

# TEXAS BUSINESS REVIEW

A MONTHLY SUMMARY OF BUSINESS AND ECONOMIC CONDITIONS IN TEXAS

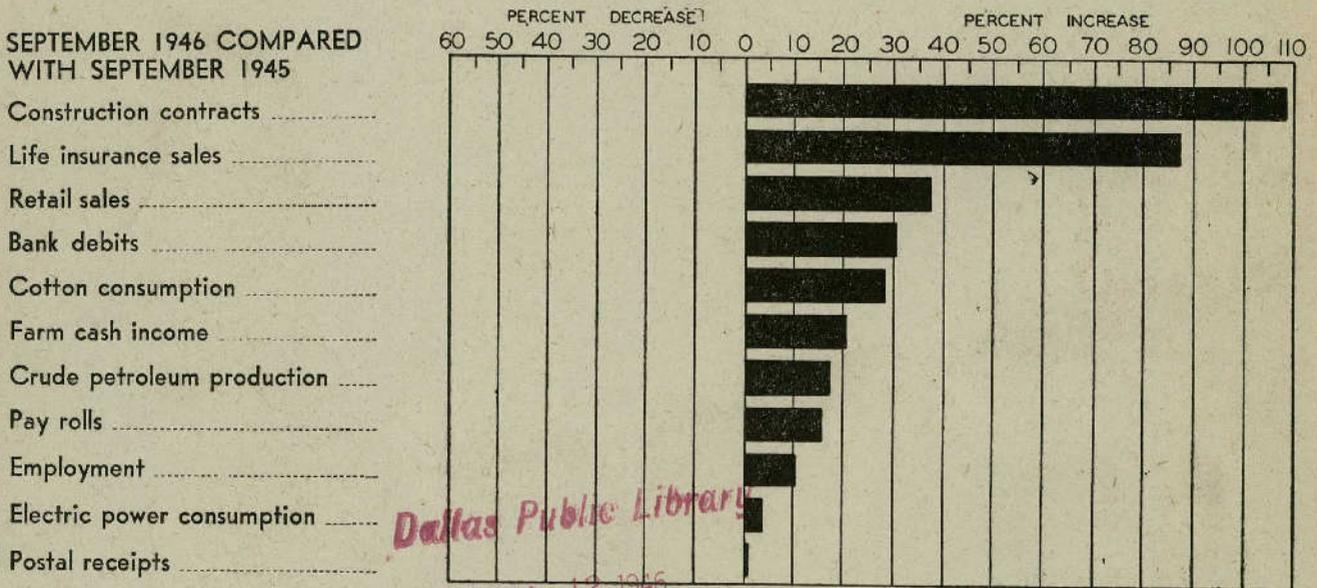
BUREAU OF BUSINESS RESEARCH  
COLLEGE OF BUSINESS ADMINISTRATION  
THE UNIVERSITY OF TEXAS

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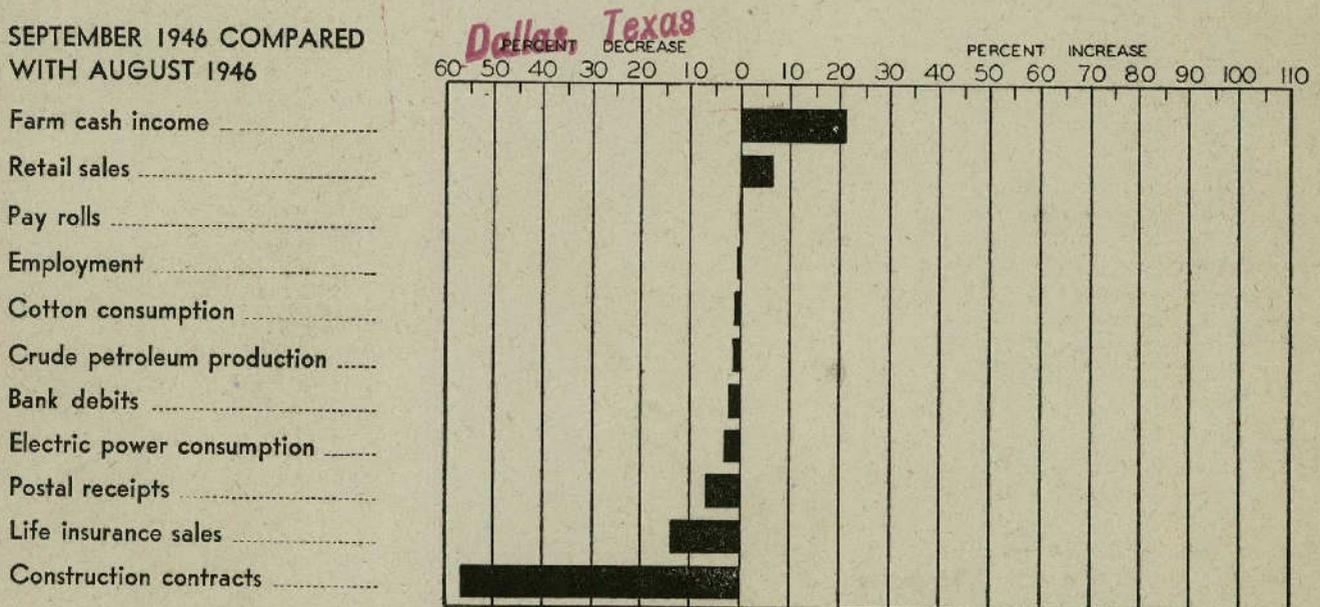
October 1946

## HIGHLIGHTS OF TEXAS BUSINESS

SEPTEMBER 1946 COMPARED  
WITH SEPTEMBER 1945



SEPTEMBER 1946 COMPARED  
WITH AUGUST 1946



TEN CENTS PER COPY

ONE DOLLAR PER YEAR

KS

# FIGURES FOR THE MONTH

|  | Sept.<br>1946 | Aug.<br>1946  | Sept.<br>1945 |
|--|---------------|---------------|---------------|
| <b>INDEX OF TEXAS BUSINESS ACTIVITY (1935-39=100)*.....</b>                          | <b>181.5</b>  | <b>191.4</b>  | <b>166.5</b>  |
| Index of department and apparel store sales (10)                                     | 313.4         | 383.5         | 233.3         |
| Index of miscellaneous freight carloadings in Southwestern District (20)             | 131.2         | 135.2         | 124.0         |
| Index of crude oil runs to stills (5)  | 151.2         | 153.4         | 114.0         |
| Index of electric power consumption (15)   | 248.1         | 260.0         | 243.5         |
| Index of employment (25)   | 113.5         | 113.9         | 112.3         |
| Index of pay rolls (25)  | 203.3         | 203.4         | 192.1         |
| <b>TRADE</b>   |               |               |               |
| Retail sales of 1,124 independent stores   | \$39,732,495  | \$37,378,686  | \$29,025,511  |
| Ratio of credit sales to net sales in department and apparel stores                  | 49.6%         | 53.1%         | 44.6%         |
| Ratio of collections to outstandings in department and apparel stores                | 59.5%         | 63.8%         | 63.8%         |
| Advertising linage in 25 newspapers  | 22,122,497    | 22,280,706    | 17,286,855    |
| Postal receipts in 54 cities   | \$2,372,787   | \$2,544,642   | \$2,353,068   |
| <b>PRODUCTION</b>  |               |               |               |
| Industrial electric power consumption for 10 companies (thousands of kilowatt hours) | 510,962       | 527,983       | 491,784       |
| Man-hours worked in 512 manufacturing establishments                                 | 2,709,403     | 2,754,164     | 2,889,023     |
| Crude oil runs to stills (42-gallon barrels)   | 42,462,631    | 44,678,625    | 32,153,000    |
| Gasoline stocks at refineries (thousands of barrels)                                 | 15,116        | 15,219        | 16,899        |
| Fuel oil stocks at refineries (thousands of barrels)                                 | 17,615        | 14,756        | 12,069        |
| Cotton consumption (running bales)   | 18,678        | 18,899        | 14,574        |
| Cotton linters consumed (running bales)  | 1,136         | 1,340         | 971           |
| Cottonseed crushed (tons)  | 52,065        | 30,220        | 61,529        |
| Manufacture of dairy products (1000 lbs. milk equivalent)                            | 80,677        | 87,847        | 90,917        |
| Cement production (barrels)  | 1,011,000     | 977,000       | 685,000       |
| Lumber production in Southern pine mills (weekly per unit average in board feet)     | 185,399       | 194,212       | 183,448       |
| Construction contracts awarded   | \$28,827,694  | \$65,913,262  | \$13,841,640  |
| Construction contracts awarded for residential building                              | \$8,987,228   | \$10,353,070  | \$1,450,620   |
| Building permits issued in 44 cities   | \$18,049,351  | \$18,367,683  | \$9,474,370   |
| Number of loans made by savings and loan associations                                | 2,096         | 2,194         | 1,400         |
| Amount of loans made by savings and loan associations                                | \$7,803,324   | \$8,175,192   | \$3,933,279   |
| Telephones in service (end of month)   | 759,237       | 754,831       | 665,543       |
| Crude petroleum production (daily average in barrels)                                | 2,089,500     | 2,119,700     | 1,859,100     |
| <b>AGRICULTURE</b>   |               |               |               |
| Farm cash income   | \$135,219,000 | \$111,413,000 | \$111,964,000 |
| Shipments of livestock (carloads)  | 8,025         | 9,788         | 10,691        |
| Rail shipments of poultry (carloads)   | 31            | 29            | 15            |
| Rail shipments of eggs (shell equivalent)  | 181           | 309           | 421           |
| Interstate receipts of eggs at Texas stations (shell-equivalent)                     | 90            | 54            | 37            |
| <b>FINANCE</b>   |               |               |               |
| Loans, reporting member banks in Dallas District (thousands)                         | \$702,000     | 695,000       | 446,000       |
| Loans and investments, reporting member banks in Dallas District (thousands)         | \$1,963,000   | \$2,007,000   | \$1,873,000   |
| Demand deposits adjusted, reporting member banks in Dallas District (thousands)      | \$1,470,000   | \$1,473,000   | \$1,314,000   |
| Time deposits, reporting member banks in Dallas District (thousands)                 | \$312,000     | \$312,000     | \$267,000     |
| Bank debits in 20 cities (thousands)   | \$2,517,372   | \$2,574,335   | \$1,926,917   |
| Corporation charters issued (number)   | 182           | 331           | 83            |
| Ordinary life insurance sales (thousands)  | \$62,982      | \$73,147      | \$33,719      |
| <b>TRANSPORTATION</b>  |               |               |               |
| Revenue freight loaded in Southwestern District (carloads)                           | 263,576       | 283,667       | 256,708       |
| Export and coastal cars unloaded at Texas ports                                      | 8,407         | 14,698        | 9,033         |
| Miscellaneous freight carloadings in Southwestern District (carloads)                | 152,448       | 161,936       | 144,366       |
| Air express shipments (number)   | 21,744        | 22,065        | 12,761        |
| <b>LABOR</b>   |               |               |               |
| Total manufacturing employment   | 311,900       | 315,400       | 319,900       |
| Nonagricultural civilian labor force in 21 cities                                    | 1,319,497     | 1,317,653     | —             |
| Unemployment in 21 cities  | 86,380        | 96,790        | 49,876        |
| Placements in employment in 21 cities  | 25,388        | 23,862        | 25,625        |
| <b>GOVERNMENT</b>  |               |               |               |
| Cash receipts of State Comptroller   | \$30,537,760  | \$29,761,004  | \$21,832,419  |
| Federal internal revenue collections   | \$112,030,497 | \$66,341,245  | \$117,160,883 |
| <b>PRICES</b>  |               |               |               |
| Index of consumers' prices in Houston (1935-39=100)                                  | 142.8         | 139.8         | 127.6         |
| Index of food prices in Houston (1935-39=100)  | 173.5         | 168.8         | 140.5         |

\*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

Business activity in Texas fell sharply in September, according to the *index of Texas business activity* prepared by the Bureau of Business Research. The 5.2% decline for the month wiped out the gains of the past two months and put business back where it was in June. It was also the largest monthly decline since the first month after V-J Day. Last year between August and September there was a 20.0% drop, due to the abrupt ending of the war in late summer. This sudden fall a year ago accounts for the fact that Texas business activity in September 1946 was 9.0% higher than activity in September 1945, and was the first month of 1946 to stand above the corresponding month of 1945. Compared with the prewar period (1935-39), Texas Business last month was still up 81.5%.

The downturn in business this past month in Texas was unmistakable. All six of the primary business indicators combined in the over-all state index were off for September. Declines in *employment* and *pay rolls* were fractional (0.4% and 0.05%, respectively). The seasonally-adjusted indexes of *crude oil runs to stills*, *miscellaneous freight carloadings* in the Southwestern District, and *electric power consumption* registered respective decreases of 1.4%, 3.0%, and 4.6%. Biggest of all, however, was the 18.3% fall in the index of *department and apparel store sales* after seasonal adjustment.

At this time a year ago all six indicators dropped sharply with the end of the war. Electric power consumption declined 4.8%, miscellaneous freight carloadings and department and apparel store sales an identical 15.3%, employment 21.9%, crude oil runs to stills 24.2%, and pay rolls 30.7%. These losses indicate the drop in September this year was considerably less than the decrease a year ago, but conditions a year ago were so different that seasonal comparisons are impossible.

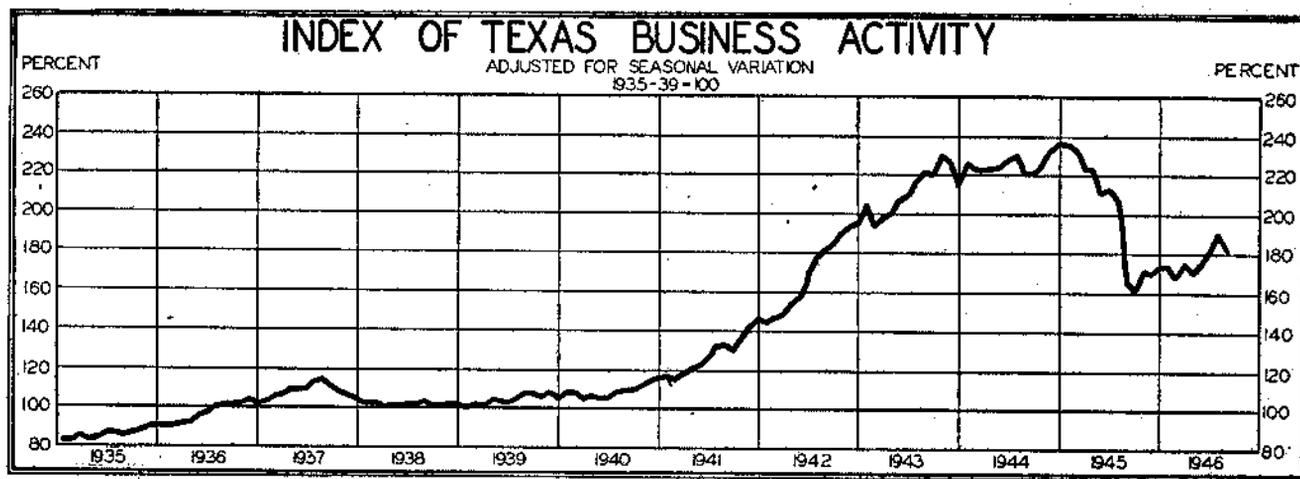
During the past 12 months business in Texas has risen rather steadily. There were declines in the general State

index in March and May of this year but all six of the primary indexes were higher in September 1946 than in September 1945. Gains in employment (1.1%) and electric power consumption (1.9%) were modest. Pay rolls and miscellaneous freight carloadings were both up 5.8%. Crude oil runs to stills with an increase of 32.1% and the dollar sales of department and apparel stores with a jump of 34.3% made the biggest advances for the 12-month period.

Comparisons between the levels of the leading State business indexes in September 1946 and in the years from 1935-39 clearly show the nature of the present prosperity. The largest increase in these comparisons is the 213.4% rise in the dollar index of Texas department and apparel store sales. Almost 60% of this increase can be traced to the advance in prices and an unknown percentage to the trading-up resulting from shortages and larger money incomes. This latter factor is reflected in the 103.3% increase in pay rolls over the prewar period. The rising tide of industrialization is marked by the gains of 148.1% in electric power consumption and 51.2% in crude oil runs to stills. The growth of production and trade is indicated by the 31.2% advance in miscellaneous freight carloadings in this area. All of these changes have taken place with only a 13.5% rise in employment.

## THIS MONTH

The Bureau of Business Research adds fertilizer tax tag sales to the discussion of agriculture in the REVIEW and inaugurates a new division on waterborne commerce in the transportation section. Both of these series serve to round out the general picture of Texas business and economic conditions presented each month in the REVIEW.



Among the secondary indexes of Texas business the same shifts appear—(1) decreases between August and September this year which were greater than those that accompanied the ending of hostilities a year ago, (2) gains in most series for the past 12 months, and (3) substantially higher levels in September 1946 than in the prewar (1935-39) period. Between August and September of this year *southern pine production* eased off 4.9%, *crude petroleum production* 1.7%, *bank debits* 7.6%, and *farm cash income* 31.7% after seasonal adjustment. The 18.5% rise in the value of *building permits* was exceptional. Last year between these same months southern pine production declined 7.2%, crude petroleum production 16.6%, bank debits 6.9%, and farm cash income 29.7%. The value of building permits also rose 76.3% to exceed this year's gain. From September 1945 to September 1946, however, southern pine production went up 2.4%, crude petroleum production 12.4%, the value of building permits 79.6%, bank debits 30.6%, and farm cash income 20.8%. Compared with the 1935-39 period, crude petroleum production last month was up 65.9%, the value of building permits 274.7%, bank debits 214.3%, and farm cash income 103.8%. The 64.4% drop in southern pine production was not typical of the broader movements in Texas business.

The trade picture last month was not favorable. Although the dollar *retail sales* of all independent stores in Texas rose 6.9% over the August total, there was some rise in prices with the loosening of federal control and still only about two-thirds of the usual seasonal increase between August and September. It should be noted that retail trade in both July and August was unusually high, and that September sales this year were 36.9% above those of September 1945. With the cutbacks in dollar sales volume there was likewise a sizable curtailment of sales on *credit*. In September credit sales represented 49.6% of the total sales of Texas department and apparel stores, while a month earlier the ratio was 53.1%. Credit clearly played an important part in the first burst of retail selling after V-J Day. In September a year ago the ratio of credit to net sales was only 44.6%. There was also a sharp drop in the ratio of *collections* to outstanding accounts during the past month. In August the ratio was 63.8% for the State's department and apparel stores and in September it was 59.5%. During the preceding 12 months it had only fallen from 65.4% (August 1945). *Newspaper advertising lineage*, a good barometer of trade, was down fractionally (0.7%) between August and September this year, as compared with a rise of 5.3% between the same months a year ago. In the past 12 months lineage has risen 24.1%. *Postal receipts*, a less sensitive indicator of trade conditions, dropped 6.8% for the month and rose very little (0.9%) for the year. Between August and September last year receipts fell 5.0%.

The situation in *production* was far from reassuring. The only series to show increases from August to September were *cottonseed crushings* (72.3%) and *telephones in service* (0.6%). In the former series the advance was largely seasonal (the corresponding monthly rise a year earlier was 72.6%) and in the latter series

the gain was made out of the well-known backlog of orders for telephone service. The increase of *fuel oil stocks* at refineries was another indication that production was catching up with demand. All of the remaining 14 series on production showed decreases from August to September this year ranging from 1.1% for *cotton consumption* to 56.3% for the value of *construction contracts awards*.

