipts	\$ 10,233	+ 2.4	+ 16.1
Building permits	\$ 180,205	+ 15.3	+220.5
Air express shipments	30	+ 20.0	+100.0

*Excludes deposits to credit of banks.

City and item	Percent change		
	Mar. 1948	Mar. 1948	Mar. 1948
		from Mar. 1947	from Feb. 1948
BROWNWOOD:			
Retail sales of independent stores		+ 8.2	+ 15.7
Department and apparel store sales		+ 18.2	+ 52.1
Postal receipts	\$ 12,657	+ 14.3	+ 22.4
Building permits	\$ 188,091	+364.3	+ 22.4
Air express shipments	34		+ 25.9

CORPUS CHRISTI:			
Retail sales of independent stores		+ 18.9	+ 33.9
Department and apparel store sales		+ 4.0	+ 59.2
Postal receipts	\$ 69,421	+ 5.4	+ 9.5
Building permits	\$ 786,182	- 60.3	- 81.2
Bank debits to individual accounts (thousands)	\$ 78,764	+ 22.7	+ 19.7
End-of-month deposits (thousands)*	\$ 72,004	+ 3.1	- 0.8
Annual rate of deposit turnover	13.1	+ 14.9	+ 21.3
Air express shipments	506	- 13.2	+ 23.8
Unemployment	3,209	+ 11.1	- 17.9
Placements in employment	990	+ 54.2	+ 24.7
Water connections	21,785	+ 10.3	+ 1.0
Electrical connections	25,284	+ 8.6	+ 0.1
Water-borne commerce (tons)	2,143,171	+ 18.9	+ 19.8

CORSICANA:			
Building permits	\$ 180,150	+102.4	+645.7
Bank debits to individual accounts (thousands)	\$ 10,151	+ 15.2	+ 21.4
End-of-month deposits (thousands)*	\$ 19,620	+ 0.9	- 1.4
Annual rate of deposit turnover	6.1	+ 10.9	+ 22.0

DALLAS:			
Retail sales of independent stores		+ 15.5	+ 24.7
Apparel stores		+ 11.2	+ 26.1
Automotive stores		+ 35.1	+ 32.0
General merchandise stores		+ 20.2	+ 32.9
Drug stores		- 8.2	+ 5.7
Filling stations		+ 14.0	+ 15.0
Florists		+ 49.3	+ 23.2
Food stores		- 14.4	+ 5.8
Furniture and household stores		+ 8.4	+ 8.4
Lumber, building material, and hardware stores		+ 67.2	+ 66.1
Eating and drinking places		- 1.8	+ 7.6
All other stores		+ 6.5	- 5.0
Postal receipts	\$ 831,744	+ 19.2	+ 16.1
Building permits	\$10,924,062	+143.6	+ 73.5
Bank debits to individual accounts (thousands)	\$ 981,488	+ 30.2	+ 14.6
End-of-month deposits (thousands)*	\$ 637,765	+ 6.6	+ 0.3
Annual rate of deposit turnover	17.2	+ 22.9	+ 15.4
Air express shipments	8,110	+ 16.4	+ 32.0
Unemployment	8,000	- 32.2	- 5.9
Placements in employment	3,939	+ 41.2	+ 11.4

EL PASO:			
Retail sales of independent stores		+ 10.5	+ 16.4
Department and apparel store sales		+ 6.9	+ 34.1
Postal receipts	\$ 106,834	+ 15.2	+ 10.9
Building permits	\$ 658,775	+ 18.4	- 25.2
Bank debits to individual accounts (thousands)	\$ 128,283	+ 13.0	+ 9.1
End-of-month deposits (thousands)*	\$ 116,766	+ 8.9	- 0.1
Annual rate of deposit turnover	13.2	+ 9.1	+ 10.9
Air express shipments	1,477	+ 13.1	+ 10.1
Unemployment	8,000	0.0	- 1.6
Placements in employment	714	+ 25.3	+ 2.1
Railroad carloadings:			
Inbound	3,643		+ 14.8
Outbound	3,410		- 0.6

*Excludes deposits to credit of banks.

CONDITIONS

City and item	Percent change		
	Mar. 1948	Mar. 1948	Mar. 1948
		from Mar. 1947	from Feb. 1948
FORT WORTH:			
Retail sales of independent stores.....		+ 18.4	+ 29.4
Apparel stores		+ 13.8	+ 16.2
Automotive stores		+ 19.1	+ 29.5
General merchandise stores		+ 27.8	+ 36.9
Drug stores		- 13.4	+ 0.9
Filling stations		+ 15.8	+ 25.8
Florists		+ 43.7	+ 26.0
Food stores		- 3.1	+ 7.7
Furniture and household stores		- 12.3	+ 20.6
Lumber, building material, and hardware stores		+ 51.9	+ 62.7
Eating and drinking places		- 15.6	+ 6.5
All other stores		+ 3.0	+ 7.1
Postal receipts	\$ 345,664	+ 17.8	+ 14.3
Building permits	\$ 2,694,175	+ 47.0	+109.5
Bank debits to individual accounts (thousands)	\$ 294,983	+ 10.9	+ 12.5
End-of-month deposits (thousands)* \$	266,312	- 1.7	- 0.2
Annual rate of deposit turnover	13.3	+ 11.8	+ 14.7
Air express shipments	1,680	+ 19.9	+ 24.9
Unemployment	9,500	+ 13.1	- 1.0
Placements in employment	2,828	- 13.5	+ 13.1
GALVESTON:			
Retail sales of independent stores.....		+ 15.1	+ 16.1
Department and apparel store sales.....		- 2.8	+ 23.9
Postal receipts	\$ 53,925	+ 4.3	+ 6.0
Building permits	\$ 195,709	- 6.3	+ 12.4
Bank debits to individual accounts (thousands)	\$ 73,361	+ 21.3	+ 6.4
End-of-month deposits (thousands)* \$	91,211	+ 8.5	- 2.4
Annual rate of deposit turnover	9.5	+ 11.8	+ 6.7
Export cars unloaded	8,781	- 16.5	+ 13.1
Air express shipments	452	+ 10.3	+ 29.1
Unemployment (area)	1,500	- 16.7	- 3.2
Placements in employment (area)	1,035	- 3.1	+ 14.2
Exports (tons)	353,171	- 23.6	+ 3.5
HOUSTON:			
Retail sales of independent stores.....		+ 12.9	+ 35.8
Apparel stores		+ 11.8	+ 51.2
Automotive stores		+ 13.8	+ 32.2
General merchandise stores		+ 19.4	+ 45.0
Drug stores		- 4.1	- 0.9
Filling stations		+ 0.3	+ 0.6
Food stores		+ 3.5	+ 9.6
Furniture and household stores		+ 2.3	+ 18.8
Lumber, building material, and hardware stores		+ 15.4	+ 23.6
Eating and drinking places		+ 2.9	+ 12.5
All other stores		+ 13.2	+ 12.3
Postal receipts	\$ 535,644	+ 17.0	+ 9.8
Building permits	\$ 6,043,452	+ 56.8	- 44.1
Bank debits to individual accounts (thousands)	\$ 1,053,593	+ 29.5	+ 17.5
End-of-month deposits (thousands)* \$	826,349	+ 13.5	- 0.1
Annual rate of deposit turnover	15.4	+ 23.2	+ 18.5
Export cars unloaded	3,753	- 20.0	+ 2.2
Air express shipments	5,565	+ 13.5	+ 17.4
Unemployment (area)	8,700	- 33.1	- 7.4
Placements in employment (area)	4,334	- 7.1	+ 1.7
Exports (tons)	174,643	- 5.1	- 13.3
Railroad carloadings			
Inbound	71,686	- 9.3	-
Outbound	53,429	- 7.1	-
LAMESA:			
Retail sales of independent stores.....		+ 35.2	+ 26.8
Postal receipts	\$ 4,866	+ 16.0	+ 0.6
Building permits	\$ 34,500	+ 93.1	+105.5

*Excludes deposits to credit of banks.

City and item	Percent change		
	Mar. 1948	Mar. 1948	Mar. 1948
		from Mar. 1947	from Feb. 1948
LAREDO:			
Department and apparel store sales.....		+ 15.4	+ 31.1
Postal receipts	\$ 16,524	+ 3.8	+ 11.5
Bank debits to individual accounts (thousands)	\$ 17,136	- 1.0	+ 27.9
End-of-month deposits (thousands)* \$	21,766	+ 3.3	- 0.4
Annual rate of deposit turnover	9.5	- 6.9	+ 33.1
Air express shipments	345	- 16.5	+ 31.7
Tourist cars entering Mexico	7,094	- 8.2	- 26.3
LOCKHART:			
Retail sales of independent stores.....		+ 31.6	+ 21.6
Department and apparel store sales.....		+ 26.0	+ 61.3
Postal receipts	\$ 2,195	+ 11.7	+ 8.2
Building permits	\$ 3,400	- 51.5	- 72.6
Bank debits to individual accounts (thousands)	\$ 2,776,029	+ 15.8	+ 15.7
End-of-month deposits (thousands)* \$	4,978,979	- 0.03	-
LUBBOCK:			
Retail sales of independent stores.....		+ 33.2	+ 30.4
Department and apparel store sales.....		+ 26.4	+ 41.1
Postal receipts	\$ 42,449	+ 22.1	- 7.0
Building permits	\$ 1,143,243	- 49.1	- 8.8
Bank debits to individual accounts (thousands)	\$ 67,131	+ 40.6	+ 10.2
End-of-month deposits (thousands)* \$	69,733	+ 23.3	+ 3.6
Annual rate of deposit turnover	11.8	+ 15.7	+ 11.3
Air express shipments	329	+ 77.6	+ 60.7
Unemployment	900	0.0	- 10.0
Placements in employment	532	+ 40.1	+ 49.4
MARSHALL:			
Department and apparel store sales.....		+ 24.9	+ 62.4
Postal receipts	\$ 11,893	+ 9.8	+ 8.7
Building permits	\$ 65,507	+ 16.9	- 33.8
PLAINVIEW:			
Retail sales of independent stores.....		+ 13.6	+ 13.0
Department and apparel store sales.....		+ 32.1	+ 49.9
Postal receipts	\$ 8,871	+ 42.5	+ 23.7
Building permits	\$ 141,300	+241.7	- 27.5
Air express shipments	55	-	0.0
PORT ARTHUR:			
Retail sales of independent stores.....		+ 26.9	+ 23.2
Department and apparel store sales.....		+ 13.6	+ 46.5
Postal receipts	\$ 27,699	+ 25.2	+ 18.3
Building permits	\$ 201,344	- 13.2	+ 10.3
Bank debits to individual accounts (thousands)	\$ 39,615	+ 37.8	+ 23.6
End-of-month deposits (thousands)* \$	39,560	+ 2.2	- 3.0
Annual rate of deposit turnover	11.9	+ 35.2	+ 25.3
Export and coastal cars unloaded.....	624	- 31.7	- 49.4
Air express shipments	164	- 14.1	+ 17.1
SAN ANGELO:			
Retail sales of independent stores.....		+ 13.0	+ 31.0
Department and apparel store sales.....		+ 26.3	+ 42.9
Postal receipts	\$ 27,060	+ 24.3	+ 5.3
Bank debits to individual accounts (thousands)	\$ 30,522	+ 32.2	+ 9.7
End-of-month deposits (thousands)* \$	37,437	+ 8.6	+ 0.2
Annual rate of deposit turnover	9.8	+ 24.1	+ 10.1
Air express shipments	521	+ 95.1	+ 13.7

*Excludes deposits to credit of banks.

LOCAL BUSINESS CONDITIONS

(Continued)

City and item	Mar. 1948	Percent change	
		Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
SAN ANTONIO:			
Retail sales of independent stores		+ 12.3	+ 25.0
Apparel stores		+ 4.0	+ 42.0
Automotive stores		+ 25.2	+ 41.8
General merchandise stores		+ 7.7	+ 14.2
Drug stores		- 14.6	+ 8.0
Filling stations		+ 24.7	+ 22.8
Food stores		+ 2.0	+ 4.0
Furniture and household stores		+ 10.4	+ 1.6
Lumber, building material, and hardware stores		+ 31.9	+ 38.1
Eating and drinking places		- 12.6	+ 2.1
All other stores		+ 21.4	+ 25.5
Postal receipts	\$ 309,326	+ 20.9	+ 10.9
Building permits	\$ 8,962,742	+110.5	+ 71.8
Bank debits to individual accounts (thousands)	\$ 243,889	+ 9.9	+ 16.0
End-of-month deposits (thousands)*	\$ 311,296	- 1.0	+ 0.1
Annual rate of deposit turnover	9.4	+ 10.6	+ 17.5
Air express shipments	2,748	+ 2.7	+ 3.6
Unemployment	7,500	- 25.0	0.0
Placements in employment	2,297	+ 37.7	+ 4.4

TEMPLE:

Retail sales of independent stores		+ 6.1	+ 7.9
Department and apparel store sales		- 1.3	+ 3.3
Postal receipts	\$ 13,830	+ 3.2	+ 7.0
Building permits	\$ 123,858	+ 12.1	- 46.8
Air express shipments	83	+ 18.6	+ 38.8

TEXARKANA:

Retail sales of independent stores		+ 14.6	+ 40.0
Department and apparel store sales		+ 33.5	+ 62.8
Postal receipts	\$ 28,527	+ 20.2	+ 14.5
Building permits	\$ 66,046	- 75.7	- 82.5
Bank debits to individual accounts (thousands)	\$ 24,496	+ 5.6	+ 17.6
Annual rate of deposit turnover	7.3	- 6.4	+ 7.4
Air express shipments	181	+ 45.6	+125.9
Unemployment	3,750	+ 4.2	- 3.2
Placements in employment	401	- 51.2	+ 19.7

*Excludes deposits to credit of banks.

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 dairy and poultry products in cold storage places in Texas continued to decline from February 1 to March 1, except for plastic cream, which increased 76.4%, American cheese, up 0.5%, and shell eggs, which showed no change. In comparison with March 1, 1947, holdings of cream, shell eggs, and poultry were down, while creamery butter stocks doubled, American cheese rose 39.2%, and frozen eggs 0.7%.

City and item	Mar. 1948	Percent change	
		Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TEXAS CITY:			
Retail sales of independent stores		+ 33.1	+ 23.3
Postal receipts	\$ 10,846	+ 55.4	+ 80.6
Building permits	\$ 294,610	+197.5	+147.5
Export and coastal cars unloaded	379	- 78.6	- 2.8
Unemployment (area)	1,500	- 16.7	- 3.2
Placements in employment (area)	1,035	- 8.1	+ 14.2

TYLER:

Retail sales of independent stores		+ 21.7	+ 38.5
Department and apparel store sales		+ 28.4	+ 40.1
Postal receipts	\$ 39,514	+ 40.0	+ 25.8
Building permits	\$ 734,288	+ 42.4	+124.8
Bank debits to individual accounts (thousands)	\$ 40,704	+ 24.4	+ 17.9
End-of-month deposits (thousands)*	\$ 50,008	+ 17.4	- 0.6
Annual rate of deposit turnover	9.7	+ 6.6	+ 18.3
Air express shipments	193	+ 86.9	+ 53.2

WACO:

Retail sales of independent stores		+ 24.3	+ 35.8
Department and apparel store sales		+ 12.4	+ 44.6
Postal receipts	\$ 68,342	+ 15.9	+ 5.7
Building permits	\$ 767,117	+ 21.5	- 8.3
Bank debits to individual accounts (thousands)	\$ 51,345	+ 12.4	+ 6.6
End-of-month deposits (thousands)*	\$ 61,952	+ 1.2	- 2.3
Annual rate of deposit turnover	9.8	+ 8.9	+ 8.9
Air express shipments	199	+ 9.9	+ 18.5
Unemployment	3,200	- 2.3	- 5.7
Placements in employment	442	- 31.5	+ 33.1

WICHITA FALLS:

Retail sales of independent stores		+ 14.1	+ 41.4
Department and apparel store sales		+ 24.0	+ 54.4
Postal receipts	\$ 39,940	+ 2.9	+ 0.4
Building permits	\$ 470,160	+205.6	+ 22.6
Bank debits to individual accounts (thousands)	\$ 51,245	+ 20.0	+ 14.7
End-of-month deposits (thousands)*	\$ 76,321	+17.4	- 0.6
Annual rate of deposit turnover	8.0	+ 2.6	+ 14.3
Air express shipments	275	+ 13.6	+ 25.6
Unemployment	1,279	- 23.3	- 12.9
Placements in employment	429	+ 0.9	+ 23.8

*Excludes deposits to credit of banks.

COLD STORAGE HOLDINGS

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

Item	Unit (000's)	Mar. 1 1948	Feb. 1 1948	Percent change		
				Mar. 1 1948 from Mar. 1947	Mar. 1948 from Feb. 1948	
Cream:						
Fluid	lbs.	158	377	187	- 15.5	- 58.1
Plastic	lbs.	344	195	578	- 40.5	+ 76.4
Creamery butter	lbs.	516	820	172	+200.0	- 37.1
American cheese	lbs.	3,698	3,679	2,657	+ 39.2	+ 0.5
Shell eggs	cases	4	4	6	- 33.3	
Frozen eggs	lbs.	3,886	4,497	3,859	+ 0.7	-13.6
Poultry	lbs.	2,133	2,254	4,545	- 53.1	- 6.0

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 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.)

Few significant changes occurred during the month of March in banking in Texas, as indicated by the statement of condition of weekly reporting member banks of the 11th Federal Reserve District. Although the Federal Reserve Bank of Dallas recently reported that total resources of member banks in this district reached an all-time high at the end of March, the increase has been gradual, and March was a relatively stable month.