The changes in the several production series between August and September 1945 were chiefly a measure of the immediate effect of the war's end upon production in Texas. A few series showed increases: the number of *loans* made by savings and loan associations (0.2%), telephones in service (0.3%), construction contract awards (2.6%), *cotton linter consumption* 4.6%, the value of *building permits* (37.3%), and cottonseed crushings (72.6%). The remaining 11 series turned downward without exception.

It is significant, however, that Texas industry did recover from the first shock of peace. Despite the decreases from August reported in September this year, only 4 of the 17 production series last month were below what they had been in September 1945. The exceptions were: *dairy manufacturing* (-11.3%), *cottonseed crushings* (-15.4%), *crude oil runs to stills* (-10.6%), and *man-hours* worked in Texas industry (-6.2%). All of the other series were up from 14.1% (telephones in service) to 519.5% (residential construction contract awards), except *lumber production* (+1.1%), and *industrial electric power consumption* (+3.9%).

The immediate situation of Texas *agriculture* was more favorable than that prevailing in trade or production. Seasonal marketings pushed *farm cash income* up 21.4% in September over August compared with a 24.8% rise for the same months of 1945. However, *shipments of livestock* fell in the confusion over the control of meat prices from 9,788 carloads in August of this year to 8,025 carloads in September, a decrease of 18.0% compared with a 27.5% increase between August and September a year ago. *Rail shipments of eggs* were also down more than usual last month—41.3% as compared with 33.2% a year earlier. This same scarcity of eggs led to a 66.7% increase in *interstate egg receipts* at Texas stations, whereas September 1945 receipts were 17.8% less than those in August. On the brighter side was the 6.9% pickup in *poultry shipments* this past month over August. A year ago shipments of poultry dropped 34.8% in the same monthly comparison.

The changes in Texas agriculture during the past 12 months are a mixture of ups and downs. Farm cash income, aided in part by higher prices, went up 20.8%

The Bureau of Business Research is pleased to announce the publication of the 1945 *Proceedings of the Texas Statistical Council*. Copies of the *Proceedings* will be mailed to all members of the Council and are available to other interested persons upon request at the Bureau office.

from September 1945 to September 1946. Poultry shipments rose 106.7% in the same interval. This past month, however, livestock shipments were down 24.9% and egg shipments 57.0% compared with a year ago. Interstate receipts of eggs also climbed 143.2%.

September brought little cheer in the field of *finance*. Loans of reporting member banks in the Dallas District advanced 1.0% over August and *time deposits* were unchanged, but all other series were down for the month. The most substantial declines occurred in the number of new *corporation charters* (45.0%) and ordinary *life insurance sales*, where the boom in recent months has been greatest. Between August and September a year ago there were gains in both *time* and *demand deposits*, as well as loans.

Inflation and the general feeling of business optimism largely account for the upward movement in all of the Texas financial indicators during the past 12 months. Between September 1945 and September 1946, demand deposits rose 11.9%, time deposits 16.9%, bank debits 30.6%, loans 57.4%, life insurance sales 86.8%, and new corporations 119.3%.

All of the *transportation* indicators declined between August and September this year and last. The biggest drop (42.8%) this past month was in the number of *export and coastal cars unloaded*. Other declines were smaller: *revenue freight* (7.1%), *miscellaneous freight carloadings* (5.9%), and air express shipments (1.5%). Last year at this season the only sizable drop was the miscellaneous freight carloadings. Between September 1945 and September 1946 all series went up except export and coastal car unloadings (-6.9%). For the 12-month period air express shipments recorded the largest gain (70.4%).

The *labor* situation in Texas showed relatively little change in September of this year. *Manufacturing employment* was down 1.1% and the *nonagricultural civilian labor force* was up 0.1%. With the opening of school and the continued retirement of workers from the labor market urban *unemployment* was estimated to have decreased 10.8%, although *placements* rose 6.4%. The shifts in the labor situation 12 months ago were more drastic since they reflected primarily the end of hostilities in Asia. Unemployment which a year ago in September was put at 49,876 jumped to 86,380 this past month. Manufacturing employment and placements were off only 2.5% and 0.9% in the 12-month comparisons.

## 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 rising prices, such as the present, an increase in sales may result from a rise in prices as well as from an increase in the amount of business. 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.)

The total *retail sales* of independent stores in Texas increased 6.3% in September over August, and stood at

36.9% of September of last year. These percentages were computed from reports received by the Bureau from 1,124 establishments, representing all lines of retail business in the state. In view of the fact that there is normally a considerably larger seasonal rise in retail sales in September, this percentage actually represents a decline in business from August. In all but one of the last ten years the volume of September sales in comparison with August increased by a greater percentage than shown for 1946. In 1941 September sales were the same as August, but for the ten years the average increase for September was 10.9%.

A number of the *kinds of business* showed decreases in September in comparison with August. Sales of food stores decreased 6.2%, drug stores 3.5%, jewelry stores 9.2%, farm implement dealers 6.8%, hardware stores 1.7%, eating and drinking places 3.7%, and country general stores 3.2%. Other types of business showed increases over August, but in general these increases were less than would normally be expected for September.

Sales of all types of apparel stores increased 15.2%, with the stores selling men's and boys' clothing increasing 19.5%, and women's specialty shops 15.7%. Family clothing stores increased only 2.6% and shoe stores

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

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

| Business                                  | Number of reporting establishments | Percent change             |                           |
|---|------------------------------------|----------------------------|---------------------------|
|   |                                    | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL                                     | 1,124                              | + 36.9                     | + 6.3                     |
| APPAREL                                   | 146                                | + 22.9                     | + 15.2                    |
| Family clothing stores                    | 29                                 | + 5.8                      | + 2.6                     |
| Men's and boys' clothing stores           | 52                                 | + 24.4                     | + 19.5                    |
| Shoe stores                               | 24                                 | + 23.9                     | + 9.6                     |
| Women's specialty shops                   | 41                                 | + 25.0                     | + 15.7                    |
| AUTOMOTIVE*                               | 100                                | +145.0                     | + 3.8                     |
| Motor vehicle dealers                     | 82                                 | +163.3                     | + 5.8                     |
| COUNTRY GENERAL                           | 72                                 | + 11.5                     | - 3.2                     |
| DEPARTMENT STORES                         | 54                                 | + 30.2                     | + 8.0                     |
| DRUG STORES                               | 106                                | + 4.5                      | - 3.5                     |
| GENERAL MERCHANDISE                       | 38                                 | + 15.6                     | + 4.5                     |
| FILLING STATIONS                          | 39                                 | + 16.1                     | + 4.1                     |
| FLORISTS                                  | 25                                 | + 13.0                     | + 0.8                     |
| FOOD*                                     | 166                                | + 12.1                     | - 6.2                     |
| Grocery stores (without meat)             | 38                                 | + 5.9                      | - 14.3                    |
| Combination stores (groceries and meats)  | 100                                | + 6.9                      | - 7.0                     |
| Other grocery and combination stores      | 16                                 | + 34.2                     | - 0.9                     |
| FURNITURE AND HOUSEHOLD*                  | 77                                 | + 56.9                     | + 8.0                     |
| Furniture stores                          | 62                                 | + 58.4                     | + 1.6                     |
| JEWELRY                                   | 29                                 | + 22.8                     | - 9.2                     |
| LUMBER, BUILDING MATERIALS, AND HARDWARE* | 166                                | + 58.6                     | + 1.3                     |
| Farm implement dealers                    | 18                                 | + 23.0                     | - 6.8                     |
| Hardware stores                           | 49                                 | + 34.0                     | - 1.7                     |
| Lumber and building material dealers      | 97                                 | + 64.9                     | + 3.4                     |
| EATING AND DRINKING PLACES*               | 61                                 | + 8.0                      | - 3.7                     |
| Restaurants                               | 35                                 | + 9.9                      | - 3.6                     |
| ALL OTHER STORES                          | 45                                 | + 18.9                     | + 3.4                     |

\*Total includes kinds of business other than the classifications listed.

9.6%. Department stores increased 8.0%. The stores making up these groups showed the highest percentages of increase, but since the seasonal increase is unusually large for apparel and department stores in September, the adjustment for seasonal variation leaves these stores with a substantial decline for the month.

The seasonally-adjusted index of department and apparel store sales prepared by the Bureau dropped 18.3% in September from the high point of 333.5 reached in August. However, in spite of this sharp decline in the index, the September level was at a higher point than at any time prior to July 1946. The volume of sales in July and August was unusually high for all types of stores, and particularly for department and apparel stores, with the result that the indexes for these two months registered spectacular increases.

The decline in September sales was in no case enough to erase the gain made in retail sales over a year ago. For every type of business the volume of sales in September 1946 was above the level of September 1945. Sales of motor vehicle dealers were 163.8% above a year ago, obviously representing the increased number of cars available, even though sales increased only 5.3% from August 1946. Other durable consumer goods showed substantial gains over a year ago, such as furniture and household equipment, 56.9%, and lumber, building materials, and hardware stores 53.6%. In this latter group lumber and building material dealers reported an increase of 64.9%.

The stores selling chiefly nondurable goods showed a smaller increase over September 1945. Sales of food stores were up 12.1%, eating and drinking places 8.0%, filling stations 16.1%, florists 13.0%, drug stores 4.5%, general merchandise 15.6%, apparel stores 22.9%, and department stores with the largest increase in this group, 30.2%.

Sales increased in all but three of the crop reporting districts of the State. The Northern High Plains (District 1-N) decreased 9.3%, the Western Cross Timbers (District 3) decreased 3.9%, and the Lower Rio Grande Val-

ley (District 10-A) decreased 13.8%. Four districts increased less than the average for the State, and the remaining five districts increased by greater percentages than the average for the State.

In comparison with a year ago, all districts showed increases. The greatest increase was in the Southern High Plains (District 1-S) with an increase of 50.5%. Five other districts increased more than the average for the State, and six districts increased less than the State average. However, the smallest increase was 24.8% in the Red Bed Plains (District 2), which is not significantly less than the average for the State of 36.9%.

The increase in sales in September in comparison with August varied directly with the size of the population group. The largest cities, over 100,000 population, showed an increase of 9.7%; the second size group, 50,000-100,000 population, increased 5.8%; the population group 2,500-50,000 population increased only 1.6%; and the sales in places under 2,500 population decreased 3.7%. The largest increase for an individual city was in Dallas with 14.6%, followed closely by Fort Worth with 13.6%. Five cities reported decreases in sales in comparison with August.

In comparing September 1946 with September 1945 the largest increase was recorded for the population group 50,000-100,000, with 43.5%. The cities with populations over 100,000 ranked second with 36.9%. The 2,500-50,000 group increased 30.8%, and the cities under 2,500 increased 23.9%. The largest increase over a year ago for an individual city was in Austin with 50.9%, followed closely by El Paso with 50.3%. No city for which separate tabulations were made failed to show an increase over September 1945, and only

#### RETAIL SALES OF INDEPENDENT STORES BY CITY-SIZE GROUPS AND CITIES

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

| City-size group and city  | Number of reporting establishments | Percent change             |                           |
|---------------------------|------------------------------------|----------------------------|---------------------------|
|                           |                                    | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL                     | 1,124                              | + 36.9                     | + 6.3                     |
| OVER 100,000 POPULATION   | 272                                | + 38.1                     | + 9.7                     |
| Dallas                    | 59                                 | + 36.5                     | + 14.6                    |
| Fort Worth                | 118                                | + 41.9                     | + 13.6                    |
| Houston                   | 31                                 | + 34.9                     | - 1.1                     |
| San Antonio               | 64                                 | + 37.3                     | + 3.2                     |
| 50,000-100,000 POPULATION | 161                                | + 43.5                     | + 5.8                     |
| Amarillo                  | 18                                 | + 16.5                     | - 6.0                     |
| Austin                    | 23                                 | + 50.9                     | + 7.9                     |
| Beaumont                  | 47                                 | + 52.5                     | + 9.3                     |
| Corpus Christi            | 22                                 | + 44.3                     | - 6.6                     |
| El Paso                   | 14                                 | + 50.3                     | + 10.6                    |
| Galveston                 | 12                                 | + 28.3                     | - 2.4                     |
| Waco                      | 25                                 | + 26.1                     | + 9.3                     |
| 2,500-50,000 POPULATION   | 491                                | + 30.8                     | + 1.6                     |
| Abilene                   | 16                                 | + 38.5                     | + 7.9                     |
| Lubbock                   | 14                                 | + 56.2                     | + 3.8                     |
| Port Arthur               | 37                                 | + 31.3                     | + 0.01                    |
| Plainview                 | 12                                 | + 23.1                     | - 18.3                    |
| Temple                    | 23                                 | + 6.6                      | + 2.4                     |
| Tyler                     | 12                                 | + 43.8                     | + 4.5                     |
| Other                     | 365                                | + 29.6                     | + 0.5                     |
| UNDER 2,500 POPULATION    | 200                                | + 23.9                     | - 3.7                     |

#### RETAIL SALES OF INDEPENDENT STORES BY DISTRICTS

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

| District                                | Number of reporting establishments | Percent change             |                           |
|---|------------------------------------|----------------------------|---------------------------|
|   |                                    | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL                                   | 1,124                              | + 36.9                     | + 6.3                     |
| Northern High Plains (District 1-N)     | 53                                 | + 26.1                     | - 9.3                     |
| Southern High Plains (District 1-S)     | 22                                 | + 50.5                     | + 8.8                     |
| Red Bed Plains (District 2)             | 75                                 | + 24.3                     | + 10.3                    |
| Western Cross Timbers (District 3)      | 32                                 | + 25.2                     | - 3.9                     |
| Black and Grand Prairies (District 4)   | 328                                | + 35.4                     | + 13.0                    |
| East Texas Timbered Plains (District 5) | 95                                 | + 28.7                     | + 2.1                     |
| Trans-Pecos (District 6)                | 26                                 | + 48.3                     | + 10.5                    |
| Edwards Plateau (District 7)            | 42                                 | + 32.4                     | + 3.2                     |
| Southern Texas Prairies (District 8)    | 178                                | + 33.6                     | + 1.8                     |
| Coastal Prairies (District 9)           | 172                                | + 33.2                     | + 0.5                     |
| Southern Texas Plains (District 10)     | 25                                 | + 36.8                     | + 6.4                     |
| Lower Rio Grande Valley (District 10-A) | 89                                 | + 43.6                     | - 13.8                    |
| Not specified                           | 27                                 | + 26.9                     | + 3.1                     |

two increased less than 15%. These two were Wichita Falls with an increase of 14.0% and Temple with 6.6%.

The ratio of credit sales to total sales in 55 department and apparel stores reporting to the Bureau stood at 49.6% for September, compared to 44.6% a year earlier. The ratio of credit sales to net sales has been higher than the same month a year ago for every month of 1946, which is consistent with the trend towards an increased use of credit in all parts of the country. The ratio of collections to accounts receivable outstanding declined with the increased volume of credit sales. For September 1946 the ratio was 59.5% compared with 63.6% for a year ago. The ratio of credit salaries to credit sales decreased with the increased volume of credit sales, standing at 0.9% in September 1946 and 1.0% a year earlier.

Every city for which separate tabulations were made except Dallas showed an increase in the ratio of credit sales to net sales, where the ratio for September 1946 was down to 52.8% in comparison with 56.9% in September 1945. Beaumont reported the highest ratio of credit sales to net sales (60.1%), Waco was second with 53.8%, and the 52.8% for Dallas was third in spite of the fact that it was considerably below the ratio a year earlier. The ratio of collections to accounts

receivable was lower than a year ago for every city except two; Austin increased from 69.1% to 69.4%, and Corpus Christi from 76.1% to 81.3%. Credit salaries as a percentage of credit sales for September 1946 varied considerably for the different cities, with a low of 0.7% for Dallas, and a ratio just double, or 1.4%, for Corpus Christi.

Department stores with annual sales over \$500,000 reported the largest ratio of credit sales to net sales

**CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES**  
(in percent)

| Classification                                   | Number of reporting stores | Ratio of credit sales to net sales* |            | Ratio of collections to outstandings† |            | Ratio of credit salaries to credit sales‡ |            |
|--|----------------------------|-------------------------------------|------------|---------------------------------------|------------|---|------------|
|  |                            | Sept. 1946                          | Sept. 1945 | Sept. 1946                            | Sept. 1945 | Sept. 1946                                | Sept. 1945 |
| <b>ALL STORES</b>                                | 55                         | 49.6                                | 44.6       | 59.5                                  | 63.6       | 0.9                                       | 1.0        |
| <b>BY CITIES:</b>                                |                            |                                     |            |                                       |            |   |            |
| Austin   | 6                          | 44.8                                | 36.7       | 69.4                                  | 69.1       | 1.2                                       | 1.4        |
| Beaumont   | 3                          | 60.1                                | 50.4       | 60.6                                  | 63.5       | 0.9                                       | 1.0        |
| Corpus Christi                                   | 3                          | 50.6                                | 39.0       | 81.3                                  | 76.1       | 1.4                                       | 1.7        |
| Dallas   | 6                          | 52.8                                | 56.9       | 59.1                                  | 63.4       | 0.7                                       | 0.7        |
| El Paso  | 3                          | 46.7                                | 37.5       | 54.2                                  | 55.1       | 1.2                                       | 1.2        |
| Fort Worth                                       | 4                          | 52.5                                | 40.1       | 52.5                                  | 66.5       | 1.0                                       | 1.1        |
| Houston  | 5                          | 47.4                                | 36.9       | 59.2                                  | 59.9       | 1.2                                       | 1.7        |
| San Antonio                                      | 4                          | 41.6                                | 32.9       | 58.0                                  | 62.9       | 1.1                                       | 1.3        |
| Waco   | 5                          | 53.8                                | 45.8       | 59.8                                  | 65.1       | 0.9                                       | 1.2        |
| Other  | 16                         | 44.1                                | 35.2       | 70.8                                  | 69.3       | 0.9                                       | 1.2        |
| <b>BY TYPE OF STORE:</b>                         |                            |                                     |            |                                       |            |   |            |
| Department stores (annual sales over \$500,000)  | 16                         | 52.6                                | 42.6       | 59.6                                  | 64.6       | 0.9                                       | 1.2        |
| Department stores (annual sales under \$500,000) | 10                         | 45.7                                | 35.1       | 67.0                                  | 65.0       | 0.9                                       | 1.3        |
| Dry goods-apparel stores                         | 3                          | 39.6                                | 33.1       | 60.7                                  | 66.1       | 1.7                                       | 1.6        |
| Women's specialty shops                          | 16                         | 44.5                                | 53.4       | 56.6                                  | 60.6       | 0.8                                       | 0.6        |
| Men's clothing stores                            | 10                         | 47.1                                | 35.2       | 71.1                                  | 69.7       | 0.9                                       | 1.3        |
| <b>BY VOLUME OF NET SALES (1945):</b>            |                            |                                     |            |                                       |            |   |            |
| Over \$2,500,000                                 | 16                         | 51.1                                | 47.5       | 58.1                                  | 62.9       | 0.8                                       | 0.9        |
| \$1,000,000-\$2,000,000                          | 11                         | 46.4                                | 36.0       | 66.5                                  | 67.7       | 0.6                                       | 1.0        |
| \$500,000-\$1,000,000                            | 14                         | 43.5                                | 35.5       | 67.3                                  | 66.2       | 0.7                                       | 0.8        |
| Less than \$500,000                              | 14                         | 37.0                                | 29.5       | 68.2                                  | 68.0       | 1.3                                       | 1.4        |

\*Credit sales divided by net sales.

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

‡Salaries of the credit department divided by credit sales.