Total loans and investments of the weekly reporting banks declined by 1.1% during the month to a level 18.9% above that of March 1947. At the present time, the loan and investment portfolios of the banks consist of \$1,012 million in loans, \$116 million in other securities, and \$1,057 million in government securities, \$791 million of which are in United States Government bonds, \$89 million in the intermediate-term Treasury notes, and \$177 million in the short-term Treasury certificates and bills. As compared to most banks in other sections of the country, these reporting banks have a much larger portion of their assets in the form of loans as opposed to government securities, for less than half of the total loans and investments of \$2,185 thousand outstanding is represented by government obligations. A partial explanation for this situation is the fact that

many of these weekly reporting member banks are located in cities such as Houston and Dallas, where there is a strong demand for bank credit for business expansion at the present time.

The Federal Reserve Bank of Dallas increased its gold certificate reserves by 3.0% during the month of March, this asset reaching a level of \$537,911 thousand as compared to \$522,185 thousand in February and \$486,313 thousand in March a year ago. These gold certificates are used as reserves for Federal Reserve notes outstanding and deposit liabilities by the Reserve banks on a 1 to 4 basis. Therefore, the amount of such certificates held is significant, for expansion in their volume allows for expansion in Federal Reserve bank credit, which in turn serves as the basis for member bank credit. The increase during the last year indicates that the Dallas bank has received a share of the large gold imports into the United States since the war, and therefore can support greater lending activity.

Of the other important asset accounts, total United States Government securities held declined by 2.0% during the month to \$933,894 thousand, and the dynamic discounts and advances account dropped from \$11,718 thousand to \$5,159 thousand, a fall of 56.0%. No significant changes occurred in the deposit or capital accounts, although it is interesting to note that the capital-deposit ratio of the Dallas Federal Reserve Bank is only 1 to 55, including Federal Reserve notes with deposits.

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	Mar. 24 1948	Feb. 25 1948	Mar. 26 1947	Percent change	
				Mar. 24 1948	Mar. 24 1948
				from Mar. 26 1947	from Feb. 25 1948
ASSETS					
Gold certificate reserves	537,911	522,185	486,313	+10.6	+ 3.0
U.S. Government securities	933,894	958,238	906,865	+ 3.0	- 2.0
Discounts and advances	5,159	11,718	4,008	+24.0	-56.0
Other cash	14,548	15,856	12,955	+12.3	- 5.3
Other assets	140,997	132,414	107,585	+31.1	+ 6.5
TOTAL ASSETS	1,632,504	1,684,906	1,517,811	+ 7.6	- 0.1
LIABILITIES					
Federal Reserve notes	590,568	598,247	576,708	+ 2.4	- 1.3
Deposits	895,641	898,266	824,615	+ 8.6	- 0.3
Other liabilities	119,029	112,399	92,029	+30.0	+ 6.4
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	1,605,888	1,608,912	1,493,352	+ 7.5	- 0.2
Capital paid in	7,602	7,588	7,052	+ 7.8	+ 0.3
Surplus	15,418	15,418	15,984	+ 2.2	0.0
Other capital accounts	3,646	2,993	2,323	+57.0	+21.8
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	1,632,504	1,684,906	1,517,811	+ 7.6	- 0.1

CHANGES IN CONDITION OF WEEKLY REPORTING MEMBER BANKS

Source: Board of Governors of the Federal Reserve System

Item	Percent change		
	Mar. 24 1948	Mar. 24 1948	Mar. 26 1947
	from Mar. 26 1947	from Feb. 25 1948	from Feb. 26 1947
ASSETS			
Loans and investments	+ 18.9	- 1.1	- 0.6
Loans	+ 34.4	- 1.0	- 0.3
Total U.S. Government securities	+ 5.5	- 1.6	- 1.5
Treasury bills	- 81.5	+150.0	- 6.9
Treasury certificates of indebtedness	- 26.2	+ 6.2	- 3.3
Treasury notes	- 10.1	- 5.3	- 11.6
United States bonds	+ 23.0	- 3.1	+ 1.3
Other securities	+ 39.8	+ 1.8	+ 6.4
Reserve with Federal Reserve Banks	+ 18.0	- 2.5	+ 3.2
Cash in vault	+ 22.2	0.0	0.0
Balances with domestic banks	+ 23.8	+ 0.7	+ 5.7
LIABILITIES			
Total deposits (except interbank)	+ 21.1	- 0.3	+ 1.5
Demand deposits adjusted	+ 23.1	- 0.7	+ 2.1
Time deposits	+ 20.8	+ 0.8	0.0
U.S. Government deposits	- 28.1	+ 10.8	- 6.6
Interbank deposits:			
Domestic banks	+ 10.4	- 4.6	- 2.5
Foreign banks	+ 38.3	0.0	0.0
CAPITAL ACCOUNTS	+ 25.8	+ 1.0	0.0

Bank Debits

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

Bank debits in 20 Texas cities climbed 15.6% during March to \$3,532 million, a figure 27.5% higher than for March 1947. The annual rate of deposit turnover also increased from 11.8 times per year in February to 13.7 times in March.

The seasonally-adjusted index of bank debits reversed the trend prevalent in February and climbed 4.4% in March to 428.5% of the 1935-39 average, the highest level yet recorded with the exception of the 434.1 index in January of this year.

BANK DEBITS*

(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

City	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	\$3,532,248	\$3,065,464	\$2,770,129	+27.5	+15.6
Abilene	33,134	29,127	26,931	+23.0	+13.8
Amarillo	82,591	71,763	72,164	+14.5	+15.1
Austin	128,962	99,499	98,928	+30.4	+29.6
Beaumont	100,850	86,886	71,440	+41.2	+16.1
Corpus Christi	78,764	65,778	64,307	+22.7	+19.7
Corsicana	10,151	8,361	8,815	+15.2	+21.4
Dallas	981,488	856,176	753,898	+30.2	+14.8
El Paso	128,233	117,546	108,671	+18.0	+9.1
Fort Worth	294,983	262,063	265,969	+10.9	+12.8
Galveston	73,301	68,954	60,496	+21.3	+16.4
Houston	1,053,898	896,615	755,418	+39.5	+17.5
Laredo	17,136	13,403	17,314	- 1.0	+27.9
Lubbock	67,131	60,920	47,756	+40.6	+10.2
Port Arthur	39,615	32,063	28,758	+37.8	+23.6
San Angelo	30,522	27,331	23,086	+32.2	+9.7
San Antonio	243,889	210,272	221,969	+9.9	+16.0
Texarkana†	24,496	20,834	23,203	+5.6	+17.6
Tyler	40,704	34,523	32,733	+24.4	+17.9
Waco	51,345	48,156	45,675	+12.4	+6.6
Wichita Falls	51,245	44,689	42,713	+20.0	+14.7

*Debits to deposit accounts except interbank accounts.

†Includes 2 banks in Arkansas, Eighth District.

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.)

Figures compiled by Dun and Bradstreet, Inc., show 6 business failures in Texas during the month, as compared to 4 in February and 5 in March a year ago. Average liabilities were also relatively high, amounting to \$46,000 per failure.

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.)

Ordinary life insurance sales during March totaled \$63,387 thousand in Texas and \$1,242,718 thousand for the nation as a whole. Although Texas purchases

were 4.6% less than a year ago, this month's figure is 10.1% higher than the purchases in February.

Corporation Charters

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

Secretary of State reports show that 401 domestic corporations received charters in Texas during the month, with a total capitalization of \$11,174 thousand. Of the new firms, 113 were merchandising organizations, 58 were to engage in real estate business, and 30 were chartered for manufacturing purposes.

CORPORATION CHARTERS ISSUED BY CLASSIFICATIONS

Source: Secretary of State

Classification	Mar. 1948	Feb. 1948	Mar. 1947
DOMESTIC CORPORATIONS			
Capitalization*	11,174	8,218	6,859
Number	401	336	233
Banking-finance	6	8	5
Construction	19	25	16
Manufacturing	30	22	31
Merchandising	113	75	57
Oil	16	15	10
Public service	3	4	0
Real estate	58	50	25
Transportation	6	3	6
All other	90	88	42
No capital stock	60	46	41
FOREIGN CORPORATIONS			
Number	47	35	22

*In thousands of dollars.

CORPORATION CHARTERS ISSUED BY CAPITALIZATION

Source: Office of the Secretary of State

Capitalization	Mar. 1948	Feb. 1948	Mar. 1947
Over \$100,000	13	18	8
\$5,000-\$100,000	235	173	138
Less than \$5,000	86	93	48
Capitalization not specified	7	6	3
No capital stock	60	46	41

BUSINESS FAILURES

Source: Dun and Bradstreet, Inc.

	Mar. 1948	Feb. 1948	Mar. 1947	Feb. 1947
Number	6	4	5	3
Liabilities*	275	101	309	120
Average liabilities per failure*	46	25	62	40

*In thousands of dollars.

SALES OF UNITED STATES SAVINGS BONDS

Source: Treasury Department, Office of State Director for Texas

Series	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	\$15,273,635	\$17,789,563	\$17,664,108	-13.5	-14.1
Series E	11,186,005	12,891,986	11,819,561	-5.4	-13.2
Series F and G	4,087,630	4,897,577	5,844,547	-30.1	-16.5

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.l. shipments include the same type of goods shipped in smaller lots. Cars unloaded for export reflect the changes in the volume of exports.)

Railroad rates nationally crept upwards again recently when the Interstate Commerce Commission granted a 5% freight rate increase, mostly to Eastern carriers, which will add an estimated \$300 million to the nation's costs. As previously discussed in this column, just how long the railroads can continue to benefit from continually rising rates in an increasingly competitive economy is a doubtful matter. The apparent consumer resistance to high prices in many other businesses is visible in decreased passenger travel and in other luxury lines and will appear more and more in freight business, until the inevitable readjustment downward to care for the needs of individual interests makes inroads on the rate level.

A recent release by the Bureau of Transport Economics and Statistics of the Interstate Commerce Commission shows part of the relationship between higher railroad wage payments and the higher rate levels. It also shows that in 1947 the carriers' rates were not rising as rapidly as other costs, since the carriers produced only 2.89% of the total national income, as compared with 3.01% in 1946. National income produced by the carriers is considered to be compensation to employees and the earnings on capital, including interest, rents, dividends, and undistributed earnings. The Bureau estimated that the railroads produced \$5,848 million in national income, of which employees' compensation took 31% and earnings on capital 19%. The latter percentage included \$359 million in accrued interest, \$296 million in rent, \$236 million in cash dividends, and \$244 million in surplus or savings, compared with \$4,713 million in wages paid.

REVENUE FREIGHT LOADED IN SOUTHWESTERN DISTRICT
(in carloads)

Source: Car Service Division, Association of American Railroads

Item	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	278,168	259,268	292,378	-4.9	+7.3
Grain and grain products	18,123	17,690	23,880	-24.1	+2.4
Livestock	3,708	3,012	6,174	-39.9	+23.1
Coal	17,150	28,785	25,144	-21.8	-40.4
Coke	896	846	699	+28.2	+5.9
Forest products	23,282	17,578	27,163	-14.3	+32.4
Ore	2,946	3,122	3,156	-6.7	-5.6
Merchandise (l.c.l.)	80,514	27,966	83,163	-8.0	+9.1
Miscellaneous	181,549	160,264	172,999	+4.9	+13.3

While these figures do not take into account the money spent for supplies, which amounted in 1947 to more than \$1,500 million, a considerable proportion of this sum also goes for wages. It can readily be seen that the chief component of higher freight and passenger rates is employee wages, and every time wage rates rise, so must freight and passenger rates.

With the threatened strike of certain operating brotherhoods still unsettled, since they have indicated refusal of the award given by the president's special board, the nonoperating employees have now asked for a third wage increase of 25c per hour and reduction in hours from 48 to 40 weekly, which, if granted, will push freight rates up again if the carriers are to be kept out of bankruptcy.

Under conditions of continued material shortages, caused by strikes, rearmament, and the Marshall Plan, especially in steel, copper, aluminum and other metals, and with increasing wage pressure, the railroads will face for the rest of 1948 a continuation of the difficult conditions experienced for the past several years.

Another item of interest to the Southwestern shippers is the reopening of the question of divisions of rates between the railroads of Official and Southwestern territories. Ordinarily the shipper is not concerned with how the carriers divide the payment he makes for service, but in case the Interstate Commerce Commission should decide the Eastern lines are entitled to more revenue and hence a higher percentage of the total interline charge, the result would probably be another increase in freight rates for the Southwest. Preliminary conferences on the case have not yet been held with the Commission, but a docket number has been assigned and the weary process will soon be underway.

EXPORT AND COASTAL CARS UNLOADED*

Source: Car Service Division, Association of American Railroads

Port	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	14,404	18,579	18,436	-21.9	+6.1
Beaumont	388	448	590	-35.2	-13.4
Port Arthur	624	1,232	913	-31.7	-49.4
Texas City	379	390	1,768	-73.6	-2.8
Houston	3,758	3,674	4,694	-20.0	+2.2
Galveston	8,731	7,893	10,462	-16.5	+18.1
Brownsville	529	442			+19.7

*Excluding coal.

WATER-BORNE COMMERCE AT TEXAS PORTS
(tons)

Source: Local port authorities

	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	2,244,498	1,855,172	1,912,541	+17.2	+21.0
Beaumont	14,962	19,208	23,473	-30.3	-22.1
Brownsville	86,365	47,105	86,407	-0.04	+83.3
Corpus Christi	2,143,171	1,788,859	1,802,661	+18.9	+19.8

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.)

The action of the Civil Aeronautics Board in proposing new mail service rate formulas for the "Big Five" airlines (American, Eastern, Northwest, TWA, and United) at substantially lower rates than requested by the carriers has been a keen disappointment to these carriers. Under the new formula, the "Big Five" will receive rates of mail pay varying with the volume transported. The rate for each block varies. For the first 2,500 ton-miles performed each day the carriers will receive 75c a ton-mile. The rate declines gradually until daily volume of over 30,000 ton-miles is reached with the payment for over 30,000 ton-miles being 40c a ton-mile. This new rate formula is a substantial increase over the 45c a ton-mile rate in effect prior to the recent order for all except Northwest which was receiving 60c a ton-mile.

AIR EXPRESS SHIPMENTS

Source: Railway Express Agency

Cities	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	26,283	21,960	24,876	+ 7.8	+ 19.7
Abilene	202	122	176	+ 14.8	+ 65.6
Amarillo	456	452	418	+ 10.4	+ 0.9
Austin	581	398	480	+ 21.0	+ 46.0
Beaumont	380	300	274	+ 38.7	+ 26.7
Big Spring	58	48	69	- 23.2	+ 28.3
Brownsville	684	1,189	2,517	- 72.8	- 39.9
Brownwood	84	27	*		+ 25.9
Bryan	30	15	25	+ 26.0	+100.0
Corpus Christi	506	393	583	- 13.2	+ 28.8
Dallas	8,110	6,145	6,969	+ 16.4	+ 32.0
Eagle Pass	58	35	*		+ 65.7
El Paso	1,477	1,841	1,306	+ 18.1	+ 10.1
Fort Stockton	16	5	*		+220.0
Fort Worth	1,680	1,845	1,401	+ 19.9	+ 24.9
Galveston	452	850	498	+ 10.8	+ 29.1
Houston	5,565	4,739	4,908	+ 13.5	+ 17.4
Lamesa	*	*	24		
Laredo	345	262	413	- 16.5	+ 31.7
Longview	198	198	*		+ 43.5
Lubbock	198	242	219	+ 77.6	+ 60.7
Midland	268	218	186	+ 97.1	+ 22.9
Mineral Wells	21	18	28	- 25.0	+ 16.7
Odessa	232	151	126	+ 84.1	+ 53.6
Palestine	16	13	*		- 15.8
Paris	34	29	*		+ 17.2
Plainview	55	55	*		0.0
Port Arthur	164	140	191	- 14.1	+ 17.1
San Angelo	521	489	267	+ 95.1	+ 13.7
San Antonio	2,743	2,647	2,670	+ 2.7	+ 3.6
Sweetwater	30	86	54	- 44.4	- 65.1
Temple	83	60	70	+ 18.6	+ 38.3
Texarkana	131	58	90	+ 45.8	+125.9
Tyler	193	126	141	+ 36.9	+ 53.2
Victoria	38	36	*		+ 5.6
Waco	199	168	181	+ 9.9	+ 18.5
Wichita Falls	275	219	243	+ 18.6	+ 25.6
Other	64	*	*		

*Not reported during indicated months.

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.)

Total *nonagricultural* employment in Texas in March increased 0.3% over February 1948 and was 3.3% higher than in March 1947. Employment activity thus appeared to be recovering from a two-month seasonal slump, abetted by extremely inclement weather. Though manufacturing showed minor employment declines in both durable and nondurable goods, there are indications that this drop only presages increases in industrial activity and hiring in the near future. The increased appropriation for national defense and the expansion of military purchasing should give manufacturing a boost in Texas, as well as in other parts of the country.

Employment in transportation and public utilities changed little for the month. Most of the employment fluctuations in the trade group were in the nature of small increases. Finance and service industries increased employment. The 4.4% employment rise in real estate and other financial agencies supported the increase in contract construction. Contract construction employment, up 2.6% for the month, has moved out of the slump. All indications point to a higher level of employment in contract construction in the coming months. Though recent developments have again brought warning of inflation from many quarters, experts believe that the picture will remain fairly stable in the near future. The program to aid Europe, plans for defense spending, continued industrial expansion, and the growing feeling that it is time to fill industrial and personal needs before controls come—all are factors calculated to keep demand and resulting employment at a high level in Texas for the coming months.