**POSTAL RECEIPTS**

| City           | Sept. 1946  | Aug. 1946   | Sept. 1945  | Percent change             |                           |
|----------------|-------------|-------------|-------------|----------------------------|---------------------------|
|                |             |             |             | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| <b>TOTAL</b>   | \$2,372,737 | \$2,544,642 | \$2,353,068 | + 0.9                      | - 6.8                     |
| Abilene        | 27,418      | 26,750      | 26,050      | + 5.3                      | + 2.5                     |
| Amarillo       | 50,731      | 57,160      | 56,501      | -10.2                      | -11.2                     |
| Austin         | 100,937     | 119,443     | 97,330      | + 3.2                      | -15.5                     |
| Beaumont       | 42,103      | 45,620      | 42,249      | - 0.3                      | - 7.7                     |
| Big Spring     | 10,099      | 9,772       | 13,522      | -25.3                      | + 3.3                     |
| Borger         | 6,331       | 8,122       | 5,835       | + 8.5                      | -22.1                     |
| Brownsville    | 7,848       | 9,550       | 9,840       | -25.4                      | -23.1                     |
| Brownwood      | 10,594      | 10,505      | 18,198      | -41.8                      | + 0.9                     |
| Bryan          | 7,638       | 7,276       | 8,113       | - 5.9                      | + 5.6                     |
| Childress      | 2,790       | 3,001       | 5,665       | -60.8                      | - 7.0                     |
| Cleburne       | 4,872       | 4,503       | 5,201       | - 6.3                      | + 8.2                     |
| Coleman        | 3,959       | 2,348       | 4,622       | -12.2                      | +39.4                     |
| Corpus Christi | 56,741      | 63,618      | 70,850      | -19.9                      | -10.8                     |
| Corsicana      | 7,823       | 11,941      | 9,609       | -18.6                      | -34.5                     |
| Dallas         | 609,966     | 653,658     | 532,028     | +14.6                      | - 7.4                     |
| Del Rio        | 3,970       | 4,460       | 5,833       | -31.8                      | -11.0                     |
| Denison        | 8,019       | 8,799       | 8,600       | - 6.8                      | - 8.9                     |
| Denton         | 10,330      | 10,671      | 10,944      | - 5.6                      | - 3.2                     |
| Edinburg       | 4,508       | 4,766       | 4,385       | + 2.8                      | - 5.4                     |
| El Paso        | 86,171      | 91,249      | 91,331      | - 5.6                      | - 5.6                     |
| Fort Worth     | 261,997     | 257,081     | 216,666     | +20.9                      | + 1.9                     |
| Gainesville    | 5,080       | 5,324       | 6,350       | -20.0                      | - 4.6                     |
| Galveston      | 47,105      | 47,327      | 44,041      | + 7.0                      | - 0.5                     |
| Gladewater     | 3,354       | 3,628       | 3,227       | + 3.9                      | - 7.6                     |
| Graham         | 3,388       | 3,023       | 3,442       | - 1.6                      | +12.1                     |
| Harlingen      | 10,959      | 10,691      | 16,120      | -32.0                      | + 2.5                     |
| Houston        | 890,873     | 484,362     | 379,210     | + 2.9                      | -10.1                     |
| Jacksonville   | 5,066       | 4,496       | 4,594       | +10.3                      | +12.7                     |
| Kenedy         | 1,630       | 1,952       | 1,841       | - 8.7                      | -13.9                     |
| Kerrville      | 3,975       | 5,015       | 4,343       | - 8.5                      | -20.7                     |
| Laredo         | 13,862      | 14,944      | 18,419      | -27.5                      | -10.6                     |
| Longview       | 11,838      | 13,022      | 13,145      | - 9.9                      | - 9.1                     |
| Lubbock        | 36,392      | 32,419      | 34,959      | + 4.1                      | +12.3                     |
| McAllen        | 7,635       | 8,242       | 7,865       | + 3.7                      | - 7.4                     |
| Midland        | 11,112      | 10,692      | 14,270      | -22.1                      | + 3.9                     |
| Orange         | 10,859      | 11,574      | 12,851      | -15.4                      | - 6.2                     |
| Pampa          | 8,762       | 8,452       | 10,790      | -18.8                      | + 3.7                     |
| Paris          | 9,346       | 9,192       | 16,616      | -43.8                      | + 1.7                     |
| Plainview      | 6,371       | 6,247       | 6,061       | + 5.1                      | + 2.0                     |
| Port Arthur    | 17,858      | 26,508      | 21,941      | -13.6                      | -32.6                     |
| San Angelo     | 19,151      | 23,085      | 23,916      | -19.9                      | -17.0                     |
| San Antonio    | 231,267     | 248,310     | 245,878     | - 5.9                      | - 7.1                     |
| Seguin         | 3,968       | 3,559       | 4,085       | - 2.9                      | +11.5                     |
| Sherman        | 11,135      | 11,065      | 12,504      | -10.5                      | + 1.1                     |
| Snyder         | 2,487       | 1,808       | 2,526       | - 1.5                      | +37.8                     |
| Sweetwater     | 7,116       | 5,930       | 6,222       | +14.4                      | +20.0                     |
| Temple         | 12,899      | 11,138      | 15,137      | -18.1                      | +11.3                     |
| Texarkana      | 24,275      | 31,593      | 30,927      | -21.5                      | -23.2                     |
| Texas City     | 6,312       | 7,564       | 5,397       | +17.0                      | -16.6                     |
| Tyler          | 23,886      | 24,059      | 26,572      | -10.1                      | - 0.7                     |
| Vernon         | 5,923       | 5,877       | 6,300       | - 6.0                      | + 0.8                     |
| Victoria       | 8,054       | 8,754       | 10,840      | -25.7                      | - 3.0                     |
| Waco           | 58,395      | 64,059      | 54,068      | - 1.2                      | - 1.2                     |
| Wichita Falls  | 34,532      | 34,428      | 45,307      | -23.8                      | + 0.3                     |

(52.6%), while dry goods stores reported the smallest (39.6%). When the reporting stores were grouped according to volume of net sales, the ratio of credit sales varied directly with the volume of sales. For the stores with an annual volume of \$2,500,000 in 1945 the ratio was 51.1%, for \$1,000,000-\$2,500,000 it was 46.4%, for \$500,000-\$1,000,000 it was 43.5% and for less than \$250,000 it was 37.0%.

*Gasoline* taxable sales in Texas, after establishing a new record in July with a total of 174,919,050 gallons, fell off 10.2% to 157,110,177 gallons in August, according to data released by the State Comptroller. In August 1945 taxable sales amounted to 140,879,206 gallons. The August figure represented a gain of 11.5% over August of last year. Sales to the federal government in August increased 66.8% from July, but were 92.6% below August 1945. A year ago sales to the federal government totaled 286,954,803 gallons, but in August 1946 they were only 21,229,597 gallons.

Reports from 25 Texas newspapers showed a decline of 0.7% in *newspaper advertising lineage* between August and September of this year, but in comparison with September 1945 lineage increased 24.1%.

*Postal receipts* in 54 Texas cities decreased 6.8% in September 1946 from August, but were 0.9% higher than a year ago. Twenty-two cities showed increases over the preceding month, and 32 showed decreases. In spite of the fact that postal receipts in September 1946 were slightly higher than a year previously, only 17 cities showed increases during this period, compared to 34 that showed decreases. The increases were in general registered in the larger cities, which resulted in the total receipts in the 54 cities increasing, even though a larger number of cities reported decreases.

### Wholesale Trade

Wholesale sales 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 information on inventories of wholesalers gives an indication of the availability of goods to retailers, which in this period of shortages is a significant factor in the business situation.)

*Wholesale sales* reported by 141 Texas establishments to the Bureau of the Census increased 4% in August from July, with three types of business showing decreases and three showing increases. Also thirteen firms not classified according to type of business showed increases. The greatest increase was in automotiye supplies with 12%, followed by groceries and food and general hardware, both with 6%. Machinery, equipment and supplies decreased 12%, drugs and sundries (including the liquor departments of other trades) decreased 9%, and electrical goods decreased 5%.

In comparison with a year ago all wholesale establishments showed an increase of 45% in sales, with every type of business increasing. The smallest increase registered was 21% in drugs and sundries, and the largest was 114% in electrical goods.

*Inventories* of all wholesale establishments increased 1% in August over July, with four types of business

### WHOLESALESALES

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

| Business   | Number of reporting firms | Percent change           |                          |
|--|---------------------------|--------------------------|--------------------------|
|  |                           | Aug. 1946 from Aug. 1945 | Aug. 1946 from July 1946 |
| TOTAL  | 141                       | + 45                     | + 4                      |
| Automotive supplies                                    | 12                        | + 57                     | +12                      |
| Drugs and sundries*                                    | 17                        | + 12                     | - 9                      |
| Electrical goods                                       | 24                        | +114                     | - 5                      |
| Groceries and foods (except farm products)             | 51                        | + 29                     | + 6                      |
| General hardware                                       | 16                        | + 49                     | + 6                      |
| Machinery, equipment, and supplies (except electrical) | 5                         | + 52                     | -12                      |
| All other  | 16                        | + 70                     | +82                      |

\*Includes liquor departments of other trades.

showing increases and two showing decreases. Inventories of the unclassified group decreased 11%. The largest increase was in automotive supplies (15%). Machinery, equipment and supplies increased 7%, groceries and foods increased 6%, and drugs and sundries increased 2%. Electrical goods and general hardware both decreased by 2%.

In comparison with a year earlier inventories increased 38%, with increases in all types of business. Electrical goods showed the greatest increase with 104% and automotive supplies showed the smallest with 3%.

### WHOLESALESALES INVENTORIES

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

| Business   | Percent change           |                          |
|--|--------------------------|--------------------------|
|  | Aug. 1946 from Aug. 1945 | Aug. 1946 from July 1946 |
| TOTAL  | + 38                     | + 1                      |
| Automotive supplies                                    | + 3                      | +15                      |
| Drugs and sundries*                                    | + 21                     | + 2                      |
| Electrical goods                                       | +104                     | - 2                      |
| Groceries and foods (except farm products)             | + 41                     | + 6                      |
| General hardware                                       | + 31                     | - 2                      |
| Machinery, equipment, and supplies (except electrical) | + 38                     | + 7                      |
| All other  | + 60                     | -11                      |

\*Includes liquor departments of other trades.

### 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.)

*Exports* from Galveston, Texas City, and Houston, as reported by the Galveston and Houston Maritime Associations totaled 638,759 tons in August. This was a 6.8% greater tonnage than that reported for July and continued the June upswing. The export movements at Houston and Texas City decreased 14.6% and 25.2%, respectively, in August from July but Galveston exports

(the largest for the three cities) shot up 25.3%. The leading commodities in the Galveston gain were cotton, flour, and wheat, while it was the declines in these items through Texas City and Houston that caused the fall in their traffic.

**EXPORTS FROM GALVESTON, HOUSTON, AND TEXAS CITY**  
(in tons)

Source: Galveston and Houston Maritime Associations, Inc.

| Port and product         | Aug. 1946 | July 1946 | Percent change           |  |
|--------------------------|-----------|-----------|--------------------------|--|
|                          |           |           | Aug. 1946 from July 1946 |  |
| <b>TOTAL</b>             | 638,759   | 597,907   | + 6.8                    |  |
| <b>GALVESTON, TOTAL</b>  | 419,523   | 384,903   | + 25.3                   |  |
| Carbon black             | 119       | 33        | +260.6                   |  |
| Cotton                   | 28,564    | 18,568    | + 53.8                   |  |
| Flour                    | 40,211    | 19,783    | +103.3                   |  |
| Asphalt                  | 1,288     | 473       | +161.7                   |  |
| Metals                   | 236       | 321       | - 26.5                   |  |
| Rice                     | 1,754     | 2,359     | - 25.8                   |  |
| Potash                   | 165       | 202       | - 18.3                   |  |
| Sulphur                  | 124,795   | 117,030   | + 6.6                    |  |
| Wheat                    | 168,109   | 181,109   | + 24.8                   |  |
| Other                    | 53,776    | 45,025    | + 30.5                   |  |
| <b>TEXAS CITY, TOTAL</b> | 37,868    | 50,384    | - 25.2                   |  |
| Flour                    | 3,362     | 9,919     | - 66.1                   |  |
| Potash                   | 2,444     | 1,000     | +144.4                   |  |
| Wheat                    | 25,783    | 37,320    | - 31.0                   |  |
| Other                    | 6,129     | 2,097     | +192.3                   |  |
| <b>HOUSTON, TOTAL</b>    | 181,568   | 212,668   | - 14.6                   |  |
| Carbon black             | 5,082     | 8,426     | - 39.7                   |  |
| Cotton                   | 22,010    | 30,509    | - 27.9                   |  |
| Flour                    | 8,664     | 10,030    | - 13.6                   |  |
| Livestock                | 474       | 677       | - 30.0                   |  |
| Metals                   | 6,359     | 6,216     | + 2.3                    |  |
| Rice                     | 101       | 4,266     | - 97.6                   |  |
| Asphalt                  | 776       | 451       | + 72.1                   |  |
| Sulphur                  | 4,329     | 599       | +722.7                   |  |
| Wheat                    | 39,419    | 45,559    | - 13.5                   |  |
| Other                    | 94,354    | 105,985   | - 10.9                   |  |

**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.)

Crude oil runs to stills in September 1946 were 5.0% below the figure for the previous month. The index of crude runs to stills adjusted for seasonal variation, showed a decrease of 1.4% from August to September 1946 and stood at 151.2% of the 1935-39 level. Crude runs totaled 42,462,631 barrels in September 1946, as compared with 44,678,625 in August, and 32,153,000 in September, according to the State Railroad Commission. Refinery operations in September this year were well above September 1945, at which time crude oil runs to stills dropped 27.0% from the month before.

Refinery stocks of gasoline in Texas at the end of September 1946 were practically the same as at the end of the previous month. Distillate stocks, however, registered an increase of 14.0% in September over the previous month, and residual stocks jumped 26.2%. In comparison with September 1945, gasoline stocks were 10.6% lower this September, but distillate stocks were up 59.5% and residual stocks 33.1%.

**REFINERY STOCKS\***

(in thousands of barrels)

Source: The Oil and Gas Journal

| Section and item        | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|-------------------------|------------|-----------|------------|----------------------------|---------------------------|
|                         |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| <b>TEXAS</b>            |            |           |            |                            |                           |
| Gasoline                | 15,116     | 15,219    | 16,899     | -10.6                      | - 6.7                     |
| Distillate              | 9,361      | 8,214     | 5,368      | +59.5                      | +14.0                     |
| Residual                | 8,254      | 6,542     | 6,201      | +33.1                      | +26.2                     |
| <b>TEXAS GULF COAST</b> |            |           |            |                            |                           |
| Gasoline                | 12,468     | 12,648    | 14,351     | -13.2                      | - 1.5                     |
| Distillate              | 8,753      | 7,606     | 5,427      | +61.3                      | +15.1                     |
| Residual                | 7,518      | 5,784     | 5,217      | +44.1                      | +30.6                     |
| <b>INLAND TEXAS</b>     |            |           |            |                            |                           |
| Gasoline                | 2,658      | 2,571     | 2,548      | + 4.1                      | + 3.2                     |
| Distillate              | 608        | 608       | 441        | +37.3                      | 0.0                       |
| Residual                | 736        | 758       | 984        | -25.2                      | - 2.9                     |

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

Consumption of cotton in Texas during September 1946 was slightly below (1.1%) the figure for the previous month, but the consumption of linters registered a decrease of 15.2% from the August 1946 figure. Cotton consumption was up 28.2% from September 1945, and the consumption of linters was 17.0% higher.

**CONSUMPTION OF COTTON AND COTTON LINTERS**

(in running bales)

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

| Commodity | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|-----------|------------|-----------|------------|----------------------------|---------------------------|
|           |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Cotton    | 18,678     | 18,899    | 14,574     | +28.2                      | - 1.1                     |
| Linters   | 1,136      | 1,340     | 971        | +17.0                      | -15.2                     |

Cottonseed received at mills in Texas during September 1946 was 24.7% above the figure for the previous month, while the cottonseed crushed in Texas mills showed an increase of 72.3% over the August 1946

**COTTONSEED PRODUCTION**

(in tons)

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

| Item                   | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|------------------------|------------|-----------|------------|----------------------------|---------------------------|
|                        |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Received at mills      | 92,147     | 73,921    | 114,894    | -19.8                      | +24.7                     |
| Crushed                | 52,065     | 30,220    | 61,529     | -15.4                      | +72.3                     |
| Stocks at end of month | 141,097    | 101,015   | 171,102    | -17.5                      | +39.7                     |

figure. Stocks at the end of September 1946 were 39.7% above those for August of this year. Cottonseed receipts, crushings, and stocks were all from 15 to 20% below September 1945 levels.

The manufacture of dairy products in Texas in total milk equivalent for September 1946 registered a decline of 8.2% from the August figure. Creamery butter declined 4.7%, ice cream 23.0%, American cheese 4.3%, whereas the production of other dairy products (ice cream, condensed milk, etc.) rose 25.3%. Compared with September 1945, the total milk equivalent of manufactured dairy products this September was down 11.3%.

#### MANUFACTURE OF DAIRY PRODUCTS

| Product                       | Unit       | Sept. 1946 | Aug. 1946 | Percent change |                            |
|-------------------------------|------------|------------|-----------|----------------|----------------------------|
|                               |            |            |           | Sept. 1945     | Sept. 1946 from Sept. 1945 |
| <b>TOTAL MILK EQUIVALENT*</b> | 1,000 lbs. | 80,677     | 87,847    | 90,917         | -11.3 - 8.2                |
| Creamery butter               | 1,000 lbs. | 1,492      | 1,565     | 1,908          | -21.8 - 4.7                |
| Ice cream†                    | 1,000 gal. | 2,428      | 3,152     | 2,744          | -11.5 -23.0                |
| American cheese               | 1,000 lbs. | 775        | 810       | 981            | -21.0 - 4.3                |
| All other                     | 1,000 lbs. | 4,818      | 3,829     | 4,449          | + 8.3 +25.3                |

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

†Includes sherbets and ices.

Lumber production in southern pine mills, as reported by the Southern Pine Association for September 1946 showed a decrease of 4.5% from the previous month, in terms of average weekly production per unit. Average weekly shipments per unit were down 2.8% and average unfilled orders per unit at the end of the month were up 7.7%. Production was 1.1% higher in September this year than a year ago, but shipments dropped 7.2%, and unfilled orders were down 17.6%. The index of southern pine production for September 1946 was 64.4% of the 1935-39 period.

#### LUMBER PRODUCTION IN SOUTHERN PINE MILLS

(in board feet)

Source: Southern Pine Association

| Item   | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|--|------------|-----------|------------|----------------------------|---------------------------|
|  |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Average weekly production per unit             | 185,399    | 194,212   | 182,448    | + 1.1                      | - 4.5                     |
| Average weekly shipments per unit              | 185,873    | 191,154   | 200,357    | - 7.2                      | - 2.8                     |
| Average unfilled orders per unit, end of month | 911,405    | 846,077   | 1,103,753  | -17.4                      | + 7.7                     |

Cement production of Texas plants during September 1946 exceeded that of the previous month by 3.5% and totaled 1,011,000 barrels. Compared with the 685,000 barrels produced in September 1945, the increase was 47.6% above last year. Shipments for September amounted to 1,021,000 barrels, representing a

gain of 37.2% over the comparable month of 1945 but slightly less (0.1%) than shipments made last month. Stocks on hand at the end of September totaled 366,000 barrels, a decline of 2.7% from the month before and 42.6% less than stocks reported on hand a year ago.