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 of durable goods manufacturers, compiled by the Bureau of Business Research in cooperation with the federal Bureau of Labor Statistics, indicate declines in pay rolls for March 1948 in 4 of the 7 durable goods manufacturing groups. The largest single decline came in the 11.0% drop in lumber and timber. These pay roll decreases in manufacturing could indicate that production schedules in March more than met demand and inventory requirements. In March 5 of the 8 nondurable goods groups reported declines in pay rolls; other nondurable goods, food and apparel, recorded the most sizable declines.

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	Percent change				
	Mar. 1948	Feb. 1948	Mar. 1947	Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	1,663.4	1,658.9	1,609.6	+ 3.8	+ 0.3
Manufacturing	337.1	340.2	324.8	+ 3.8	- 0.9
Durable goods	140.2	141.0	136.1	+ 3.0	- 0.6
Nondurable goods	196.9	199.2	188.7	+ 4.3	- 1.2
Nonmanufacturing	1,326.3	1,318.7	1,284.8	+ 3.2	+ 0.6
Iron and steel	19.4	19.5	17.1	+13.4	- 0.5
Machinery, except electrical	31.3	31.1	28.4	+10.2	+ 0.6
Transportation equipment except automobile	23.7	24.2	25.9	-11.9	- 2.1
Nonferrous metals	11.3	11.2	8.9	+14.1	+ 0.9
Lumber and timber	30.7	31.1	28.5	+ 7.7	- 1.3
Furniture	11.0	11.3	11.9	- 7.6	- 2.7
Stone, clay, and glass	9.7	9.5	9.7	0.0	+ 2.1
Other durable goods	3.1	3.1	3.7	-16.2	0.0
Textiles	9.9	9.8	8.9	+11.2	+ 1.0
Apparel	27.1	27.9	26.9	+ 0.7	- 2.9
Food	67.1	68.4	63.1	+ 6.3	- 1.9
Paper and allied products	3.6	3.6	3.5	+ 2.9	0.0
Printing and publishings	19.6	19.7	19.1	+ 2.6	- 0.5
Chemicals	24.2	24.1	19.5	+24.1	+ 0.4
Petroleum	38.1	38.1	39.2	- 2.8	0.0
Other nondurable goods	7.3	7.6	8.5	-14.1	- 3.9
Mining	92.9	92.2	86.3	+ 7.6	+ 0.3
Crude petroleum and natural gas production	86.3	85.8	80.0	+ 7.9	+ 0.6
Other mining	6.6	6.4	6.3	+ 4.8	+ 3.1
Transportation and public utilities	221.2	221.8	208.9	+ 5.9	- 0.3
Interstate railroads	65.7	66.4	66.9	- 1.8	- 1.1
Telephone and telegraph	32.1	32.0	29.9	+ 7.4	+ 0.3
Other transportation and public utilities	123.4	123.4	112.1	+10.1	0.0
Trade	384.0	383.6	398.1	- 3.5	+ 0.1
Wholesale	104.8	104.6	111.6	- 6.1	+ 0.2
Retail	279.2	279.0	286.5	- 2.5	+ 0.1
General merchandise	56.1	57.4	62.6	-10.4	- 2.3
Foods and liquors	38.0	37.7	47.3	-19.7	+ 0.8
Automobile	25.6	25.6	25.3	+ 1.2	0.0
Apparel	23.7	22.8	20.9	+13.4	+ 3.9
Other retail trade	135.8	135.5	130.4	+ 4.1	+ 0.2
Finance and service	289.5	285.3	267.2	+ 3.3	+ 1.5
Bank and trust companies	18.3	18.2	16.5	+10.9	+ 0.5
Insurance	25.4	25.2	23.3	+ 9.0	+ 0.8
Real estate and other financial agencies	26.0	24.9	22.1	+17.6	+ 4.4
Hotels	24.2	24.0	24.7	- 1.6	+ 1.3
Other personal services	50.8	50.4	52.6	- 3.4	+ 0.8
Medical services	30.4	29.3	26.9	+13.0	+ 2.0
Other business and professional services	114.3	112.3	101.1	+13.1	+ 1.3
Contract construction	97.7	95.2	83.4	+17.1	+ 2.6
Government	241.0	240.6	240.9	0.0	+ 0.2

Of the 10 classifications in nonmanufacturing, 7 fell below February in worker payments. The 28.3% increase in the brokerage classification was the highest for March. Quarrying was up 7.0% and petroleum production was below February by 6.0%. Pay roll reports for March 1948 as compared with March 1947

CHANGES IN PRODUCTION WORKER PAY ROLLS IN SPECIFIED INDUSTRIES

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

Industry	Number of reporting establishments	Percent change	
		Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
MANUFACTURING			
Durable goods:			
Iron and steel	34	+ 22.4	+ 1.5
Machinery, except electrical	38	+ 5.7	+ 1.9
Nonferrous metals	11	+10.2	- 0.4
Lumber and timber	18	+ 13.3	-11.0
Furniture and finished lumber	29	- 4.5	- 1.8
Stone, clay, and glass	32	+ 2.0	+ 0.8
Other durable goods	9	+ 6.2	- 2.1
Nondurable goods:			
Textiles	15	+ 14.8	+ 1.0
Apparel	84	+ 5.9	- 3.9
Food	124	+ 8.1	- 4.0
Paper	18	+ 10.9	- 2.4
Printing and publishing	39	+ 27.9	+ 3.7
Chemicals	70	+ 14.3	+ 2.9
Petroleum refining	35	+ 12.4	- 2.2
Other nondurable goods	6	- 17.1	- 8.4
NONMANUFACTURING			
National banks	6	+ 1.4	- 4.7
Brokerage	4	+ 10.3	+28.3
Crude petroleum production	40	+ 19.5	- 6.1
Dyeing and cleaning	11	+ 3.0	+ 1.2
Hotels*	15	+ 7.2†	- 2.1†
Insurance	107	+ 12.2	- 2.5
Quarrying	11	+ 25.7	+ 7.0
Public utilities	202	+ 29.7	- 1.9
Retail trade*	372	+ 8.6	0.0
Wholesale trade*	143	+ 3.2	- 1.2
Laundries	8	- 16.4	- 1.3

*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.

reveal that 1948 was up in all classifications except laundries, other nondurable goods, and furniture and finished lumber.

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.)

Eight of the 15 industries of the manufacturing group reported a work week of less than 42 hours for the month of March 1948, while 4 of the 8 industries of the nonmanufacturing group reported a work week of less than 42 hours. The median work week for all manufacturing was 40.9 hours, a negligible change from February, while the median work week for the nonmanufacturing group was 42.1 hours, slightly less than February.

There were only three exceptions, in the manufacturing group, to the general increase in hourly earnings

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 Mar. 1948 from Mar. 1947		
	Mar. 1948	Mar. 1947	Mar. 1948	Mar. 1947	Mar. 1948	Mar. 1947	Weekly hours	Hourly earnings	Weekly earnings
MANUFACTURING									
Durable goods:									
Iron and steel	48.3	41.2	117.9	104.4	51.05	43.01	+ 5.1	+ 12.9	+ 18.7
Machinery (except electrical)	42.2	42.2	119.6	107.1	50.47	46.27	- 2.3	+ 11.7	+ 9.1
Nonferrous metals	40.8	47.0	133.5	116.5	54.47	54.76	- 13.2	+ 14.6	- 0.5
Lumber and timber	40.9	42.0	94.3	88.8	38.57	37.30	- 2.6	+ 6.2	+ 3.4
Furniture and finished lumber	42.1	44.8	85.1	80.6	35.83	36.11	- 6.0	+ 5.6	- 0.8
Stone, clay, and glass	40.4	43.1	97.1	85.9	39.23	37.02	- 6.3	+ 13.0	+ 6.0
Other durable goods	39.3	38.2	137.3	125.7	53.96	48.02	+ 2.9	+ 9.2	+ 12.4
Nondurable goods:									
Textiles	44.5	40.6	93.8	89.7	41.74	36.42	+ 9.6	+ 4.6	+ 14.6
Apparel	37.9	36.3	71.2	72.7	26.93	26.39	+ 4.4	- 2.1	+ 2.2
Food	42.3	44.5	102.2	87.0	43.23	38.73	- 4.9	+ 17.5	+ 11.6
Paper	40.9	41.4	97.5	101.0	39.88	41.81	- 1.2	- 3.5	- 4.6
Printing and publishing	39.7	40.0	165.4	132.3	65.66	52.92	- 0.8	+ 25.0	+ 24.1
Chemicals	43.9	45.0	123.9	118.7	54.39	53.42	- 2.4	+ 4.4	+ 1.8
Petroleum refining	39.8	39.0	168.2	152.3	66.94	59.40	+ 2.1	+ 10.4	+ 12.7
Other nondurable goods	43.0	42.4	82.6	87.1	35.52	36.93	+ 1.4	- 5.2	- 3.8
NONMANUFACTURING									
Crude petroleum production†	39.5	39.5	169.1	150.6	66.79	59.49	- 0.0	+ 12.3	+ 12.3
Dyeing and cleaning†	48.6	42.4	82.2	63.9	35.84	30.93	- 9.9	+ 23.6	+ 15.9
Hotels	41.7	50.3	52.6	36.3	21.93	18.26	- 17.1	+ 44.9	+ 20.1
Laundries†	46.1	45.4	48.9	49.8	22.54	23.11	- 0.6	- 1.8	- 2.5
Public utilities	40.5	35.5	121.3	98.7	49.18	35.04	+ 14.1	+ 22.9	+ 40.2
Quarrying†	42.2	38.9	130.2	122.7	54.94	47.73	+ 8.5	+ 6.1	+ 15.1
Retail trade	40.9	41.2	82.1	75.7	38.58	31.19	- 0.7	+ 8.5	+ 7.7
Wholesale trade	42.1	43.5	92.5	89.6	33.94	33.93	- 3.2	+ 3.2	- 0.1