#### CEMENT PRODUCTION

(in thousands of barrels)

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

| Item       | Aug. 1946 | Sept. 1946 | Sept. 1945 | Percent change             |                           |
|------------|-----------|------------|------------|----------------------------|---------------------------|
|            |           |            |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Production | 1,011     | 977        | 685        | +47.6                      | + 3.5                     |
| Shipments  | 1,021     | 1,022      | 744        | +37.2                      | - 0.1                     |
| Stocks     | 366       | 378        | 638        | -42.6                      | - 2.7                     |

Wheat grindings of Texas mills in August 1946 amounted to 3,634,000 bushels, a decline of 3.5% from July, whereas the decline for the comparable period last year was only 1.3%. Wheat grindings for August this year were 12.2% less than the 4,138,000 bushels ground in the same month of 1945. Flour production was down 1.6% from the August 1945 total, and the 1,677,000 sacks produced during August 1946 was 4% less than the number reported in July.

#### WHEAT GRINDINGS AND FLOUR PRODUCTION

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

| Item         | Unit       | Aug. 1946 | July 1946 | Aug. 1945 | Percent change           |                          |
|--------------|------------|-----------|-----------|-----------|--------------------------|--------------------------|
|              |            |           |           |           | Aug. 1946 from Aug. 1945 | Aug. 1946 from July 1946 |
| Wheat ground | 1,000 bu.  | 3,634     | 3,764     | 4,138     | -12.2                    | - 3.5                    |
| Wheat flour  | 1,000 sks. | 1,677     | 1,746     | 1,705     | - 1.6                    | - 4.0                    |

The number of active cotton spinning spindles reported by the textile industry for September 1946 totaling 239,990 indicates a gain of 1.0% over the number in use last year. From August to September of this year there was a decrease of only 48 spindles. Spinning spindles in place at the end of the month totaled 242,140 compared with 242,792 in August and 240,452 in September 1945. These figures indicate that practically no change in either active spindles or spindles in place was made in Texas textile mills during the past year. The average spindle hours increased 9.5% from August to September, amounting to 403 for the latter month, and were 17.5% above the number reported for the comparable month of 1945.

#### COTTON SPINNING ACTIVITY

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

| Item                        | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|-----------------------------|------------|-----------|------------|----------------------------|---------------------------|
|                             |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Spinning spindles in place* | 242,140    | 242,792   | 240,452    | + 0.7                      | - 0.3                     |
| Spindles active             | 239,990    | 240,038   | 237,684    | + 1.0                      | - 0.02                    |
| Average spindle hours       | 403        | 368       | 343        | +17.5                      | + 9.5                     |

\*End of the month.

**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 it must be kept in mind that data on both permits and contracts reflect the value of new work begun, rather than the volume of actual construction activity in a particular month. Loans by savings and loan associations reflect the financing of residential housing. At the present both building permits and contracts awarded are affected by government restrictions.)

Building permits issued in 45 Texas cities in September 1946 totaled \$18,049,351, a decrease of only 1.7% from the August figure but 90.5% higher than the total for September 1945. The seasonally-adjusted index of building permits prepared by the Bureau was 374.7% of the 1935-39 base period in September and was 18.5% above the August 1946 figure.

**BUILDING PERMITS**

| City           | Sept. 1946          | Aug. 1946           | Sept. 1945          |
|----------------|---------------------|---------------------|---------------------|
| <b>TOTAL</b>   | <b>\$18,049,351</b> | <b>\$18,367,683</b> | <b>\$ 9,474,370</b> |
| Abilene        | 342,569             | 186,840             | 321,986             |
| Amarillo       | 650,920             | 471,185             | 398,732             |
| Austin         | 1,375,193           | 1,302,940           | 410,637             |
| Beaumont       | 441,210             | 404,284             | 76,143              |
| Big Spring     | 60,580              | 45,475              | 33,605              |
| Borger         | 118,200             | 53,000              | 80,750              |
| Brownsville    | 54,453              | 112,079             | 74,443              |
| Bryan          | 93,270              | 198,846             | 26,650              |
| Childress      | 23,700              | 15,400              | 17,025              |
| Cleburne       | 67,950              | 29,775              | 40,200              |
| Coleman        | 45,225              | 26,050              | 8,300               |
| Corpus Christi | 741,161             | 1,280,621           | 304,739             |
| Dallas         | 3,162,240           | 5,927,191           | 1,503,192           |
| Denison        | 88,824              | 56,448              | 29,000              |
| Denton         | 108,100             | 153,050             | 28,150              |
| Edinburg       | 44,140              | 16,191              | 56,935              |
| El Paso        | 517,709             | 336,335             | 308,525             |
| Fort Worth     | 1,265,671           | 1,577,662           | 655,335             |
| Gainesville    | 56,305              | 68,450              | 12,600              |
| Galveston      | 516,249             | 166,638             | 562,697             |
| Graham         | 10,400              | 5,200               | 2,000               |
| Harlingen      | 108,560             | 81,700              | 39,000              |
| Houston        | 3,478,511           | 1,640,159           | 2,016,698           |
| Jacksonville   | 42,000              | 41,400              | 11,650              |
| Kenedy         | 5,075               | 600                 | 10,850              |
| Kerrville      | 121,681             | 70,950              | 13,005              |
| Longview       | 46,820              | 119,650             | 55,235              |
| Lubbock        | 543,956             | 426,402             | 224,568             |
| McAllen        | 54,650              | 77,510              | 62,100              |
| Marshall       | 62,047              | 88,650              | 32,748              |
| Midland        | 174,250             | 127,750             | 112,200             |
| New Braunfels  | 28,580              | 78,390              | 14,205              |
| Palestine      | 53,779              | 110,970             | 31,264              |
| Paris          | 63,845              | 35,761              | 12,751              |
| Plainview      | 77,000              | 66,000              | 43,775              |
| Port Arthur    | 140,442             | 195,644             | 185,464             |
| San Antonio    | 1,378,558           | 1,586,090           | 1,202,713           |
| Seguin         | 18,425              | 30,900              | 23,500              |
| Sherman        | 122,433             | 72,576              | 51,443              |
| Sweetwater     | 38,275              | 64,835              | 20,060              |
| Texas City     | 36,452              | 20,345              | 29,635              |
| Tyler          | 460,022             | 298,847             | 96,686              |
| Victoria       | 27,775              | 178,012             | 14,650              |
| Waco           | 584,933             | 348,083             | 204,925             |
| Wichita Falls  | 97,203              | 162,904             | 57,026              |

Loans made by 119 insured savings and loan associations in Texas in September, totaling 2,096, were 4.5% under the August total but 49.7% above the number of loans made in September 1945. Small decreases in number of loans were shown by each of the classifications included in the report. Purchase loans totaling 1,154, representing more than half the loans made, were down 3.8% for the month but were 34.7% greater than the number made a year ago.

The number of construction loans increased more during the year and showed less decline from last month than any other group. General increases compared with September a year ago were as follows: construction 140.2%, purchase 34.7%, refinance 80.0%, recondition 33.8%, and miscellaneous loans 16.0%.

The amount of loans totaled \$7,808,324 for the month, a decrease of 4.5% from August but 98.5% more than the amount for September 1945. The average loan of \$3,725 compared with \$3,726 in August and \$3,809 for September 1945. The size of the average purchase loan was \$4,097 in September 1946, while the average for the same month of last year was \$2,982.

**LOANS MADE BY SAVINGS AND LOAN ASSOCIATIONS\***

Source: Federal Home Loan Bank of Little Rock

| Type                 | Sept. 1946         | Aug. 1946          | Percent change             |                           |              |
|----------------------|--------------------|--------------------|----------------------------|---------------------------|--------------|
|                      |                    |                    | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |              |
| <b>NUMBER, TOTAL</b> | <b>2,096</b>       | <b>2,194</b>       | <b>1,400</b>               | <b>+ 49.7</b>             | <b>- 4.5</b> |
| Construction         | 468                | 479                | 194                        | +140.2                    | - 2.7        |
| Purchase             | 1,154              | 1,200              | 857                        | + 34.7                    | - 3.8        |
| Refinance            | 135                | 135                | 75                         | + 30.0                    | 0.0          |
| Recondition          | 174                | 198                | 130                        | + 33.8                    | -12.1        |
| Other                | 167                | 182                | 144                        | + 16.0                    | - 8.2        |
| <b>AMOUNT, TOTAL</b> | <b>\$7,808,324</b> | <b>\$8,175,192</b> | <b>\$3,933,279</b>         | <b>+ 98.5</b>             | <b>- 4.5</b> |
| Construction         | 2,142,049          | 2,064,955          | 730,837                    | +193.1                    | + 3.7        |
| Purchase             | 4,723,641          | 5,115,069          | 2,555,769                  | + 85.0                    | - 7.6        |
| Refinance            | 467,322            | 378,356            | 221,186                    | +111.3                    | +23.5        |
| Recondition          | 162,867            | 187,580            | 204,161                    | - 20.2                    | -13.2        |
| Other                | 307,445            | 429,202            | 221,336                    | + 33.9                    | -28.4        |

\*These data cover the lending activities of the 119 insured associations in Texas. There are 21 uninsured savings and loan associations in the State which are not covered.

September construction contracts totaling \$28,827,694 for all building reported by the Texas Contractor dropped an average of 56.3% from August to September compared with an increase of 18.8% from July to August. Contracts for the month were only 2.6% above

**CONSTRUCTION CONTRACTS**

Source: Texas Contractor

| Type of building | Sept. 1946          | Aug. 1946           | Sept. 1945          | Percent change             |                           |
|------------------|---------------------|---------------------|---------------------|----------------------------|---------------------------|
|                  |                     |                     |                     | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| <b>TOTAL</b>     | <b>\$28,827,694</b> | <b>\$65,913,262</b> | <b>\$13,841,640</b> | <b>+108.3</b>              | <b>- 56.3</b>             |
| Engineering      | 10,981,722          | 33,292,156          | 4,283,795           | +156.4                     | - 67.0                    |
| Nonresidential   | 8,858,744           | 22,268,036          | 8,107,225           | + 9.3                      | - 60.2                    |
| Residential      | 8,987,228           | 10,353,070          | 1,450,620           | +519.5                     | - 13.2                    |

awards made in September 1945 but were still more than double (108.3% above) the total reported for September 1945.

Engineering contracts showed the greatest decrease of any type of construction. The September contracts of \$10,981,722 were 67.0% below the August total but 156.4% above the comparable month of last year. The volume of nonresidential building decreased 60.2% to \$8,858,744 in September, remaining but 9.3% higher than the 1945 figure for contracts in this classification. Compared with the previous month, residential contracts decreased less than any other group, reporting a decline of 13.2% from August. The year-to-year comparison of this type of building, however, shows an increase of 519.5% over September 1945.

### 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 shows a seasonal variation due to the changing amount of lighting needed.)

Electric power consumption in Texas, as reported by 10 electric power companies, for September 1946 was 3.2% below the figure for the previous month. The index of electric power consumption for September 1946 (adjusted for seasonal variation) was 248.1% of the 1935-39 period, and was 3.2% below August 1946.

The production of electric energy for public use in Texas totaled 720,683,000 kilowatt hours in August 1946, according to data released by the Federal Power Commission. This figure was 3.8% above July 1946 production and 3.1% above that of September 1945.

### ELECTRIC POWER CONSUMPTION\*

(in thousands of kilowatt hours)

| Use         | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|-------------|------------|-----------|------------|----------------------------|---------------------------|
|             |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL       | 511,000    | 527,983   | 491,789    | + 3.2                      | - 3.2                     |
| Commercial  | 109,222    | 109,353   | 99,400     | + 9.9                      | - 0.1                     |
| Industrial  | 251,710    | 260,389   | 249,381    | + 1.0                      | - 3.3                     |
| Residential | 78,289     | 78,951    | 67,841     | +15.4                      | - 0.8                     |
| Other       | 71,779     | 79,285    | 75,211     | - 4.6                      | - 9.5                     |

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

The number of *telephones in service* in 40 Texas cities at the end of September 1946 was practically the same as in the previous month. However, practically all of the centers in the accompanying table registered a substantial increase over the September 1945 figures.

Biggest August-to-September gains from a percentage standpoint were recorded by Beaumont (2.0%), McAllen (2.5%), Orange (3.2%), and Sweetwater (6.2%). For the 12-month period Borger's 46.9% jump was outstanding. Other cities with increases of more than 2.0% in the number of telephones in service included Corsicana, Edinburg, Lubbock, McAllen, McKinney, Orange, San Benito, and Tyler.

### TELEPHONES IN SERVICE

Source: Southwestern Bell Telephone Company

| City           | Sept. 30 1946 | Aug. 31 1946 | Sept. 30 1945 | Percent change                   |                                 |
|----------------|---------------|--------------|---------------|----------------------------------|---------------------------------|
|                |               |              |               | Sept. 30 1946 from Sept. 30 1945 | Sept. 30 1946 from Aug. 31 1946 |
| TOTAL          | 759,237       | 754,331      | 655,543       | +14.1                            | + 0.6                           |
| Abilene        | 9,963         | 9,968        | 8,787         | +13.4                            | - 0.1                           |
| Amarillo       | 13,779        | 13,983       | 17,998        | + 4.8                            | - 1.1                           |
| Austin         | 32,867        | 32,078       | 28,649        | +13.0                            | + 0.9                           |
| Beaumont       | 21,628        | 21,207       | 19,846        | +11.8                            | + 2.0                           |
| Big Spring     | 3,503         | 3,496        | 3,371         | + 3.9                            | + 0.2                           |
| Borger         | 3,855         | 3,800        | 2,625         | +46.9                            | + 1.4                           |
| Brownsville    | 3,730         | 3,714        | 3,192         | +16.9                            | + 0.4                           |
| Cleburne       | 2,724         | 2,723        | 2,308         | +18.0                            | + 0.04                          |
| Corpus Christi | 24,150        | 24,039       | 21,634        | +11.6                            | + 0.3                           |
| Corsicana      | 4,141         | 4,076        | 3,390         | +22.2                            | + 1.6                           |
| Dallas         | 145,035       | 142,403      | 126,167       | +15.0                            | + 1.1                           |
| Denison        | 5,348         | 5,276        | 4,521         | +18.3                            | + 1.4                           |
| Edinburg       | 1,438         | 1,428        | 1,145         | +25.6                            | + 0.7                           |
| Fort Worth     | 72,193        | 71,776       | 63,324        | +14.0                            | + 0.6                           |
| Gainesville    | 2,777         | 2,728        | 2,651         | + 3.6                            | + 1.3                           |
| Galveston      | 20,856        | 20,788       | 18,330        | +10.8                            | + 0.3                           |
| Harlingen      | 3,899         | 3,878        | 3,643         | + 7.0                            | + 0.7                           |
| Houston        | 163,276       | 167,164      | 145,019       | +16.0                            | + 0.7                           |
| Kingsville     | 2,069         | 2,105        | 1,966         | + 5.2                            | - 1.7                           |
| Laredo         | 5,108         | 5,090        | 4,644         | +10.0                            | + 0.6                           |
| Longview       | 5,763         | 5,646        | 5,106         | +12.7                            | + 1.9                           |
| Lubbock        | 12,836        | 12,761       | 10,669        | +20.3                            | + 0.6                           |
| Marshall       | 4,299         | 4,272        | 3,743         | +14.9                            | + 0.6                           |
| McAllen        | 3,048         | 2,973        | 2,470         | +23.4                            | + 2.5                           |
| McKinney       | 2,878         | 2,340        | 1,964         | +21.1                            | + 1.6                           |
| Midland        | 4,393         | 4,329        | 3,669         | +19.7                            | + 1.5                           |
| Mineral Wells  | 2,823         | 2,791        | 3,002         | - 5.8                            | + 1.3                           |
| Orange         | 4,247         | 4,114        | 3,516         | +20.8                            | + 8.2                           |
| Pampa          | 4,493         | 4,491        | 3,758         | +19.6                            | + 0.04                          |
| Paris          | 5,051         | 4,965        | 4,703         | + 7.3                            | + 1.7                           |
| Port Arthur    | 15,793        | 15,545       | 13,171        | +19.2                            | + 1.0                           |
| San Antonio    | 83,054        | 82,455       | 72,333        | +14.0                            | + 0.7                           |
| San Benito     | 1,338         | 1,379        | 1,101         | +26.1                            | + 0.7                           |
| Sweetwater     | 2,344         | 2,207        | 2,148         | + 9.1                            | + 6.2                           |
| Temple         | 4,495         | 4,468        | 4,036         | +11.4                            | + 0.6                           |
| Tyler          | 10,164        | 10,019       | 8,408         | +20.9                            | + 1.4                           |
| Vernon         | 2,533         | 2,521        | 2,251         | +12.5                            | + 0.5                           |
| Victoria       | 4,343         | 4,313        | 4,161         | + 4.4                            | + 0.6                           |
| Waco           | 18,114        | 18,054       | 15,774        | +14.8                            | + 0.3                           |
| Wichita Falls  | 15,939        | 16,223       | 15,766        | + 1.1                            | - 1.8                           |

### 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.)

Daily average production of crude oil in Texas for September 1946 of 2,089,500 barrels was slightly less (1.4%) than for the preceding month but was 12.4% above the figure for September 1945. When adjusted for seasonal factors the index of crude dropped 1.7% from August. In September 1946 the index was 165.9% of the 1935-39 average.

Oil well completions in Texas, from January through September 1946 were somewhat above the figure for the corresponding months in 1945. Largest number of completions in September 1946 was in North Central Texas which also had by far the largest number of dry holes.

Second in number of completions was West Texas, which led in number of oil wells for the month. Texas Gulf Coast had 128 completions with 88 oil wells, 8 gas wells, and 32 dry holes.

**WELL COMPLETIONS**

Source: *The Oil and Gas Journal*

| District            | September* |     |     |     | Jan.-Sept. (all wells) |       |
|---------------------|------------|-----|-----|-----|------------------------|-------|
|                     | Total      | Oil | Gas | Dry | 1946                   | 1945  |
| TEXAS               | 607        | 376 | 38  | 198 | 5,912                  | 5,848 |
| North Central Texas | 226        | 117 | 7   | 102 | 2,128                  | 1,639 |
| West Texas          | 144        | 118 | 1   | 25  | 1,280                  | 1,334 |
| Panhandle           | 26         | 15  | 10  | 1   | 248                    | 417   |
| Eastern Texas       | 45         | 27  | 6   | 12  | 539                    | 250   |
| Texas Gulf Coast    | 128        | 88  | 8   | 32  | 1,291                  | 1,217 |
| Southwest Texas     | 38         | 11  | 1   | 26  | 436                    | 491   |

\*For 4 weeks ending September 28, 1946.

**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 variation in order to show the basic changes in the situation of agriculture.)

Estimates prepared by the Bureau of Business Research indicate that Texas farmers and livestockmen received approximately \$135,219,000 in cash income during September as compared with \$111,413,000 received in August. This is an increase of 17.6% for the month as well as an increase of 17.2% over the September farm cash income of 1945. Compared with pre-war years (1935-39) income last month was up approximately 200%.

Notwithstanding the 17.6% rise in farm receipts over August, the index for September, when adjusted for seasonal variation, dropped 31.7% from its August level. In other words the August-to-September gain in dollar income, though substantial, failed to measure up to normal seasonal expectations.

During the first 9 months of 1946, farm cash income in Texas totaled \$797,511,000, or about 4.3% more than in the same months in 1945. District gains ranged from a 29.6% increase in the Trans-Pecos area to a decrease of 23.3% in the East Texas timbered plains. Total income for the year to date is shown by districts in the accompanying table.

The outlook for most fall crops this year is highly favorable, according to the United States Department of Agriculture. An increase of 58% over a 10-year average is expected for snap beans. The latter part of September gave evidence that the biggest crop of Texas grapefruit, oranges, and lemons in the history of the State would begin rolling to market soon. A 30-million box citrus harvest is expected this season, as compared with 28 million boxes last year. The forecast for the

**FARM CASH INCOME\***

| District | Indexes, 1935-39=100<br>adjusted for seasonal variation |           |            | Amount, Jan.-Sept.<br>(in thousands of dollars) |         |
|----------|---|-----------|------------|---|---------|
|          | Sept. 1946  | Aug. 1946 | Sept. 1945 | 1946  | 1945    |
| TEXAS    | 208.8   | 298.2     | 168.7      | 797,511   | 764,365 |
| 1-N      | 292.1   | 482.2     | 311.7      | 90,752  | 82,277  |
| 1-S      | 313.8   | 542.3     | 215.1      | 47,057  | 54,045  |
| 2        | 168.6   | 331.7     | 138.4      | 71,424  | 75,198  |
| 3        | 227.1   | 310.5     | 241.0      | 42,108  | 38,418  |
| 4        | 154.5   | 100.8     | 105.9      | 116,844   | 102,727 |
| 5        | 65.8  | 97.8      | 62.9       | 39,434  | 51,405  |
| 6        | 707.0   | 278.5     | 353.5      | 37,939  | 29,275  |
| 7        | 209.3   | 251.2     | 178.8      | 69,956  | 63,670  |
| 8        | 160.5   | 808.5     | 124.5      | 91,191  | 87,592  |
| 9        | 364.7   | 255.5     | 386.6      | 45,076  | 48,106  |
| 10       | 130.6   | 460.9     | 169.8      | 28,493  | 28,423  |
| 10-A     | 274.7   | 946.9     | 32.9       | 117,237   | 105,239 |

\*Farm cash income as computed by the Bureau understates actual farm cash income by from 6 to 10%. This situation does not impair the accuracy of the indexes.

year's Texas cotton crop, however, took another drop as of October 1, when the Crop Reporting Board of the United States Department of Agriculture indicated that production would be 25,000 bales below the forecast of a month ago. The greatest crop yields in the nation's history are being realized as the growing season nears an end, and the Department of Agriculture reports that aggregate production of all crops will be 2.5% higher than the record-breaking high of 1942.

With predictions of record-breaking crops and the lifting of price control on meats, the outlook for farm cash income in Texas this year remains favorable. Government experts predict that the national farm income will be 150% larger than the 1939 income.

**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.)

September prices of Texas farm products moved downward from the August and July levels with the exception of cotton, poultry, and dairy products. Of 22 commodities, 10 rose over the August price, 10 declined, and 2 remained unchanged. All grains declined with the exception of wheat, which remained unchanged. Practically all products were well above the September 1945 prices.

Cotton rose steady showing a 3.6% increase over the August price, rice was 2.6% higher, sheep 6.6%, horses 5.8%, mules 1.4%, eggs 18.8%, chickens 3.2%, and butterfat 3.1%. Hogs showed the greatest loss over the 31-day period with a drop of 22.2%. Other products declining in price were: veal calves (1.3%), beef cattle (0.7%), corn (5.1%), grain sorghum (7.4%) potatoes (8.0%), sweet potatoes (10.0%), and wool (2.4%).

For the 12-month period (September 1945-46) cotton increased 61.9%, cattle was up by 26.8%, veal calves

# LOCAL BUSINESS

| ABILENE  | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |            | + 38.5                     | + 7.9                     |
| Department and apparel store sales                   |            | + 17.4                     | + 17.9                    |
| Postal receipts .....                                | \$ 27,418  | + 5.3                      | + 2.5                     |
| Building permits .....                               | \$ 842,569 | + 6.4                      | + 83.3                    |
| Telephones in service.....                           | 9,868      | + 13.4                     | - 0.1                     |
| Air express shipments.....                           | 102        | + 85.5                     | - 18.4                    |
| Bank debits to individual accounts (thousands) ..... | \$ 24,194  | + 40.7                     | + 1.0                     |
| Placements in employment.....                        | 669        | + 57.0                     | + 13.8                    |
| Unemployment .....                                   | 1,480      | + 97.3                     | - 2.6                     |

| AMARILLO   | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |            | + 16.5                     | - 6.0                     |
| Postal receipts .....                                | \$ 50,731  | - 10.2                     | - 11.2                    |
| Building permits .....                               | \$ 650,920 | + 63.2                     | + 38.1                    |
| Telephones in service.....                           | 18,779     | + 4.3                      | - 1.1                     |
| Air express shipments.....                           | 351        | + 51.3                     | - 3.6                     |
| Bank debits to individual accounts (thousands) ..... | \$ 59,489  | + 44.9                     | - 6.2                     |
| Placements in employment.....                        | 717        | + 38.3                     | + 12.0                    |
| Unemployment .....                                   | 1,300      | +356.1                     | - 7.1                     |

| AUSTIN   | Sept. 1946  | Percent change             |                           |
|--|-------------|----------------------------|---------------------------|
|  |             | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |             | + 50.9                     | + 7.9                     |
| Department and apparel store sales                   |             | + 28.1                     | + 13.8                    |
| Postal receipts .....                                | \$ 100,937  | + 3.2                      | - 15.5                    |
| Building permits .....                               | \$1,875,193 | +356.6                     | + 48.9                    |
| Telephones in service.....                           | 32,367      | + 13.0                     | + 0.9                     |
| Air express shipments.....                           | 463         | + 97.9                     | + 14.9                    |
| Bank debits to individual accounts (thousands) ..... | \$ 100,410  | + 41.1                     | + 18.2                    |
| Placements in employment.....                        | 909         | + 82.5                     | - 0.4                     |
| Unemployment .....                                   | 2,750       | +107.4                     | - 2.2                     |

| BEAUMONT   | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |            | + 52.5                     | + 9.3                     |
| Department and apparel store sales                   |            | + 18.2                     | + 9.1                     |
| Postal receipts .....                                | \$ 42,103  | - 0.3                      | - 7.7                     |
| Building permits .....                               | \$ 441,210 | +479.4                     | + 9.1                     |
| Telephones in service.....                           | 21,623     | + 11.8                     | + 2.0                     |
| Air express shipments.....                           | 274        | + 81.5                     | + 7.9                     |
| Bank debits to individual accounts (thousands) ..... | \$ 61,039  | + 13.1                     | + 0.02                    |
| Placements in employment (area).....                 | 2,324      | - 22.6                     | - 3.6                     |
| Unemployment (area) .....                            | 8,300      | +815.0                     | - 14.4                    |

| CORPUS CHRISTI                                       | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |            | + 44.3                     | - 6.6                     |
| Department and apparel store sales                   |            | + 40.5                     | - 5.6                     |
| Postal Receipts .....                                | \$ 56,741  | - 19.9                     | - 10.8                    |
| Building permits .....                               | \$ 741,161 | +143.2                     | - 42.1                    |
| Telephones in service.....                           | 24,150     | + 11.6                     | + 0.3                     |
| Air express shipments.....                           | 512        | + 55.6                     | + 3.4                     |
| Bank debits to individual accounts (thousands) ..... | \$ 59,854  | + 0.6                      | - 13.4                    |
| Placements in employment.....                        | 659        | + 27.7                     | - 9.6                     |
| Unemployment .....                                   | 2,800      | +154.5                     | - 9.7                     |

| CORSIANA   | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Postal receipts .....                                | \$ 7,823   | - 18.6                     | - 34.5                    |
| Telephones in service.....                           | 4,141      | + 22.2                     | + 1.6                     |
| Bank debits to individual accounts (thousands) ..... | \$ 9,141   | + 32.8                     | + 26.2                    |

| DALLAS   | Sept. 1946  | Percent change             |                           |
|--|-------------|----------------------------|---------------------------|
|  |             | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |             | + 36.5                     | + 14.6                    |
| Department and apparel store sales                   |             | + 34.1                     | + 13.0                    |
| Postal receipts .....                                | \$ 609,956  | + 14.6                     | - 7.4                     |
| Building permits .....                               | \$3,162,240 | +110.4                     | - 46.7                    |
| Telephones in service.....                           | 145,035     | + 15.0                     | + 1.1                     |
| Air express shipments.....                           | 6,960       | + 72.8                     | + 4.8                     |
| Bank debits to individual accounts (thousands) ..... | \$ 702,747  | + 43.1                     | - 3.2                     |
| Placements in employment.....                        | 4,660       | - 6.0                      | + 7.6                     |
| Unemployment .....                                   | 9,000       | - 28.0                     | - 21.7                    |

| EL PASO  | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |            | + 50.8                     | + 10.6                    |
| Department and apparel store sales                   |            | + 18.1                     | + 2.1                     |
| Postal receipts .....                                | \$ 86,171  | - 5.6                      | - 5.6                     |
| Building permits .....                               | \$ 517,709 | + 67.8                     | + 53.9                    |
| Air express shipments.....                           | 1,189      | + 69.4                     | - 2.8                     |
| Bank debits to individual accounts (thousands) ..... | \$ 89,301  | + 53.5                     | + 9.7                     |
| Placements in employment.....                        | 313        | - 23.4                     | + 2.0                     |
| Unemployment .....                                   | 2,150      | + 83.0                     | - 20.4                    |

| FORT WORTH   | Sept. 1946  | Percent change             |                           |
|--|-------------|----------------------------|---------------------------|
|  |             | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |             | + 41.9                     | + 13.6                    |
| Department and apparel store sales                   |             | + 33.6                     | + 26.3                    |
| Postal receipts .....                                | \$ 261,997  | + 20.9                     | + 1.9                     |
| Building permits .....                               | \$1,265,571 | + 93.0                     | - 19.8                    |
| Telephones in service.....                           | 72,193      | + 14.0                     | + 0.6                     |
| Air express shipments.....                           | 2,073       | + 48.2                     | + 0.7                     |
| Bank debits to individual accounts (thousands) ..... | \$ 229,353  | + 19.0                     | - 11.5                    |
| Placements in employment.....                        | 3,270       | + 27.4                     | + 3.0                     |
| Unemployment .....                                   | 9,000       | + 31.0                     | - 6.3                     |

| GALVESTON  | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores..                 |            | + 28.3                     | - 2.4                     |
| Postal receipts .....                                | \$ 47,105  | + 7.0                      | - 0.5                     |
| Building permits .....                               | \$ 516,249 | - 8.3                      | +209.8                    |
| Telephones in service.....                           | 20,856     | + 10.8                     | + 0.3                     |
| Air express shipments.....                           | 358        | + 38.2                     | + 7.5                     |
| Bank debits to individual accounts (thousands) ..... | \$ 49,509  | + 18.5                     | - 10.0                    |
| Placements in employment (area).....                 | 1,154      | - 22.1                     | - 9.4                     |
| Unemployment (area) .....                            | 2,300      | +360.0                     | - 4.2                     |

# S CONDITIONS

| HOUSTON  | Sept. 1946  | Percent change             |                           |
|--|-------------|----------------------------|---------------------------|
|  |             | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores             |             | + 24.9                     | - 1.1                     |
| Department and apparel store sales             |             | + 19.2                     | + 3.4                     |
| Postal receipts                                | \$ 390,373  | + 2.9                      | - 10.1                    |
| Building permits                               | \$3,478,511 | + 72.5                     | +112.1                    |
| Telephones in service                          | 168,276     | + 16.0                     | + 0.7                     |
| Air express shipments                          | 3,287       | + 99.9                     | - 4.3                     |
| Bank debits to individual accounts (thousands) | \$ 692,835  | + 23.7                     | - 0.4                     |
| Placements in employment (area)                | 4,764       | + 16.5                     | + 31.0                    |
| Unemployment (area)                            | 18,000      | +125.0                     | - 1.6                     |

| JACKSONVILLE     | Sept. 1946 | Percent change             |                           |
|------------------|------------|----------------------------|---------------------------|
|                  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Postal receipts  | \$ 5,066   | + 10.3                     | + 12.7                    |
| Building permits | \$ 43,000  | +269.1                     | + 3.9                     |

| LUBBOCK  | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores             |            | + 56.2                     | + 8.8                     |
| Postal receipts                                | \$ 36,392  | + 4.1                      | + 12.3                    |
| Building permits                               | \$ 543,956 | +142.2                     | + 24.6                    |
| Telephones in service                          | 12,336     | + 20.3                     | + 0.6                     |
| Air express shipments                          | 190        | +183.6                     | - 0.5                     |
| Bank debits to individual accounts (thousands) | \$ 38,583  | + 40.1                     | + 1.1                     |
| Placements in employment                       | 468        | - 16.1                     | - 7.3                     |
| Unemployment                                   | 1,200      | +242.9                     | - 14.3                    |

| PLAINVIEW                          | Sept. 1946 | Percent change             |                           |
|------------------------------------|------------|----------------------------|---------------------------|
|                                    |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores |            | + 23.1                     | - 18.3                    |
| Postal receipts                    | \$ 6,371   | + 5.1                      | + 2.0                     |
| Building permits                   | \$ 77,000  | + 57.9                     | + 16.7                    |

| PORT ARTHUR                                    | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores             |            | + 31.3                     | + 0.01                    |
| Postal receipts                                | \$ 17,858  | - 18.6                     | - 32.5                    |
| Building permits                               | \$ 140,442 | + 3.7                      | - 28.2                    |
| Telephones in service                          | 15,703     | + 19.2                     | + 1.0                     |
| Air express shipments                          | 165        | +132.4                     | + 3.1                     |
| Bank debits to individual accounts (thousands) | \$ 26,309  | + 27.0                     | - 10.1                    |
| Placements in employment (area)                | 2,324      | - 22.6                     | - 8.6                     |
| Unemployment (area)                            | 8,300      | +315.0                     | - 14.4                    |

| SAN ANGELO                                     | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Postal receipts                                | \$ 19,151  | - 19.9                     | - 17.0                    |
| Air express shipments                          | 233        | + 92.6                     | + 3.1                     |
| Bank debits to individual accounts (thousands) | \$ 23,913  | + 26.1                     | - 2.2                     |

| SAN ANTONIO                                    | Sept. 1946  | Percent change             |                           |
|--|-------------|----------------------------|---------------------------|
|  |             | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores             |             | + 37.3                     | + 3.2                     |
| Department and apparel store sales             |             | + 31.2                     | + 1.1                     |
| Postal receipts                                | \$ 231,257  | - 5.9                      | - 7.1                     |
| Building permits                               | \$1,378,558 | + 14.6                     | - 12.1                    |
| Telephones in service                          | 83,054      | + 14.0                     | + 0.7                     |
| Air express shipments                          | 1,392       | + 4.3                      | - 6.1                     |
| Bank debits to individual accounts (thousands) | \$ 197,952  | + 27.4                     | - 4.5                     |
| Placements in employment                       | 2,345       | - 1.9                      | + 2.5                     |
| Unemployment                                   | 14,000      | +250.0                     | - 11.1                    |

| TYLER  | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores             |            | + 43.3                     | + 4.5                     |
| Postal receipts                                | \$ 23,886  | - 10.1                     | - 0.7                     |
| Building permits                               | \$ 460,022 | +875.8                     | + 53.9                    |
| Telephones in service                          | 10,164     | + 20.9                     | + 1.4                     |
| Air express shipments                          | 558        | 0                          | - 19.9                    |
| Bank debits to individual accounts (thousands) | \$ 30,427  | + 23.7                     | - 4.8                     |

| WACO   | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores             |            | + 25.1                     | + 9.3                     |
| Department and apparel store sales             |            | + 21.2                     | + 15.6                    |
| Postal receipts                                | \$ 53,395  | - 1.2                      | - 1.2                     |
| Building permits                               | \$ 534,993 | +185.4                     | + 63.1                    |
| Telephones in service                          | 18,114     | + 14.8                     | + 0.3                     |
| Air express shipments                          | 190        | + 71.2                     | + 12.4                    |
| Bank debits to individual accounts (thousands) | \$ 48,180  | + 73.7                     | + 17.2                    |
| Placements in employment                       | 745        | - 23.6                     | - 3.0                     |
| Unemployment                                   | 3,300      | + 65.0                     | - 5.7                     |

| WICHITA FALLS                                  | Sept. 1946 | Percent change             |                           |
|--|------------|----------------------------|---------------------------|
|  |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| Retail sales of independent stores             |            | + 14.0                     | + 8.5                     |
| Postal receipts                                | \$ 34,522  | - 23.3                     | + 0.3                     |
| Building permits                               | \$ 97,203  | + 70.5                     | - 40.3                    |
| Telephones in service                          | 15,939     | + 1.1                      | - 1.8                     |
| Air express shipments                          | 224        | + 40.0                     | - 14.8                    |
| Bank debits to individual accounts (thousands) | \$ 37,078  | + 22.6                     | - 1.4                     |
| Placements in employment                       | 410        | - 22.4                     | - 1.7                     |
| Unemployment                                   | 2,085      | +170.1                     | - 10.1                    |

20.8%, hogs 12.9%, sheep 7.7%, eggs 15.5%, and butterfat up 38.7%. During the same period potatoes fell 45.8% in price while prices of horses, mules, and turkeys during the last 12 months showed smaller declines.

#### PRICES OF TEXAS FARM PRODUCTS

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

| Commodity      | Unit | Sept. 15<br>1946 | Aug. 15<br>1946 | Sept. 15<br>1945 |
|----------------|------|------------------|-----------------|------------------|
| Cotton         | lb.  | \$ 0.348         | \$ 0.336        | \$ 0.215         |
| Cottonseed     | ton  | 63.00            | 68.00           | 59.44            |
| Corn           | bu.  | 1.50             | 1.58            | 1.17             |
| Grain sorghum  | cwt. | 2.50             | 2.70            | 2.05             |
| Oats           | bu.  | .89              | .90             | .87              |
| Rice           | bu.  | 1.95             | 1.90            | 1.73             |
| Wheat          | bu.  | 1.30             | 1.30            | 1.47             |
| Barley         | bu.  | 1.34             | 1.32            | .98              |
| Potatoes       | bu.  | 1.15             | 1.25            | 2.12             |
| Sweet potatoes | bu.  | 2.70             | 3.00            | 2.27             |
| Beef cattle    | cwt. | 14.00            | 14.00           | 11.04            |
| Milk cows      | head | 95.00            | 94.00           | 81.76            |
| Veal calves    | cwt. | 14.90            | 15.10           | 12.33            |
| Hogs           | cwt. | 15.80            | 20.30           | 13.99            |
| Sheep          | cwt. | 8.10             | 7.60            | 7.52             |
| Horses         | head | 55.00            | 52.00           | 56.36            |
| Mules          | head | 75.00            | 74.00           | 82.56            |
| Wool           | lb.  | .41              | .42             | .40              |
| Eggs           | doz. | .418             | .352            | .362             |
| Butterfat      | lb.  | .66              | .64             | .476             |
| Chickens       | lb.  | .257             | .249            | .255             |
| Turkeys        | lb.  | .280             | .270            | .294             |

For the first month since July 1940, the prices paid by farmers (including interest and taxes) on a nationwide basis declined in September. The decline from August was 2.0% as compared with a rise of 0.6% between the same two months a year ago. Since September 1945 farmers have seen the prices which they pay for commodities used on the farm and for family living advance 13%. Last month the national index of prices paid was 31% higher than in the 10-year period 1929-39, 68% higher than in the 5-year period 1934-39, and 110% higher than in the 5-year period 1910-14. There is no doubt that farmers today are living on a new plane.

Since the national index of prices received declined by the identical percentage (2%) between August and September, the national parity ratio remained unchanged at 122, compared with 113 a year ago. Expressed in terms of their base period, these ratios indicate that farmers in the United States enjoyed a 22% larger real income last month and a 13% larger real income in September 1945 than they did in the year prior to World War I.

#### 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.)

Total shipments of Texas livestock, poultry, and eggs dropped sharply in September. The only increases shown were in sheep and frozen and dried eggs.