*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.

in March 1948 over March 1947. The exceptions were "other" nondurable goods (5.2% less); paper (3.5% less); and apparel (21% less). In the nonmanufacturing group the only exception to increased hourly earnings was laundries (1.8% less).

For the most part, *weekly take-home pay* did not decrease in proportion to the decline in average hours worked. This can be explained partially by the fact that many labor agreements have been signed which have granted wage increases ranging from 7c per hour to 36c per hour.

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.)

Total man-hours worked in 419 identical manufacturing establishments dropped 2.1% from February. This decrease continued a downward trend begun in January. Man-hours are, however, still 0.8% above what they were a year ago.

The man-hours decrease from February to March was in both durable goods and nondurable goods. Ten of

MAN-HOURS WORKED IN IDENTICAL MANUFACTURING ESTABLISHMENTS

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

Industry	Number of reporting establishments	Percent change	
		Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	419	+ 0.8	- 2.1
<i>Durable goods:</i>			
Iron and steel	32	+11.0	- 0.8
Machinery, except electrical	36	- 2.7	+ 2.3
Nonferrous metals	7	- 4.6	- 1.0
Lumber and timber	13	+14.3	-11.2
Furniture and finished lumber	27	- 9.3	- 2.3
Stone, clay and glass	23	- 2.7	+ 2.8
Other durable goods	4	- 3.2	- 1.1
<i>Nondurable goods:</i>			
Textiles	11	+ 6.5	+ 1.2
Apparel	28	- 4.6	- 1.7
Food	99	- 2.7	- 5.6
Paper and allied products	9	- 3.8	- 4.5
Printing and publishing	32	+ 9.9	+ 0.6
Chemicals	55	+ 6.7	+ 0.1
Petroleum	34	+ 1.9	- 2.8
Other nondurable goods	4	-22.9	-25.0

the 15 industry groups decreased. Largest declines were lumber and timber (11.2%) and the miscellaneous non-durable groups (25%).

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 at Texas Employment Commission offices was once more on the uptrend last month, in accordance with the increased seasonal need for labor. There was an 11.4% jump in placements for the 15 labor market areas combined, and each locale contributed to the rise. The 12-month advance in the number of workers placed in jobs, however, was small (4.0%) and many single areas of the State reported sizable reductions under the March 1947 figure.

PLACEMENTS IN EMPLOYMENT

Source: Texas Employment Commission

Area	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	20,407	18,323	19,630	+ 4.0	+ 11.4
Abilene	886	353	555	- 30.5	+ 9.3
Amarillo	636	660	509	+ 25.0	+ 13.6
Austin	800	627	883	- 9.4	+ 27.6
Corpus Christi	990	794	642	+ 54.2	+ 24.7
Dallas	3,939	3,535	2,790	+ 41.2	+ 11.4
El Paso	714	699	570	+ 25.3	+ 2.1
Fort Worth	2,828	2,590	3,268	- 13.5	+ 13.1
Galveston-Texas City	1,035	906	1,063	- 3.1	+ 14.2
Houston-Baytown	4,334	4,264	4,663	- 7.1	+ 1.6
Longview	544	462	672	- 19.0	+ 17.7
Lubbock	632	428	451	+ 40.1	+ 49.4
San Antonio	2,297	2,200	1,668	+ 37.7	+ 4.4
Texarkana	401	335	821	- 51.2	+ 19.7
Waco	442	332	645	- 31.5	+ 33.1
Wichita Falls	429	393	425	+ 0.9	+ 28.8

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 labor force in 15 principal labor market areas was estimated at 1,240,066 in March, an increase of 0.7% from February, according to the Texas Employment Commission. San Antonio and Corpus Christi had small decreases in labor force; all other areas showed increases ranging as high as 3.8% for Abilene. All decreases and increases were relatively small, indicating a stable labor force in all Texas labor market areas during March.

NONAGRICULTURAL CIVILIAN LABOR FORCE

Source: Texas Employment Commission

Area	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
TOTAL	\$1,240,066	\$1,231,971	\$1,209,270	+ 2.5	+ 0.7
Abilene	17,894	17,243	18,938	- 5.5	+ 3.8
Amarillo	34,986	34,711	28,175	+24.2	+ 0.8
Austin	44,486	44,478	44,017	+ 1.1	+ 0.01
Corpus Christi	43,870	49,182	50,300	- 2.8	- 0.6
Dallas	226,905	222,275	218,790	+ 3.7	+ 2.1
El Paso	51,620	51,515	50,250	+ 2.7	+ 0.2
Fort Worth	133,574	133,479	129,214	+ 3.4	+ 0.1
Galveston-Texas City	57,847	57,257	52,150	+10.9	+ 1.0
Houston-Baytown	310,585	308,330	302,700	+ 2.6	+ 0.7
Longview	22,798	22,630	21,687	+ 5.1	+ 0.7
Lubbock	25,579	25,225	25,700	- 0.5	+ 1.4
San Antonio	156,277	157,161	161,414	- 3.2	- 0.6
Texarkana	32,530	32,479	32,189	+ 1.1	+ 0.2
Waco	46,057	46,028	45,913	+ 0.3	+ 0.1
Wichita Falls	30,063	29,978	27,933	+ 7.6	+ 0.3

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.)

Employment in 15 labor areas of the State declined 4.5% from February to March, according to the Texas Employment Commission. This decrease marked a reversal of the trend of recent months, which has shown a rising number of unemployed people in these areas. The labor market was also more favorable to persons seeking employment than in March 1947, for there were 10,371 fewer unemployed persons this March than last (a 15.3% reduction in unemployment).

Unemployment compensation benefits paid to Texans in March 1948 totaled \$607,572 (excluding veterans claims), which was an increase of \$147,254 over the amount paid out in February. Total collections deposited were \$283,364, which left \$179,882,558 available for benefits at the end of the month, compared to \$180,214,260 at the end of February.

There were 2,707 applications filed by veterans in March 1948, according to information reported on veterans claims and disbursements. This was a decrease

This month the Bureau takes pleasure in announcing the third printing (and complete revision) of "A Selected and Annotated Bibliography of Literature on Personnel and Industrial Relations," by Keith Davis, Assistant Professor of Industrial Relations in the College of Business Administration. Over 2,500 copies of the first two editions have been distributed, and the latest revision is now available from the Bureau, free of charge.

of 26.8% from the 3,562 applications filed in February, the greatest decrease in new claims filed by veterans since the outset of the program. One reason for such a great decrease is that many veterans have now used up their eligibility for the "52-20 benefits."

UNEMPLOYMENT

Source: Texas Employment Commission

Area	Mar. 1948	Feb. 1948	Mar. 1947
TOTAL	57,490	60,195	67,861
Abilene	1,425	1,475	1,500
Amarillo	1,850	1,750	1,600
Austin	1,681	1,701	2,196
Corpus Christi	3,200	3,900	2,880
Dallas	3,000	3,500	11,800
El Paso	3,000	3,050	3,000
Fort Worth	9,500	9,600	8,400
Galveston-Texas City	1,500	1,550	1,800
Houston-Baytown	8,700	9,400	13,000
Longview	1,925	1,925	2,000
Lubbock	900	1,000	900
San Antonio	7,500	7,500	10,000
Texarkana	3,750	3,875	3,600
Waco	3,300	3,500	3,400
Wichita Falls	1,279	1,469	1,785

Industrial Relations

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

Labor disputes and strikes remained low in Texas during March, although they were somewhat above the exceptionally low month of February, when only six new disputes involving 92 workers were reported by the Texas Employment Commission. Although strikes remained few in number, there was growing evidence that the rate of strikes would increase during the coming months. Many employers were receiving a "third round" of wage demands, with the possibility of a strike. Several companies took strike votes and voted overwhelmingly to strike if future negotiations failed.