September rail shipments of livestock were 18.0% less than August shipments this year, whereas in 1945 between the same months there was an increase of 27.5%. The September drop followed a 17.7% decrease in August from July. Livestock markets in Texas, as well as elsewhere, were disturbed by the return of O.P.A. meat price controls. Hog shipments fell drastically (72.0%), while cattle dropped 27.7%. Movement of sheep by rail rose 11.8%. All interstate shipments declined during the month, with decreases ranging from 71.5% for hogs to 4.9% for sheep. Intrastate movements all increased for September over August movements, calves being the highest with a 157.0% increase. There were no reports of any intrastate hog movements.

Rail shipments of all livestock totaled 8,025 carload lots this month, compared with 9,788 carloads shipped in August. In other words there were 50,670 fewer animals shipped this month than last. With price controls off and the apparently large demand for meat over the nation, there should be a considerable increase in shipments within the next few weeks.

#### SHIPMENTS OF LIVESTOCK

(in carloads)\*

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

| Classification          | Percent change |              |               |  |                                       |
|-------------------------|----------------|--------------|---------------|--|---------------------------------------|
|                         | Sept.<br>1946  | Aug.<br>1946 | Sept.<br>1945 | Sept.<br>1946<br>from<br>Sept.<br>1945 | Sept.<br>1946<br>from<br>Aug.<br>1946 |
| <b>TOTAL SHIPMENTS</b>  | 8,025          | 9,788        | 10,691        | -24.9                                  | -18.0                                 |
| Cattle                  | 4,627          | 6,316        | 5,864         | -21.1                                  | -26.7                                 |
| Calves                  | 1,257          | 1,320        | 2,067         | -39.2                                  | -4.8                                  |
| Hogs                    | 89             | 817          | 180           | -50.6                                  | -72.0                                 |
| Sheep                   | 2,052          | 1,885        | 2,580         | -20.5                                  | +11.8                                 |
| <b>INTERSTATE PLUS</b>  |                |              |               |  |                                       |
| <b>FORT WORTH</b>       | 6,490          | 8,965        | 9,615         | -32.5                                  | -27.6                                 |
| Cattle                  | 3,776          | 5,733        | 5,437         | -30.6                                  | -34.7                                 |
| Calves                  | 1,090          | 1,255        | 1,902         | -42.7                                  | -13.1                                 |
| Hogs                    | 89             | 312          | 169           | -47.3                                  | -71.5                                 |
| Sheep                   | 1,535          | 1,615        | 2,107         | -27.1                                  | -4.9                                  |
| <b>INTRASTATE MINUS</b> |                |              |               |  |                                       |
| <b>FORT WORTH†</b>      | 1,535          | 828          | 1,076         | +42.7                                  | +86.5                                 |
| Cattle                  | 851            | 533          | 427           | +99.3                                  | +59.7                                 |
| Calves                  | 167            | 65           | 165           | -1.2                                   | -157.0                                |
| Hogs                    |                | 5            | 11            |  |                                       |
| Sheep                   | 517            | 220          | 473           | +9.3                                   | +135.0                                |

\*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 in order that the bulk of market disappearance for the month may be shown.

Shipments of poultry and eggs by rail decreased in September from August, chickens going off 17.5% and eggs 41.3% for the month. There were 23.5 carloads of chickens shipped this September as compared with 28.5 carloads moved in August. There were no reports on turkey movements last month and 7.5 carloads were reported in September. Carload lots of eggs fell from 308.5 to 131 over the same period. Intrastate movements of chickens were off 50.0% for the month while

**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               | Sept. 1946 | Aug. 1946 | Sept. 1945 |
|------------------------------|------------|-----------|------------|
| <b>TOTAL SHIPMENTS</b>       |            |           |            |
| Chickens                     | 23.5       | 28.5      | 12         |
| Turkeys                      | 7.5        | 0         | 3          |
| Eggs—shell equivalent*       | 181        | 308.5     | 421        |
| Shell                        | 5          | 10.5      | 39         |
| Frozen                       | 16         | 9         | 35         |
| Dried                        | 18         | 35        | 39         |
| <b>INTRASTATE SHIPMENTS</b>  |            |           |            |
| Chickens                     | 4          | 8         | 6          |
| Turkeys                      | 1          | 0         | 2          |
| Eggs—shell equivalent*       | 34         | 81        | 81         |
| Shell                        | 4          | 7         | 20         |
| Frozen                       | 3          | 4         | 6          |
| Dried                        | 3          | 2         | 5          |
| <b>INTERSTATE SHIPMENTS†</b> |            |           |            |
| Chickens                     | 19.5       | 20.5      | 6          |
| Turkeys                      | 6.5        | 0         | 1          |
| Eggs—shell equivalent*       | 147        | 277.5     | 340        |
| Shell                        | 1          | 3.5       | 10         |
| Frozen                       | 13         | 5         | 20         |
| Dried                        | 15         | 83        | 34         |

\*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.

†The destination above is the first destination as shown by the original waybill. Changes in destination brought about by diversion factors are not shown.

eggs showed a 9.7% increase. Interstate shipments of chickens and eggs declined for the month; frozen egg shipments, however, were up 160.0%.

Compared with September 1945, total chicken shipments were up by 11.5 carloads, while eggs were off by 240 cars.

Interstate receipts of eggs by rail at Texas stations totaled 90 cars for the month, a gain of 36 cars (66.7%) over the total August receipts. The September figure represented a 53-car or 143.2% increase over September 1945. Shell egg receipts were up 54 cars (166.8%). Receipts for frozen eggs were down 9 cars (81.8%). No movements of dried eggs were reported.

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

(in carloads)

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

| Type                                    | Sept. 1946 | Aug. 1946 | Sept. 1945 |
|---|------------|-----------|------------|
| <b>TOTAL RECEIPTS—SHELL EQUIVALENT*</b> |            |           |            |
| Shell                                   | 90         | 54        | 37         |
| Frozen                                  | 86         | 32        | 29         |
| Dried                                   | 2          | 11        | 4          |
|   | 0          | 0         | 0          |

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

The Bureau of Business Research has recently released a supplemental listing to the 1946 edition of the Directory of Texas Manufacturers on chick hatcheries in Texas. Copies of the chick hatcheries list can be obtained from the Bureau upon request. Other supplemental lists will be announced in the REVIEW as they are prepared.

**Crop Report**

(The monthly crop reports of the United States Department of Agriculture are important to businessmen because they directly influence farm income through prices and marketings and indicate what future marketings, prices, and income are likely to be.)

The prospective production of grain sorghum, peanuts, and sweet potatoes showed marked improvement in the October report of the United States Department of Agriculture. Pecan prospects and cotton production were down from previous estimates, while corn and rice production was unchanged. Cotton, corn, and pecans were exceptional in that most other Texas crops are now expected to turn in higher yields than in the decade 1935-44. Pasture conditions generally were better than average in October.

The first forecast of Texas citrus production for the coming season indicated 24,500,000 boxes of grapefruit and 5,300,000 boxes of oranges. Last year's record-breaking production of 24,000,000 boxes of grapefruit and 4,800,000 boxes of oranges will be substantially exceeded if present estimates are realized.

**Fertilizer Sales**

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

Fertilizer sales in Texas during August were 8,904 tons compared with 3,500 tons in the same month of 1945 and 1,703 tons in August 1944. This increase took place despite the transportation difficulties and labor shortages encountered by the industry as well as the shortage in fertilizer supplies.

During the first 8 months of this year 225,705 tons of fertilizer were sold in Texas, an increase of 47.2% over the same months of 1945.

**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 production 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.)

The occupancy rate in public cold storage warehouses dropped somewhat between September 1 and October 1, while in private warehouses and meat-packing establishments virtually no change was shown in the amount of space occupied. The percentage of total space occupied

in public cold storage coolers dropped from 86% to 73% between September 1 and October 1 of this year; freezer occupied space decreased from 88% to 79%. On October 1, 1945 the percentages were 70% and 74% of capacity.

Private and semiprivate warehouses reported the cooler and freezer space 100% occupied at the beginning of October 1 of the year, unchanged from September 1. Approximately 75% of the cooler space was occupied at the same time last year.

#### COLD STORAGE HOLDINGS

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

| Item            | Unit (000's) | Oct. 1 1946 | Sept. 1 1946 | Oct. 1 1945 | Percent change               |                               |
|-----------------|--------------|-------------|--------------|-------------|------------------------------|-------------------------------|
|                 |              |             |              |             | Oct. 1 1946 from Oct. 1 1945 | Oct. 1 1946 from Sept. 1 1946 |
| <b>Cream:</b>   |              |             |              |             |                              |                               |
| Fluid           | lbs.         | 500         | 500          | 208         | +140.4                       | 0.0                           |
| Plastic         | lbs.         | 1,124       | 1,063        | 204         | +451.0                       | + 5.7                         |
| Creamery butter | lbs.         | 1,163       | 1,638        | 2,570       | - 54.8                       | -28.8                         |
| American cheese | lbs.         | 4,476       | 8,538        | 4,658       | - 3.9                        | +26.5                         |
| Shell eggs      | cases        | 121         | 178          | 94          | + 28.7                       | -32.0                         |
| Frozen eggs     | lbs.         | 9,939       | 11,629       | 15,767      | - 36.7                       | -14.1                         |
| Poultry         | lbs.         | 2,519       | 2,969        | 1,516       | + 66.2                       | -15.2                         |

#### COLD STORAGE SPACE

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

| Type                                       | Net piling space* (1,000 cu. ft.) | Percent of space occupied |              |             |
|--|-----------------------------------|---------------------------|--------------|-------------|
|  |                                   | Oct. 1 1946               | Sept. 1 1946 | Oct. 1 1945 |
| <b>Public cold storage warehouses:</b>     |                                   |                           |              |             |
| Cooler                                     | 4,553                             | 73                        | 86           | 70          |
| Freezer                                    | 3,965                             | 79                        | 88           | 74          |
| <b>Private and semiprivate warehouses:</b> |                                   |                           |              |             |
| Cooler                                     | 312                               | 100                       | 100          | 77          |
| Freezer                                    | 71                                | 100                       | 100          | ---         |
| <b>Meat-packing establishments:</b>        |                                   |                           |              |             |
| Cooler                                     | 2,453                             | 97                        | 97           | 98          |
| Freezer                                    | 1,039                             | 83                        | 84           | 95          |

\*Space survey October 1, 1943.

Cooler space in the meat-packing establishments showed no change over the past month, remaining at 97%. Little change occurred in the freezer space, which was 84% occupied on September 1 and 83% occupied on October 1.

Cold storage holdings of fluid cream for the month remained unchanged, plastic cream holdings were 5.7% higher, and American cheese 26.5% above the September 1 holdings. Declines were shown in shell eggs (32.0%) frozen eggs (14.1%), and poultry (15.2%).

#### 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.)

Probably the cotton market has gone from over-enthusiasm to over-pessimism. The bull speculation was indicated for some time prior to the break, and it is generally known now that the break in cotton prices was caused not by short sellers but by long speculators trying to reduce their holdings.

The break in cotton prices and the clouded industrial outlook have distinctly cooled the fever of speculation for the time being. Thence forward, cotton must go on its own strength. This should not be a cause for gloom, for the basic market strength of cotton is stronger than at any time during the year to date. The already strong statistical position of American cotton has been greatly strengthened by the break in prices in that both domestic sales and export sales have been increased. Moreover, prices of foreign growths of cotton did not follow the break in prices of American cotton.

The October break in cotton prices from above 35 cents in 1919 to a November low of 30 cents following the first World War was succeeded in May 1920 with a high of nearly 43 cents. The statistical position of American cotton is stronger now than then by a half million bales. The cotton balance sheet this year for all cotton in the United States shows only 16,084,000 bales as compared with 16,553,000 bales in 1919. The present rate of consumption is 10 million bales per year. Exports could easily reach 3,500,000 bales. The rate of distribution is now greater than in October 1919.

#### COTTON BALANCE SHEET FOR THE UNITED STATES AS OF OCTOBER 1, 1946

(figures in thousands of running bales except as noted)

| Year    | Carryover Aug. 1 | Imports to Oct. 1* | Final ginnings | Total  | Consumption to Oct. 1 | Exports to Oct. 1 | Total | Balance Oct. 1 |
|---------|------------------|--------------------|----------------|--------|-----------------------|-------------------|-------|----------------|
| 1937-38 | 4,498            | 14                 | 17,978         | 22,490 | 1,206                 | 838               | 2,044 | 20,446         |
| 1938-39 | 11,583           | 29                 | 12,212         | 23,774 | 1,093                 | 590               | 1,683 | 22,091         |
| 1939-40 | 13,023           | 22                 | 11,928         | 24,983 | 1,255                 | 644               | 1,899 | 23,084         |
| 1940-41 | 10,596           | 14                 | 12,741         | 23,351 | 1,289                 | 156               | 1,445 | 21,906         |
| 1941-42 | 12,376           | 69                 | 11,061         | 23,506 | 1,750                 | 255               | 2,005 | 21,501         |
| 1942-43 | 10,590           | ---                | 13,818         | 24,408 | 1,891                 | ---               | 1,891 | 22,517         |
| 1943-44 | 10,687           | ---                | 11,478         | 22,165 | 1,714                 | ---               | 1,714 | 20,451         |
| 1944-45 | 10,727           | ---                | 11,953         | 22,680 | 1,634                 | ---               | 1,634 | 21,046         |
| 1945-46 | 11,160           | 9†                 | 9,779          | 20,948 | 1,415                 | 275†              | 1,690 | 19,258         |
| 1946-47 | 7,522            | 18†                | 8,724          | 16,264 | 1,674                 | 412†              | 2,086 | 14,178         |

\*Figures are in 500-lb. bales.

†Imports and exports to September 1.

**FINANCE**

**Bank Credit**

(Since bank credit is essential to all business, the condition 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.)

Changes in the earning assets of weekly reporting member banks in the Dallas Federal Reserve District have been moderate during recent months, but compared with a year ago these changes indicate a trend away from holdings of U. S. Government securities, particularly long-term Government securities, and toward greater reliance on nongovernmental securities and loans. On September 25 total loans of these banks stood at \$702 million, an increase of more than \$250 million during the year. During the same period nongovernmental security holdings rose from \$56 million to \$73 million. In contrast, holdings of U. S. Treasury bills, certificates of indebtedness and Treasury notes declined about \$200 million, the decline being offset in part by small additions to holdings of Treasury bonds. As a result of these changes total loans and investments of the weekly reporting banks amounted to \$1,963 million on September 25, an increase of about 5% during the year. Demand deposits of \$1,470 million at the end of September were \$150 million greater than those a year earlier, but about half of this increase was offset by a reduction of U. S. Government 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

| Item  | Sept. 25<br>1946 | Aug. 28<br>1946  | Sept. 26<br>1945 | Percent change                               |   |
|---|------------------|------------------|------------------|--|---|
|   |                  |                  |                  | Sept. 25<br>1946<br>from<br>Sept. 26<br>1945 | Sept. 25<br>1946<br>from<br>Aug. 28<br>1946 |
| <b>ASSETS</b>                                 |                  |                  |                  |  |   |
| Gold certificate reserves                     | 480,763          | 487,471          | 476,407          | + 0.9  | - 1.4                                       |
| U.S. Government securities                    | 907,538          | 900,704          | 882,148          | + 2.9  | + 0.8                                       |
| Discounts and advances                        | 4,360            | 6,340            | 500              | +772.0                                       | -31.2                                       |
| Other cash                                    | 10,493           | 11,055           | 8,943            | + 17.3                                       | - 5.1                                       |
| Other assets                                  | 102,213          | 101,882          | 81,354           | + 25.6                                       | + 0.3                                       |
| <b>TOTAL ASSETS</b>                           | <b>1,505,267</b> | <b>1,507,452</b> | <b>1,449,347</b> | <b>+ 3.9</b>                                 | <b>- 0.1</b>                                |
| <b>LIABILITIES</b>                            |                  |                  |                  |  |   |
| Federal Reserve notes                         | 600,426          | 602,773          | 606,439          | - 1.0  | - 0.4                                       |
| Deposits                                      | 798,681          | 797,734          | 761,077          | + 4.9  | + 0.1                                       |
| Other liabilities                             | 83,509           | 84,398           | 63,228           | + 32.1                                       | - 1.0                                       |
| <b>TOTAL LIABILITIES</b>                      | <b>1,482,616</b> | <b>1,484,900</b> | <b>1,430,794</b> | <b>+ 3.6</b>                                 | <b>- 0.2</b>                                |
| Capital paid in                               | 6,716            | 6,705            | 5,947            | + 12.9                                       | + 0.2                                       |
| Surplus                                       | 11,977           | 11,977           | 7,332            | + 63.4                                       | 0.0   |
| Other capital accounts                        | 4,058            | 3,870            | 5,274            | - 23.1                                       | + 4.9                                       |
| <b>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</b> | <b>1,505,267</b> | <b>1,507,452</b> | <b>1,449,347</b> | <b>+ 3.9</b>                                 | <b>- 0.1</b>                                |

**CONDITION OF WEEKLY REPORTING MEMBER BANKS**

Source: Board of Governors of the Federal Reserve System

| Item                                  | Percent change                               |   |   |
|---------------------------------------|--|---|---|
|                                       | Sept. 25<br>1946<br>from<br>Sept. 26<br>1945 | Sept. 25<br>1946<br>from<br>Aug. 28<br>1946 | Sept. 26<br>1946<br>from<br>Aug. 29<br>1945 |
| <b>ASSETS</b>                         |  |   |   |
| Loans and investments                 | + 4.8  | - 2.2                                       | - 0.8                                       |
| Loans                                 | +57.4  | + 1.0                                       | + 1.1                                       |
| Treasury bills                        | -28.6  | - 7.8                                       | -20.0                                       |
| Treasury certificates of indebtedness | -19.0  | - 9.9                                       | - 2.2                                       |
| Treasury notes                        | -37.8  | - 4.9                                       | 0.0   |
| United States bonds                   | + 2.6  | - 0.8                                       | + 0.6                                       |
| Other securities                      | +30.4  | + 4.3                                       | + 1.8                                       |
| Reserve with Federal Reserve Banks    | + 5.7  | - 1.0                                       | - 1.9                                       |
| Cash in vault                         | - 3.7  | 0   | + 3.8                                       |
| Balances with domestic banks          | - 7.2  | - 4.6                                       | - 9.3                                       |
| <b>LIABILITIES</b>                    |  |   |   |
| Demand deposits adjusted              | +11.9  | - 0.2                                       | + 1.4                                       |
| Time deposits                         | +16.9  | 0   | + 2.3                                       |
| United States Government deposits     | -31.2  | -16.6                                       | -17.9                                       |
| <b>Interbank deposits:</b>            |  |   |   |
| Domestic banks                        | - 8.7  | - 4.3                                       | - 3.3                                       |
| Foreign banks                         | 0.0  | -25.0                                       | 0.0   |
| <b>CAPITAL ACCOUNTS</b>               | <b>+13.7</b>                                 | <b>+ 0.7</b>                                | <b>+ 0.8</b>                                |

**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 Texas, after showing a sharply upward trend during the 12 months following the cessation of hostilities with Japan, fell off somewhat during Sep-

**BANK DEBITS\***

(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

| City           | Sept.<br>1946    | Aug.<br>1946     | Sept.<br>1945    | Percent change                   |                                 |
|----------------|------------------|------------------|------------------|----------------------------------|---------------------------------|
|                |                  |                  |                  | Sept. 1946<br>from<br>Sept. 1945 | Sept. 1946<br>from<br>Aug. 1946 |
| <b>TOTAL</b>   | <b>2,517,372</b> | <b>2,574,335</b> | <b>1,926,917</b> | <b>+30.6</b>                     | <b>- 2.2</b>                    |
| Abilene        | 24,194           | 23,958           | 17,200           | +40.7                            | + 1.0                           |
| Amarillo       | 59,489           | 63,406           | 41,066           | +44.9                            | - 6.2                           |
| Austin         | 100,410          | 84,916           | 71,147           | +41.1                            | +18.2                           |
| Beaumont       | 61,039           | 61,029           | 58,950           | +13.1                            | + 0.02                          |
| Corpus Christi | 59,854           | 69,084           | 59,488           | + 0.6                            | -13.4                           |
| Corsicana      | 9,141            | 7,242            | 6,883            | +32.8                            | +26.2                           |
| Dallas         | 702,747          | 725,951          | 491,147          | +43.1                            | - 3.2                           |
| El Paso        | 89,801           | 81,378           | 58,510           | +53.5                            | + 9.7                           |
| Fort Worth     | 229,853          | 259,708          | 193,128          | +19.0                            | -11.5                           |
| Galveston      | 49,509           | 55,030           | 41,792           | +13.5                            | -10.0                           |
| Houston        | 692,835          | 695,593          | 559,987          | +23.7                            | - 0.4                           |
| Laredo         | 14,458           | 15,175           | 11,199           | +29.1                            | - 4.7                           |
| Lubbock        | 38,583           | 33,157           | 27,532           | +40.1                            | + 1.1                           |
| Port Arthur    | 26,309           | 29,276           | 20,722           | +27.0                            | -10.1                           |
| San Angelo     | 23,912           | 24,545           | 18,959           | +26.1                            | - 2.2                           |
| San Antonio    | 197,952          | 207,301          | 155,427          | +27.4                            | - 4.5                           |
| Texasarkana†   | 21,600           | 21,509           | 17,165           | +25.3                            | + 0.4                           |
| Tyler          | 30,427           | 31,959           | 23,650           | +28.7                            | - 4.8                           |
| Waco           | 48,180           | 41,119           | 27,736           | +73.7                            | +17.2                           |
| Wichita Falls  | 37,078           | 37,590           | 30,239           | +22.6                            | - 1.4                           |

\*Debits to deposit accounts except interbank accounts.

†Includes two banks in Arkansas, Eighth District.

tember but were still 30.6% above those in September 1945. As a result of the decline this Bureau's index of bank debits in Texas, which has been adjusted for seasonal variations, dropped from 340% of the 1935-39 average in August to 314% in September. In all of the 20 large reporting cities throughout the State, however, the volume of debits in September was greater than in the same month last year. In Waco and El Paso, which experienced the largest increases, the gains amounted to 74% and 54%, respectively, while gains in excess of 40% occurred in Abilene, Amarillo, Austin, Dallas, and Lubbock.

### Corporations

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

Information furnished by the Secretary of State indicates that the number of new corporation charters issued in Texas during September was the lowest since January and the capitalization was the smallest for any month this year. The number of new charters issued dropped from 331 in August to 182 in September and capitalization of the new corporations, amounting to \$4,900,000 in September, was less than half the August amount. Merchandising firms continued to be more numerous than any other single type, 43 merchandising firms obtaining charters during the month. Only eight of the new firms were capitalized in excess of \$100,000 during September as compared with twenty in August.

#### CORPORATION CHARTERS ISSUED BY CLASSIFICATION

Source: Secretary of State

| Classification                       | Sept. 1946 | Aug. 1946 | Sept. 1945 |
|--------------------------------------|------------|-----------|------------|
| <b>DOMESTIC CORPORATIONS</b>         |            |           |            |
| Capitalization (1,000 dollars) ..... | 4,907      | 11,109    | 1,879      |
| Number .....                         | 182        | 831       | 83         |
| Banking-finance .....                | 3          | 4         | 3          |
| Construction .....                   | 6          | 13        | *          |
| Manufacturing .....                  | 22         | 54        | 6          |
| Merchandising .....                  | 43         | 107       | 22         |
| Oil .....                            | 5          | 7         | 1          |
| Public services .....                | 1          | 29        | 1          |
| Real estate .....                    | 8          | 29        | 13         |
| Transportation .....                 | 9          | 12        | 4          |
| All others .....                     | 46         | 40        | 33         |
| No capital stock .....               | 39         | 35        | *          |
| <b>FOREIGN CORPORATIONS</b>          |            |           |            |
| Number .....                         | 28         | 43        | 6          |

\*Not tabulated separately.

#### CORPORATION CHARTERS ISSUED BY CAPITALIZATION

Source: Secretary of State

| Capitalization                     | Sept. 1946 | Aug. 1946 | Sept. 1945 |
|------------------------------------|------------|-----------|------------|
| Over \$100,000 .....               | 8          | 20        | 5          |
| \$5,000-\$100,000 .....            | 98         | 209       | 47         |
| Less than \$5,000 .....            | 34         | 58        | 31         |
| Capitalization not specified ..... | 3          | 9         | *          |
| No capital stock .....             | 39         | 35        | *          |

\*Not tabulated in 1945.

### Life Insurance Sales

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

Sales of ordinary life insurance in Texas amounted to \$63 million during September, a decline of \$10,000,000 from August but \$30,000,000 above the amount sold in September 1945.

### 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.)

Dun and Bradstreet, Incorporated, reported only one business failure in Texas during September; liabilities of the failed firm amounted to \$75,000,000. During the first nine months of the current year only six failures have been reported.

#### BUSINESS FAILURES

Source: Dun and Bradstreet, Inc.

|  | Sept. 1946 | Aug. 1946 | Sept. 1945 |
|--|------------|-----------|------------|
| Number .....                           | 1          | 1         | 0          |
| Liabilities* .....                     | 75         | 89        | 0          |
| Assets* .....                          | 110        | 72        | 0          |
| Average liabilities per failure* ..... | 75         | 89        | 0          |

\*In thousands.

### Veterans' Loans

(At the present time there is considerable interest in the volume of government guaranteed or insured loans to veterans as a factor in the business and economic adjustment to peacetime conditions.)

More applications for Veterans Administration-guaranteed loans were received throughout the Southwest in September than during any other period since the inception of the G. I. loan program.

The five regional offices of the Veterans Administration reported receipt of 3,723 loan applications during September.

Of that number 3,161 were guaranteed or insured, while 390 were withdrawn or denied.

The breakdown by regional offices for September follows:

| Office             | Received     | Guaranteed or insured |
|--------------------|--------------|-----------------------|
| Dallas .....       | 1,459        | 1,211                 |
| Houston .....      | 917          | 977                   |
| Lubbock .....      | 492          | 295                   |
| San Antonio .....  | 480          | 344                   |
| Waco .....         | 375          | 334                   |
| <b>Total .....</b> | <b>3,723</b> | <b>3,161</b>          |

From the inception of the loan program through September 28, 1946, regional offices of the Veterans Administration in Texas guaranteed or insured a total of 18,130 loans, with a loan value of \$89,387,158 and with VA commitments totaling \$42,057,853. Of the total, home loans numbered 14,965, farm 1,029, and business 2,136.

## 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.)

As reported to the Bureau of Business Research by the Car Service Division of the Association of American Railroads all of the categories of freight included in the report declined in September from the August figure. The over-all decline amounted to 7.1%. The number of freight cars loaded in this period declined 20,091 carloads. Ore, coke, and forest products had registered tremendous gains of 49.8%, 17.3%, and 24.3%, respectively, during August over the preceding month. However, this gain made in August was turned to a loss during September, for ore and coke particularly. Forest products showed a negligible negative change of only 0.7%; ore and coke declined 14.1% and 9.9% respectively. The livestock carloadings experienced the greatest change with a decline of 27.5% for the month.

The index of miscellaneous freight carloadings for September compiled by the Bureau of Business Research showed a negative change, after adjustments were made for seasonal variation, of 3.0%. The change over the same month of last year was a 5.8% increase in the index. After adjustments for seasonal variation were made, the index for September 1946 stood at 131.2% of the 1935-39 average. The decline in carloadings probably is a result of the shipping tie-up at the ports since cars for export are not loaded when it is uncertain as to transshipment dates.

### REVENUE FREIGHT LOADED IN SOUTHWESTERN DISTRICT (in carloads)

Source: Car Service Division, Association of American Railroads

| Item                     | Sept. 1946 | Aug. 1946 | Sept. 1946 | Percent change |                           |
|--------------------------|------------|-----------|------------|----------------|---------------------------|
|                          |            |           |            | Sept. 1945     | Sept. 1946 from Aug. 1946 |
| TOTAL                    | 268,576    | 288,667   | 256,708    | + 2.7          | - 7.1                     |
| Grain and grain products | 19,954     | 21,186    | 23,031     | -13.4          | - 5.8                     |
| Livestock                | 8,173      | 11,267    | 11,554     | -29.3          | -27.5                     |
| Coal                     | 24,264     | 26,325    | 25,748     | - 5.8          | - 9.6                     |
| Coke                     | 871        | 745       | 708        | - 5.2          | - 9.9                     |
| Forest products          | 25,158     | 25,322    | 20,018     | +25.7          | - 0.7                     |
| Ore                      | 2,210      | 2,572     | 1,946      | +13.6          | -14.1                     |
| Merchandise (l.c.l.)     | 30,698     | 33,814    | 29,337     | + 4.6          | - 9.2                     |
| Miscellaneous            | 152,448    | 161,936   | 144,366    | + 5.6          | - 5.9                     |

The export and coastal carloads unloaded showed a 42.8% decline for September 1946 over the preceding month. The decrease was 6,291 carloads. Port Arthur was the hardest hit of any of the Texas cities with a decline of 48.8%. Texas City and Beaumont felt the least decline with 3.0% and 8.8% respectively. Compared with September of last year, the total number of

cars unloaded at the five ports decreased 6.9%—all ports reporting declines. The maritime strike, of course, is the factor contributing to the tremendous decline from the August figure.

Again in September, as in August, Port Arthur was the only port where coastal freight was unloaded. The total for September 1946 was 248 cars as compared with 256 cars in August, a 3.1% decline.

### EXPORT AND COASTAL CARLOADS UNLOADED\*

Source: Car Service Division, Association of American Railroads

| Port and type | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|---------------|------------|-----------|------------|----------------------------|---------------------------|
|               |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL         | 3,407      | 14,698    | 9,033      | - 6.9                      | - 42.8                    |
| Beaumont      | 166        | 182       | 25         | +564.0                     | - 8.8                     |
| Galveston     | 5,013      | 9,056     | 5,484      | - 8.6                      | - 44.6                    |
| Houston       | 1,961      | 3,323     | 2,323      | - 30.5                     | - 43.8                    |
| Port Arthur   | 515        | 857       | 204        | +152.5                     | - 39.9                    |
| Texas City    | 752        | 775       | 497        | + 51.3                     | - 8.0                     |
| EXPORT TOTAL  | 8,159      | 14,442    | 8,984      | - 9.2                      | - 43.5                    |
| Beaumont      | 166        | 182       | 25         | +564.0                     | - 8.8                     |
| Galveston     | 5,013      | 9,056     | 5,484      | - 8.6                      | - 44.6                    |
| Houston       | 1,961      | 3,323     | 2,323      | - 30.5                     | - 43.8                    |
| Port Arthur   | 267        | 601       | 155        | + 72.3                     | - 55.6                    |
| Texas City    | 752        | 775       | 497        | + 51.3                     | - 3.0                     |
| COASTAL TOTAL | 248        | 256       | 49         | +406.1                     | - 3.1                     |
| Port Arthur   | 248        | 256       | 49         | +406.1                     | - 3.1                     |

\*Excluding coal.

### Water

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

The only figures for the September movement of cargo through Texas ports received by the Bureau this month cover the traffic at Brownsville. There the principal imports for the month were bananas from Mexico, totaling 506,194 stems. On the export side were 5,110 bales of cotton and 1,715 tons of miscellaneous cargo.

The coastwise movement was made up of 77,334 barrels of crude oil exports and 88 tons of miscellaneous and general cargo imports.

### Air Express

(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.)

Almost one-half of the cities reporting to the Railway Express Agency showed an increase in the number of air express shipments for September over August. Austin showed the greatest positive change of any of the Texas cities with an increase of 14.9%. Midland registered the greatest total change with a decline in the volume of shipments of 39.5%. The net change for all reporting cities was a 1.5% decline. The total number of shipments declined to 21,744 in September from the August total of 22,065.

## AIR EXPRESS SHIPMENTS

(in number of shipments)

Source: Railway Express Agency

| Cities         | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|----------------|------------|-----------|------------|----------------------------|---------------------------|
|                |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL          | 21,744     | 22,065    | 12,761     | + 70.4                     | - 1.5                     |
| Abilene        | 102        | 125       | 55         | + 85.5                     | - 18.4                    |
| Amarillo       | 351        | 364       | 232        | + 51.3                     | - 3.6                     |
| Austin         | 463        | 403       | 234        | + 97.9                     | + 14.9                    |
| Beaumont       | 274        | 254       | 151        | + 81.5                     | + 7.9                     |
| Big Spring     | 58         | 58        | 43         | + 34.9                     | 0.0                       |
| Brownsville    | 2,797      | 3,095     | 1,595      | + 75.4                     | - 9.6                     |
| Corpus Christi | 512        | 495       | 329        | + 55.6                     | + 3.4                     |
| Dallas         | 6,960      | 6,643     | 4,027      | + 72.8                     | + 4.8                     |
| El Paso        | 1,189      | 1,217     | 702        | + 69.4                     | - 2.2                     |
| Fort Worth     | 2,073      | 2,059     | 1,209      | + 48.2                     | + 0.7                     |
| Galveston      | 358        | 333       | 259        | + 38.2                     | + 7.5                     |
| Houston        | 3,287      | 3,433     | 1,644      | + 99.9                     | - 4.2                     |
| Laredo         | 433        | 466       | 161        | +186.8                     | - 7.1                     |
| Lubbock        | 190        | 191       | 67         | +183.6                     | - 0.5                     |
| Midland        | 72         | 119       | 35         | +105.7                     | - 39.5                    |
| Port Arthur    | 165        | 160       | 71         | +132.4                     | + 3.1                     |
| San Angelo     | 238        | 226       | 121        | + 92.6                     | + 3.1                     |
| San Antonio    | 1,392      | 1,433     | 1,334      | + 4.3                      | - 6.1                     |
| Texarkana      | 63         | 62        | 41         | + 53.7                     | + 1.6                     |
| Tyler          | 358        | 447       | *          | .....                      | - 19.9                    |
| Waco           | 190        | 169       | 111        | + 71.2                     | + 12.4                    |
| Wichita Falls  | 224        | 263       | 160        | + 40.0                     | - 14.8                    |

\*Airport opened February 1946.

## LABOR

## Employment

(Employment statistics are among the most important indicators of Texas business and economic activity. The estimates of total employment in Texas manufacturing industries include all employees, both production workers and others. The Bureau's statistics of nonmanufacturing industries also comprise all employees. However, the statistics of manufacturing employment and manufacturing pay rolls are based on production and related workers only. Proprietors, officers of corporations, and other principal executives are excluded from all the series.)

Employment in Texas in September 1946 declined slightly (0.4%), reversing its recent trend, according to reports collected from 1,435 establishments by the Bureau of Business Research in co-operation with the Bureau of Labor Statistics, United States Department of Labor. The September decline was indicative of the national situation, which showed an employment decline of 600,000 persons during September. The national decline was attributed to students leaving vacation jobs and to reduction in farm work.

The decline in Texas employment during September was general, since 14 of the 23 groups showed some decline. Most decreases were small, except in food products manufacturing (12.8%) and finished lumber products (13.6%). Retail trade employment made the largest increase of the month (5.2%).

Total employment in September of this year was 10.4% over what it was in September 1945. Group comparisons of September 1945 with September 1946 indicate that employment in nearly all groups was con-

## ESTIMATES OF TOTAL MANUFACTURING EMPLOYMENT

(in thousands)

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

| Industrial group                                   | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|--|------------|-----------|------------|----------------------------|---------------------------|
|  |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL  | 312.1      | 315.4     | 319.9      | - 2.4                      | - 1.0                     |
| Food   | 62.1       | 64.7      | 53.6       | + 6.0                      | - 4.0                     |
| Textile mill products and other fiber manufactures | 8.5        | 8.4       | 7.1        | +19.7                      | + 1.2                     |
| Apparel and other finished textile products        | 22.9       | 23.2      | 21.0       | + 9.0                      | - 1.3                     |
| Furniture and finished lumber products             | 11.3       | 11.1      | 10.3       | + 9.7                      | + 1.8                     |
| Lumber and timber basic products                   | 27.7       | 27.7      | 25.7       | + 7.8                      | 0.0                       |
| Paper and allied products                          | 3.3        | 3.3       | 3.6        | + 5.6                      | 0.0                       |
| Printing, publishing, and allied industries        | 17.7       | 17.6      | 15.1       | +17.2                      | + 0.6                     |
| Chemicals and allied products                      | 13.6       | 13.7      | 20.3       | - 8.4                      | - 0.5                     |
| Products of petroleum and coal                     | 39.5       | 39.6      | 37.6       | + 5.1                      | - 0.3                     |
| Stone, clay, and glass products                    | 9.3        | 10.1      | 7.7        | +23.6                      | - 2.0                     |
| Iron and steel and their products                  | 16.9       | 17.2      | 15.9       | + 6.2                      | - 1.7                     |
| Transportation equipment except automobiles        | 22.6       | 22.7      | 50.9       | -55.6                      | - 0.4                     |
| Nonferrous metals and their products               | 9.8        | 9.7       | 8.3        | +13.1                      | + 1.0                     |
| Machinery, except electrical                       | 29.0       | 29.7      | 29.1       | - 0.3                      | - 2.4                     |
| Miscellaneous industries                           | 4.0        | 4.0       | 3.0        | +33.3                      | 0.0                       |
| All others   | 7.8        | 7.2       | 5.7        | +36.8                      | + 3.3                     |

siderably above the year-ago marks. Increases ranged from 2.5% for commercial products to 55.1% for stone and clay products and 63.6% for petroleum refining. Petroleum refining employment was considerably higher than a year ago, because there were extensive strikes in the industry in September 1945.