The greatest number of strikers in March was in the nationwide meat strike which involved several Texas packers. All meatworkers were not on strike, and several nonstrikers in Fort Worth reported arson attempts against their homes and automobiles, which followed the pattern of "harassing tactics" against nonstrikers used previously in some Texas strikes.

The nationwide coal strike March 15 had little direct effect in Texas because of the negligible coal mining in this State; but as the coal shortage began to decrease production in steel, automobiles, and other basic industries, it was apparent that eventually production and employment in Texas would be adversely affected by the shortage of basic steel and industrial products.

Work was resumed March 29 at a refinery construction project in Houston following a two-day walkout by painters in a dispute over premium pay for scaffold work. Other workers had refused to cross the painters' picket lines. A three-day ironworkers strike at The University of Texas Memorial Stadium construction project was ended March 31 when workers voted to return to work while negotiating a dispute.

GOVERNMENT

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.)

Of paramount interest in State financial circles last month was the increase in the General Fund Balance at the end of March, which marked a reversal of the trend since September. The rise was due to increased taxes coming into the Fund as a result of the last crude oil price hike.

Revenue receipts during March totaled \$39,656,815, almost unchanged from the preceding month. Fiscal year collections through March 31 reached \$287,046,901, for a sharp gain over the previous year of nearly \$84 million dollars, or 41.3%.

Leading sources of revenue increase were the ad valorem tax, which brought \$12 million, or 83.4%, more into State coffers this fiscal year than last; the crude oil production tax, which has yielded \$17.6 million (60.1%) more; and mineral leases, rentals, and bonuses, \$13.4 million more, almost a three-fold increase.

Although the motor fuel tax fell behind 1947 for the first time in over a year, the decline is attributed to bad weather during February, and is not believed to be ominous. Increases in revenue from oil royalties, leases, and bonuses are building up State resources available for educational purposes.

Governmental cost expenditures dropped to \$32,129,772 in March, thus falling over \$7 million behind current receipts.

REVENUE RECEIPTS OF STATE COMPTROLLER

Source: State Comptroller of Public Accounts

Item	September 1—March 31			Percent change
	Mar. 1948	1947-48	1946-47	
TOTAL	\$ 39,656,815	\$287,046,901	\$203,076,534	+ 41.3
Ad valorem tax	3,037,738	26,896,394	14,391,036	+ 83.4
Crude oil production tax	7,599,526	46,893,742	29,289,638	+ 60.1
Motor fuel tax (net)	4,947,999	35,896,699	35,494,828	+ 9.6
Cigarette tax and licenses	1,826,092	12,795,200	11,863,913	+ 7.8
Alcoholic beverage taxes and licenses	936,197	9,912,411	9,690,213	+ 2.3
Mineral leases, rentals, and bonuses	3,277,077	18,096,264	4,672,812	+287.3
Interest on securities owned	732,780	3,679,938	3,436,666	+ 7.1
Unclassified receipts from county tax collectors	3,177,632*	660,990	135,156*	-----
Federal aid—highways	1,487,767	17,510,404	9,329,166	+ 87.7
Federal aid—public welfare	4,466,369	31,826,196	23,004,317	+ 13.6
Federal aid—public education	2,382,678	13,439,598	7,925,798	+ 91.3
Unemployment compensation taxes	280,764	11,321,173	9,504,970	+ 19.1
All other	11,859,460	55,617,592	40,503,334	+ 37.3

*Credit. Negative balance due to excess of clearance over receipts.

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.)

Federal internal revenue collections in Texas continued to register significant gains over a year ago. March collections of \$184,570,083 were 37.3% above those of March 1947 and well above February 1948 intake of \$168,606,777. Corporation and individual income taxes, exclusive of withholding, accounted for the bulk of the total, contributing \$158,290,519 to federal funds.

Fiscal 1948 collections through March 31 amounted to \$986,081,697. This figure represented an increase in the contribution of Texas to federal coffers of \$148.8 million over the amount paid in the like 1947 fiscal period, a percentage gain of 17.8%. In this comparison, all types of taxes advanced from 17 to 21%, but the chief impetus to the rise in dollars and cents was income taxes.

First District (South Texas) collections of \$109,245,181, in March showed a 44.8% increase over March a year ago, compared to Second District (North Texas) revenue of \$75,324,902 in March 1948, and a 27.6% gain over March 1947. For the first nine months of the fiscal year First District collections reached \$524,691,460, and Second District collections \$461,390,237, for respective increases over last fiscal year of 20.1% and 15.3%.

Small businessmen last month appealed to members of the federal House Small Business Subcommittee for a lightening of tax burdens with a view to improving their capital position. Proposals included easing the tax burden on little firms; eliminating double taxation of dividends on the part of both business and the stockholder; and providing more liberal depreciation allowances on plant and equipment for income taxation purposes. A bill was introduced which would exempt from corporate taxation the first \$25,000 of earned income, provided the money be reinvested in the business.

PRICES

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.)

The leveling off of consumer prices in Houston noted last month continued during March. Food prices were 1.0% lower than they were in February, while prices of housefurnishings dropped 1.5%. These gains to the consumer were offset in part by a rise of 1.5% in apparel prices. While food prices were 10.3% above those for March 1947 and apparel prices 11.1% higher, prices of housefurnishings were only 1.3% greater this year than they were last.

The over-all level of consumers' prices was down 0.2% from February, as contrasted with a rise of 1.9% from February to March in 1947. The 1948 index, however, stood at a point 8.2% above that for the third month of the previous year.

Although it is not reflected in changes in the index, one reason that the average housewife is constantly confronted with higher grocery bills, reports the Department

INDEXES OF CONSUMERS' PRICES IN HOUSTON

(1935-39 = 100)

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

Group	Mar. 1948	Feb. 1948	Mar. 1947	Percent change	
				Mar. 1948 from Mar. 1947	Mar. 1948 from Feb. 1948
ALL ITEMS	170.0	170.4	157.1	+ 8.2	- 0.2
Food	216.0	218.1	196.3	+10.3	- 1.0
Apparel	205.9	202.9	185.4	+11.1	+ 1.5
Rent	*	118.1	*		
Fuel, electricity, and ice	94.3	94.3	94.3	0.0	0.0
House furnishings	188.8	191.6	186.3	+ 1.3	- 1.5
Miscellaneous	149.4	149.2	138.8	+ 8.0	+ 0.1

*Not surveyed.

FEDERAL INTERNAL REVENUE COLLECTIONS

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

District	March			July 1-March 31		
	1948	1947	Percent change	1947-48	1946-47	Percent change
TEXAS	184,570,083	134,460,288	+ 37.3	986,081,697	837,237,786	+ 17.8
Income	158,290,519	117,414,787	+ 34.8	602,885,795	514,404,856	+ 17.2
Employment	2,412,126	1,082,926	+122.7	45,970,083	38,130,853	+ 20.6
Withholding	1,284,509	3,093,164	- 58.5	212,284,597	178,127,784	+ 19.2
Other	22,582,929	12,569,421	+ 75.5	124,941,222	106,564,843	+ 17.3
FIRST DISTRICT	109,245,181	75,436,406	+ 44.8	524,691,460	436,954,779	+ 20.1
Income	92,030,476	65,486,817	+ 40.6	320,018,188	269,606,580	+ 18.7
Employment	102,536	65,188	+ 57.3	20,144,964	17,478,638	+ 15.3
Withholding	694,679	2,708,332	- 74.4	114,396,536	95,983,903	+ 19.2
Other	16,417,490	7,226,069	+127.2	79,131,772	53,885,658	+ 30.1
SECOND DISTRICT	75,324,902	59,023,892	+ 27.6	461,390,237	400,278,007	+ 15.3
Income	66,260,043	51,977,970	+ 27.5	282,567,607	244,798,276	+ 15.6
Employment	2,309,590	1,017,733	+126.9	25,825,119	20,652,215	+ 25.0
Withholding	589,830	384,832	+ 53.3	97,883,061	82,148,881	+ 19.2
Other	6,165,439	5,643,352	+ 9.8	54,809,450	52,678,685	+ 4.0

ment of Agriculture, is that the average American is eating 16% more food than he did before the war. As long as people are able to thus indulge themselves in the face of high prices it seems unlikely that much hope for pressure on prices from consumer resistance can be expected.

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.)

The index of *wholesale commodity prices* for February showed a decline of 3.0% from the January high of 165.6. This drop in price was shared by all classifications except textiles and cement—the former rising 0.4% and the latter increasing 0.6%. The greatest decline was in farm products, which were down 7.0% after the big crack-up in the grain market due to the improved wheat outlook.

After dropping to a low of 159.2 on February 21 the *weekly* index of commodity prices remained stationary for a week and then began to rise again, reaching a level

of 160.4 on March 6. Though it fluctuated during the month, the index stood at 161.1 on March 27 which was 1.2% higher than it had been on February 28 and 7.8% above the figure for March 1947.

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

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

Group	Feb. 1948	Jan. 1948	Feb. 1947	Percent change	
				Feb. 1948 from Feb. 1947	Feb. 1948 from Jan. 1948
ALL COMMODITIES	160.7	165.6	144.5	+11.2	-8.0
Farm products	185.3	199.2	170.4	+ 8.7	- 7.0
Foods	172.4	179.9	162.0	+ 6.4	- 4.2
Hides and leather products	192.8	200.3	173.8	+10.9	- 3.7
Textile products	147.6	147.0	138.0	+ 7.0	+ 0.4
Building materials	192.5	192.1	174.8	+10.1	- 0.3
Cement	127.2	126.4	109.9	+15.7	+ 0.6
Lumber	303.8	307.3	263.6	+15.3	- 1.1
All commodities other than farm products	155.1	158.0	138.6	+11.0	- 1.8
All commodities other than farm products and foods	147.4	148.1	128.5	+14.7	- 0.5

TEXAS BUSINESS REVIEW

Published monthly by the
Bureau of Business Research,
College of Business Administration,
The University of Texas, Austin 12, Texas

Material contained in this publication is not copyrighted and may be reproduced freely. Acknowledgment of source will be appreciated.

Subscription \$2.00 per year.

J. Anderson Fitzgerald Dean

STAFF OF THE BUREAU OF BUSINESS RESEARCH

Robert W. French <i>Director</i>	John R. Stockton <i>Statistician</i>	A. H. Chute <i>Retailing Specialist</i>
Elsie Watters <i>Office Manager</i>	Ruth Bruce <i>Editorial Assistant</i>	Doris Morran <i>Publications Assistant</i>
Mary Louise Kennard <i>Secretary</i>	Dorothy Easley <i>Library Assistant</i>	T. R. Markham <i>Information Assistant</i>
Grady Jordan <i>Research Assistant</i>	Charles Aicklen <i>Field Representative</i>	Frances Allen <i>Statistical Assistant</i>
Rachel Woodul <i>BLS Representative</i>	Martha Taylor <i>Research Assistant</i>	Margaret Stoll <i>Research Assistant</i>

Business Research Council

Robert W. French (<i>ex officio</i>)	E. Karl McGinnis E. T. Miller
J. Anderson Fitzgerald (<i>ex officio</i>)	Everett G. Smith H. K. Snell

Cooperating Faculty

C. A. Wiley <i>Agriculture</i>	E. T. Miller <i>Government</i>	Ralph B. Thompson <i>Prices</i>
A. B. Cox <i>Cotton</i>	Keith Davis R. H. Elwell	H. K. Snell Jerry W. Martin
Charles E. Walker <i>Finance</i>	W. H. Watson <i>Labor</i>	W. A. Nielander <i>Wholesale Trade</i>
Clark E. Myers <i>Manufacturing</i>		

Assistants

Curtis Arrington, Forrest Adams, Lanier Adams, Cecil Bomar, Marvin Davis, Peggic Dool, Jean Elvins, Morris Floyd, Dorothy Grell, Carl Gromatsky, Scranton Harrington, Joseph Helms, Charles Hinkle, Roland Hussey, Audrey Jackson, Robert Jackson, Calvin Jayroe, James Jeffrey, Jolly Johnson, Ralph Loy, Robert Luter, Nethery Marrow, Dale McGee, Jack Neff, Charles Powers, Paul Rigby, Bruno Schroeder, Frank Steiger, John Stephenson, James Turner, Clark Vinson, Jack Wagler, David Ward, Buena A. Watt.

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	11
Agriculture	
Income	11
Marketings	12
Prices	13
Fertilizer Sales	13
Cotton	13
Cold Storage	16
Local Business Conditions	14
Finance	
Bank Credit	17
Bank Debts	18
Business Failures	18
Life Insurance Sales	18
Corporation Charters	18
Sales of United States Savings Bonds	18
Transportation	
Rail	19
Water	19
Air	19
Labor	
Employment	20
Pay Rolls	20
Hours and Earnings	21
Man-hours	22
Placements	23
Labor Force	23
Unemployment	23
Industrial Relations	24
Government	
State Finance	24
Federal Finance	25
Prices	
Consumers' Prices	25
Wholesale Prices	26
Figures for the Year to Date	27
Barometers of Texas Business	28

FIGURES FOR THE YEAR TO DATE

	January-March		Percent change
	1948	1947	
TRADE			
Estimated retail sales, total	\$1,198,864,000	\$1,034,869,000	+ 15.8
Durable goods, total	\$ 429,207,000	\$ 343,708,000	+ 24.9
Automotive stores	208,733,000	170,196,000	+ 22.6
Lumber, building materials, and hardware stores	173,837,000	128,658,000	+ 35.1
Furniture—household appliance stores	37,626,000	36,297,000	+ 3.7
Jewelry stores	9,011,000	8,557,000	+ 5.3
Nondurable goods, total	\$ 769,657,000	\$ 691,161,000	+ 11.4
Apparel	83,873,000	69,080,000	+ 21.4
Country general	17,214,000	18,035,000	- 4.6
Department stores	88,585,000	77,343,000	+ 14.5
Eating and drinking places	73,534,000	75,799,000	- 3.0
Filling stations	82,502,000	71,804,000	+ 14.9
Food	245,676,000	226,364,000	+ 8.5
General merchandise	56,506,000	41,460,000	+ 36.3
Drug stores	59,461,000	55,316,000	+ 7.5
Other	62,306,000	55,960,000	+ 11.3
Ratio of credit sales to net sales in department and apparel stores	61.3	54.1	+ 13.3
Ratio of collections to outstandings in department and apparel stores	54.9	61.5	- 10.7
Postal receipts in reporting cities	\$ 9,150,568	\$ 8,101,986	+ 12.9
PRODUCTION			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours)	744,750	683,670	+ 8.9
Man-hours worked in reporting manufacturing establishments	7,343,950	7,673,958	- 4.3
Crude oil runs to stills (thousands of 42-gallon barrels)	143,608	121,143	+ 18.5
Cotton consumption (running bales)	41,999	53,463	- 21.4
Cotton linters consumed (running bales)	6,222	5,011	+ 24.2
Cottonseed crushed (tons)	370,654	172,846	+114.4
Manufacture of dairy products (1,000 lbs. milk equivalent)	103,587	153,579	- 32.6
Lumber production in southern pine mills (weekly per unit average in board feet)	194,671	209,597	- 7.1
Construction contracts awarded	\$ 220,615,655	\$ 134,785,957	+ 63.7
Construction contracts awarded for residential building	\$ 87,981,085	\$ 39,819,509	+120.9
Building permits issued in reporting cities	\$ 123,361,657	\$ 65,486,050	+ 88.4
Number of loans made by savings and loan associations	4,970	5,332	- 6.8
Amount of loans made by savings and loan associations	\$ 20,312,340	\$ 19,673,059	+ 3.2
Crude petroleum production (daily average in barrels)	4,804,350	4,123,875	+ 16.5
AGRICULTURE			
Farm cash income	\$ 180,400,000	\$ 201,328,000	- 10.4
Shipments of livestock (carloads)	17,232	37,157	- 53.6
Rail shipments of eggs (shell equivalent)	193	780	- 75.3
Interstate receipts of eggs at Texas stations (shell equivalent)	35	16	+118.8
Rail shipments of poultry (carloads)	29	26	+ 11.5
FINANCE			
Bank debits in 20 cities (thousands of dollars)	\$ 10,287,736	\$ 8,238,059	+ 24.9
Corporation charters issued (number)	1,135	509	+123.0
Ordinary life insurance sales	\$ 182,039,000	\$ 177,391,000	+ 2.6
Business failures (number)	18	10	+ 80.0
Sales of United States savings bonds	\$ 58,386,948	\$ 67,561,561	- 13.6
TRANSPORTATION			
Revenue freight loaded in Southwestern District (carloads)	815,739	827,038	- 1.4
Export and coastal cars unloaded at Texas ports	42,273	53,615	- 21.2
Miscellaneous freight carloadings in Southwestern District	511,976	473,337	+ 8.2
Air express shipments (number)	73,927	68,370	+ 8.1
LABOR			
Total nonagricultural employment (monthly average)	3,328,300	3,213,550	+ 3.6
Manufacturing employment	678,650	650,200	+ 4.4
Nonmanufacturing employment	2,649,650	2,563,350	+ 3.4
GOVERNMENT			
Revenue receipts of State Comptroller*	\$ 287,046,901	\$ 203,076,534	+ 41.3
Federal internal revenue collections†	\$ 986,081,697	\$ 837,227,786	+ 17.8
PRICES			
Index of consumers prices in Houston (monthly average; 1935-39=100)	170.3	155.6	+ 9.4
Index of food prices in Houston (monthly average; 1935-39=100)	217.9	194.0	+ 12.3

*State fiscal year to date—September 1—March 31.

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

BAROMETERS OF TEXAS BUSINESS