## NONAGRICULTURAL CIVILIAN LABOR FORCE

Source: U. S. Employment Service

| Area                        | Sept. 1946 | Aug. 1946 | Percent change            |
|-----------------------------|------------|-----------|---------------------------|
|                             |            |           | Sept. 1946 from Aug. 1946 |
| TOTAL                       | 1,319,497  | 1,317,653 | + 0.1                     |
| Abilene                     | 18,566     | 18,279    | + 1.6                     |
| Amarillo                    | 27,700     | 27,400    | + 1.1                     |
| Austin                      | 43,403     | 43,200    | + 0.5                     |
| Beaumont-Port Arthur-Orange | 86,538     | 85,472    | + 1.2                     |
| Brownsville                 | 12,590     | 13,245    | - 5.0                     |
| Corpus Christi              | 53,500     | 53,500    | 0.0                       |
| Dallas                      | 210,475    | 206,630   | + 1.9                     |
| El Paso                     | 48,950     | 49,250    | - 0.6                     |
| Fort Worth                  | 122,400    | 121,400   | + 0.8                     |
| Galveston-Texas City        | 51,300     | 52,494    | - 2.3                     |
| Houston-Baytown             | 305,200    | 304,418   | + 0.3                     |
| Longview                    | 21,400     | 24,600    | -13.0                     |
| Lubbock                     | 25,190     | 25,162    | + 0.1                     |
| San Antonio                 | 170,800    | 172,000   | - 0.7                     |
| Texarkana                   | 41,500     | 41,500    | 0.0                       |
| Waco                        | 46,000     | 46,200    | - 0.4                     |
| Wichita Falls               | 33,825     | 32,802    | + 3.3                     |

PRELIMINARY COMPARISON OF EMPLOYMENT AND PAY ROLLS IN IDENTICAL ESTABLISHMENTS

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

| Industrial group              | EMPLOYMENT                         |                         |           |                            |                           | PAY ROLLS       |             |                            |                           |
|-------------------------------|------------------------------------|-------------------------|-----------|----------------------------|---------------------------|-----------------|-------------|----------------------------|---------------------------|
|                               | Number of reporting establishments | Number of wage earners* |           | Percent change             |                           | Amount (weekly) |             | Percent change             |                           |
|                               |                                    | Sept. 1946              | Aug. 1946 | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 | Sept. 1946      | Aug. 1946   | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| <b>TOTAL</b>                  | 1,485                              | 116,191                 | 116,640   | + 10.4                     | - 0.4                     | \$5,196,645     | \$5,202,337 | + 15.3                     | - 0.1                     |
| <b>MANUFACTURING</b>          |                                    |                         |           |                            |                           |                 |             |                            |                           |
| Food products                 | 112                                | 6,305                   | 7,227     | - 12.8                     | - 12.8                    | 239,544         | 281,403     | - 11.4                     | - 14.0                    |
| Textiles                      | 17                                 | 4,078                   | 4,041     | + 22.3                     | + 0.9                     | 147,724         | 136,235     | + 43.3                     | + 8.4                     |
| Apparel                       | 32                                 | 3,155                   | 3,204     | + 11.7                     | - 1.5                     | 80,147          | 80,292      | + 27.2                     | - 0.2                     |
| Finished lumber products      | 20                                 | 1,484                   | 1,718     | + 4.8                      | - 13.6                    | 52,032          | 64,503      | + 5.9                      | - 19.3                    |
| Forest products               | 15                                 | 1,704                   | 1,716     | + 7.3                      | - 0.7                     | 57,314          | 57,386      | + 23.7                     | - 0.1                     |
| Paper products                | 9                                  | 1,469                   | 1,400     | + 11.0                     | + 4.9                     | 63,188          | 61,252      | + 25.8                     | + 3.1                     |
| Printing and publishing       | 30                                 | 1,012                   | 1,006     | + 42.3                     | + 0.7                     | 50,335          | 47,526      | + 48.7                     | + 6.0                     |
| Commercial products           | 53                                 | 3,619                   | 3,626     | + 2.5                      | - 0.2                     | 176,308         | 176,378     | + 3.4                      | + 0.2                     |
| Petroleum refining            | 42                                 | 25,701                  | 25,627    | + 63.6†                    | + 0.3                     | 1,511,375       | 1,455,459   | + 68.6†                    | + 3.8                     |
| Stone and clay products       | 37                                 | 3,339                   | 3,421     | + 55.1                     | - 2.4                     | 131,193         | 123,273     | + 67.4                     | + 6.4                     |
| Iron and steel products       | 31                                 | 3,723                   | 3,904     | + 22.3                     | - 4.6                     | 153,937         | 165,480     | + 27.4                     | - 4.0                     |
| Nonferrous metal products     | 11                                 | 1,259                   | 1,203     | + 4.9                      | + 4.7                     | 62,441          | 59,262      | + 15.6                     | + 5.4                     |
| Machinery (except electrical) | 42                                 | 8,951                   | 9,042     | - 15.8                     | - 1.0                     | 440,415         | 477,630     | - 12.3                     | - 7.8                     |
| Other manufacturing           | 12                                 | 8,524                   | 8,211     | - 41.4                     | + 3.8                     | 417,530         | 400,455     | - 43.1                     | + 4.3                     |
| <b>NONMANUFACTURING</b>       |                                    |                         |           |                            |                           |                 |             |                            |                           |
| Crude petroleum production    | 44                                 | 7,544                   | 7,736     | + 17.5                     | - 2.5                     | 448,126         | 467,789     | + 16.7                     | - 4.2                     |
| Dyeing and cleaning           | 7                                  | 116                     | 116       | + 12.2                     | 0.0                       | 4,190           | 4,131       | + 23.1                     | + 1.4                     |
| Hotels                        | 17                                 | 2,539                   | 2,534     | - 0.7                      | + 0.2                     | 58,630‡         | 59,687‡     | + 3.7                      | - 1.8                     |
| Insurance                     | 101                                | 2,156                   | 2,160     | + 20.2                     | - 0.2                     | 91,333          | 89,364      | + 30.7                     | + 1.7                     |
| Laundries                     | 10                                 | 364                     | 369       | - 9.6                      | - 1.4                     | 3,264           | 3,344       | - 8.4                      | - 1.0                     |
| Public utilities              | 240                                | 6,699                   | 6,741     | + 23.1                     | - 0.6                     | 282,997         | 306,297     | + 21.8                     | - 7.6                     |
| Quarrying                     | 12                                 | 1,460                   | 1,494     | + 15.1                     | - 2.3                     | 74,025          | 76,525      | + 20.5                     | - 3.3                     |
| Retail trade                  | 449                                | 17,849                  | 16,970    | + 15.1                     | + 5.2                     | 505,030         | 470,340     | + 30.9                     | + 7.3                     |
| Wholesale trade               | 113                                | 2,853                   | 2,836     | + 10.5                     | - 1.2                     | 120,395         | 117,333     | + 22.6                     | + 2.6                     |

\*Does not include proprietors, firm members, officers of corporations, or other principal executives. Manufacturing employment comprises production and related workers; nonmanufacturing employment comprises all employees.

†Increase caused by strikes in September, 1945.

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

Total manufacturing employment in Texas in September was estimated at 311,900 by the Bureau of Business Research in co-operation with the Bureau of Labor Statistics, United States Department of Labor. Compared with August this is a decrease of 1.1% or 3,500 persons. Manufacturing employment in September was 2.5% lower than the same month a year ago. This decrease was caused primarily by a 55.6% decline in the transportation group. Most other groups showed increases over a year ago, ranging from 5.1% for products of petroleum and coal to 36.8% for the "all others" group.

According to the United States Employment Service, the nonagricultural civilian labor force in 17 major Texas areas increased 0.1% from August to September of this year. Although the average increase was 0.1%, Longview showed a decrease of 13.0% and Brownsville showed a decrease of 5.0%.

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 rolls in Texas declined 0.1% from August to September 1946, according to reports collected from

1,485 employers by the Bureau of Business Research in co-operation with the Bureau of Labor Statistics, United States Department of Labor. This slight reversal of the recent upward trend corresponds with a similar slight reversal in the employment trend from August to September. About half of the industrial groups showed increased pay rolls, while the others showed decreases. The largest increases were in textiles (8.4%) and retail trade (7.3%). Very large decreases occurred in finished lumber products (19.3%) and food products (14.9%).

Compared with a year ago, pay rolls were 15.3% higher in September of this year. A major strike in petroleum refining in September of last year caused pay rolls for that month to be small; consequently, petroleum refining pay rolls this September were 68.6% higher than a year ago. Stone and clay products showed an increase of 67.4% and printing and publishing increased 48.7%. The only groups with decreased pay rolls were food products, machinery (except electrical), other manufacturing, and laundries.

Hours and Earnings

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

## HOURS AND EARNINGS\*

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

| Industrial group                    | Average weekly hours |            | Average hourly earnings (in cents) |            | Average weekly earnings (in dollars) |            | Percent change Sept. 1946 from Sept. 1945 |                 |                 |
|-------------------------------------|----------------------|------------|------------------------------------|------------|--------------------------------------|------------|---|-----------------|-----------------|
|                                     | Sept. 1946           | Sept. 1945 | Sept. 1946                         | Sept. 1945 | Sept. 1946                           | Sept. 1945 | Weekly hours                              | Hourly earnings | Weekly earnings |
| <b>MANUFACTURING</b>                |                      |            |                                    |            |                                      |            |   |                 |                 |
| Food products .....                 | 47.0                 | 49.8       | 74.2                               | 68.3       | 34.87                                | 34.01      | - 5.6                                     | + 8.6           | + 2.5           |
| Textiles .....                      | 41.5                 | 42.3       | 84.8                               | 75.1       | 34.98                                | 32.14      | - 3.0                                     | + 12.8          | + 8.8           |
| Apparel .....                       | 36.9                 | 38.2       | 69.2                               | 59.5       | 25.53                                | 22.73      | - 3.4                                     | + 16.8          | + 12.3          |
| Finished lumber products .....      | 46.3                 | 45.6       | 76.2                               | 67.9       | 35.28                                | 30.98      | + 1.5                                     | + 12.2          | + 14.0          |
| Forest products .....               | 48.7                 | 47.2       | 74.5                               | 64.8       | 36.28                                | 30.59      | + 3.2                                     | + 15.0          | + 18.6          |
| Paper products .....                | 43.7                 | 45.6       | 95.2                               | 80.8       | 41.60                                | 36.84      | - 4.3                                     | + 17.8          | + 12.9          |
| Printing and publishing .....       | 39.9                 | 44.4       | 111.8                              | 110.4      | 44.61                                | 49.02      | - 10.1                                    | + 1.3           | - 9.0           |
| Commercial products .....           | 44.5                 | 49.3       | 110.9                              | 92.7       | 49.35                                | 45.70      | - 9.7                                     | + 19.6          | + 3.0           |
| Petroleum refining .....            | 41.3                 | 45.4       | 142.6                              | 126.0      | 68.85                                | 57.20      | - 9.0                                     | + 18.1          | + 2.9           |
| Stone and clay products .....       | 44.8                 | 47.9       | 87.1                               | 78.7       | 39.02                                | 35.30      | - 6.5                                     | + 18.2          | + 10.5          |
| Iron and steel products .....       | 42.7                 | 43.4       | 101.9                              | 91.2       | 42.51                                | 39.58      | - 1.6                                     | + 11.7          | + 9.9           |
| Nonferrous metal products .....     | 44.4                 | 43.7       | 112.7                              | 141.4      | 50.04                                | 61.79      | + 1.6                                     | - 20.3          | - 19.0          |
| Machinery (except electrical) ..... | 45.0                 | 44.8       | 107.2                              | 99.9       | 43.24                                | 44.76      | + 0.4                                     | + 7.3           | + 7.8           |
| Other manufacturing .....           | 39.4                 | 42.1       | 124.4                              | 117.7      | 49.01                                | 49.55      | - 6.4                                     | + 5.7           | - 1.1           |
| <b>NONMANUFACTURING</b>             |                      |            |                                    |            |                                      |            |   |                 |                 |
| Crude petroleum production .....    | 41.1                 | 46.6       | 146.7                              | 120.5      | 60.29                                | 56.15      | - 11.8                                    | + 21.7          | + 7.4           |
| Dyeing and cleaning .....           | 47.9                 | 48.7       | 71.4                               | 71.1       | 34.20                                | 34.63      | - 1.6                                     | + 0.4           | - 1.2           |
| Hotels .....                        | 42.6                 | 45.3       | 37.2                               | 35.0       | 15.85                                | 15.86      | - 6.0                                     | + 6.3           | - 0.1           |
| Laundries .....                     | 45.8                 | 47.2       | 44.8                               | 44.6       | 20.52                                | 21.05      | - 3.0                                     | + 0.4           | - 2.5           |
| Public utilities .....              | 40.6                 | 46.0       | 99.3                               | 96.6       | 41.31                                | 44.44      | - 11.7                                    | - 0.3           | - 9.3           |
| Quarrying .....                     | 39.8                 | 44.7       | 127.3                              | 100.7      | 50.67                                | 45.01      | - 11.0                                    | + 26.4          | + 12.6          |
| Retail trade .....                  | 41.4                 | 41.2       | 71.5                               | 64.7       | 29.60                                | 28.66      | + 0.5                                     | + 10.5          | + 11.0          |
| Wholesale trade .....               | 42.6                 | 46.3       | 94.4                               | 77.7       | 40.21                                | 35.98      | - 8.0                                     | + 21.5          | + 11.8          |

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

Average weekly *hours worked* were generally lower in September 1946 as compared with August 1946 in the 14 manufacturing establishments reported. However, 9 of the industrial groups worked over 42 hours a week and only 5 of the groups worked less. The longest work week (48.7) was in the forest products industry. Most notable decreases in average hours worked in September 1946 compared with September 1945 were in printing and publishing (10.1%), commercial products (9.7%), and petroleum refining (9.0%). Increases in average hours worked between September 1946 and September 1945 occurred in finished lumber products, forest products, nonferrous metal products, and machinery (except electrical).

*Hourly earnings* between September 1945 and September 1946 showed increases in all manufacturing and nonmanufacturing groups, with the exception of nonferrous metal products (20.3% less) and public utilities (0.3% less). However, workers in the nonferrous metal products industry received an increase of 1.1% between August and September 1946.

Important increases in hourly earnings in the manufacturing groups were in commercial products (19.6%), stone and clay products (18.2%), and paper products (17.8%), while substantial increases in the nonmanufacturing groups were in quarrying (26.4%), crude petroleum products (21.7%) and wholesale trade (21.5%).

The *weekly take-home pay* in most industries remained above last year's figures, with the only large decrease in the manufacturing group being in nonferrous metal products (19.0% less).

In the nonmanufacturing group 4 industries showed gains, and four showed declines in average weekly earnings. Wholesale and retail trade, quarrying, and crude petroleum reported substantial increases, whereas public utilities reported the only large decline (9.3%).

## 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 September 1946 in the reporting manufacturing establishments were only 6.2% lower than in September 1945; they were still, however, 1.6% less than reported in August 1946, compared with a 20.2% decline in the comparison last month of August 1946 with August 1945. The smaller 12-month decline is due not to any improvement in September over August 1946, but to the fact that man-hours worked in September 1945—the first full month following the war's end—dropped sharply from their wartime levels, with the beginning of the shift to peacetime activities. Detailed percentage changes found in the accompanying table show that food products (-21.7%), commercial products (-8.6%), and other manufacturing (-46.4%) were below comparable 1945 figures, while all other industrial groups showed increases in man-hours worked, ranging from 0.5% (finished lumber products) to 44.5% (stone and clay products).

**MAN-HOURS WORKED IN IDENTICAL MANUFACTURING ESTABLISHMENTS**

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

| Industrial group              | Number of reporting establishments | Percent change             |                           |
|-------------------------------|------------------------------------|----------------------------|---------------------------|
|                               |                                    | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL                         | 400                                | - 6.2                      | - 1.6                     |
| Food products                 | 84                                 | -21.7                      | -15.6                     |
| Textiles                      | 14                                 | +19.2                      | + 2.1                     |
| Apparel                       | 25                                 | + 7.4                      | 0.0                       |
| Finished lumber products      | 17                                 | + 0.5                      | -15.1                     |
| Forest products               | 14                                 | + 0.8                      | + 1.9                     |
| Paper products                | 9                                  | + 7.6                      | + 2.5                     |
| Printing and publishing       | 26                                 | +38.7                      | + 0.3                     |
| Commercial products           | 53                                 | - 8.6                      | + 0.9                     |
| Petroleum refining            | 34                                 | +25.3                      | + 2.7                     |
| Stone and clay products       | 35                                 | +44.5                      | + 1.7                     |
| Iron and steel products       | 29                                 | + 8.0                      | - 6.9                     |
| Nonferrous metals products    | 10                                 | + 4.7                      | + 7.1                     |
| Machinery (except electrical) | 38                                 | -15.0                      | - 7.8                     |
| Other manufacturing           | 12                                 | -46.4                      | + 4.3                     |

**Industrial Relations**

(Although no statistical data are available on industrial disputes in Texas, a knowledge of current developments in industrial relations is necessary to an understanding of the State's labor picture.)

The maritime strike, reported to be the nation's greatest shipping strike, tied up nearly all Texas port activities for 16 days during September. The strike ended when a special government order permitted wage increases which the maritime workers had obtained through negotiation, but which has been barred by the Wage Stabilization Board. The fact that some maritime workers belonged to the C. I. O., and others to the A. F. of L., added to the confusion. In Galveston a local labor leader was convicted of constructive contempt of court as a result of difficulties growing out of the maritime strike.

Approximately 2,600 telephone workers in Houston were off their jobs as a result of a four-day walkout concerning a seniority dispute. The workers returned to their jobs after an agreement was reached to arbitrate the dispute. Workers at a manufacturing company in Denison returned to work after a three-day walkout in a dispute regarding the discharge of four employees.

A strike of city bus drivers in Beaumont and Port Arthur ended September 28, after a work stoppage of nearly two weeks. A one-day strike of 150 San Antonio garbage workers was settled when the city agreed to union demands of a pay increase of one dollar a day. Other strikes occurred in such widely varied businesses as a Beaumont newspaper and a San Antonio flour mill.

From the international viewpoint, in early September a strike of stevedores in Nuevo Laredo temporarily paralyzed the international movement of goods into Texas through Laredo.

**Unemployment**

(Estimates of unemployment in various areas of the State are currently made by the district supervisors of the United States Employment Service. Data on the payment of unemployment benefits also provide a rough measure of unemployment in Texas, although only employees in establishments employing 8 or more workers for

20 or more weeks per year are covered. Veterans' claim actions and disbursements are less inclusive, but throw light on the important problem of veteran re-employment.)

Unemployment in 17 Texas labor market areas, as reported by the United States Employment Service, declined 10.8% (10,410 fewer persons unemployed) between August and September 1946; but the September figure was still 73.2% above September last year, with 86,380 unemployed in September 1946 as compared to 49,876 unemployed in September 1945. For the first time in many months all 17 of the labor market areas showed declines from the preceding month with Dallas (21.7%), El Paso (20.4%), Brownsville (19.2%), Longview (19.2%), and Texarkana (19.1%) reporting the largest decreases in unemployment.

The amount of benefits paid out by the Texas Unemployment Compensation Commission declined in September for the fourth consecutive month. September 1946 payments of \$726,810 left a balance of \$154,760,400 in the Unemployment Trust Fund. Employers' contributions during the month were \$227,844 which was approximately 31% of the disbursements.

Although unemployment in the major labor market areas of the State has increased 73.2% since September 1945, employment over the State as a whole (as indicated in a foregoing section) has risen 10.4% over the same period. This situation is largely accounted for by the large increase in the size of the civilian labor force since V-J Day. Also of significance is the fact that the unemployment figures cover for the most part only the larger industrial areas of the State, whereas the employment data are State-wide.

Former employees of manufacturing establishments received the bulk (56.4%) of benefit payments during the third quarter of 1946, according to a recent quarterly report of benefit payments by major industry groups. Unemployed from retail and wholesale trade received 16.7% of all payments, those from service establishments, third among the major groups, took 4.8% and transportation unemployed 6.3%. Among the 15,442 first payments made during the quarter (i.e., to newly

**UNEMPLOYMENT**

Source: U. S. Employment Service

| Area                        | Sept. 1946 | Aug. 1946 | Sept. 1945 |
|-----------------------------|------------|-----------|------------|
| TOTAL                       | 86,380     | 96,790    | 49,876     |
| Ablene                      | 1,480      | 1,520     | 750        |
| Amarillo                    | 1,900      | 1,400     | 235        |
| Austin                      | 2,750      | 2,813     | 1,326      |
| Beaumont-Port Arthur-Orange | 8,300      | 9,700     | 2,000      |
| Brownsville                 | 1,315      | 1,623     | 460        |
| Corpus Christi              | 2,800      | 3,100     | 1,100      |
| Dallas                      | 9,000      | 11,500    | 12,500     |
| El Paso                     | 2,150      | 2,700     | 1,175      |
| Fort Worth                  | 9,000      | 9,600     | 5,868      |
| Galveston-Texas City        | 2,300      | 2,400     | 500        |
| Houston-Baytown             | 18,000     | 18,300    | 8,000      |
| Longview                    | 1,900      | 2,350     | 1,500      |
| Lubbock                     | 1,200      | 1,400     | 350        |
| San Antonio                 | 14,000     | 15,750    | 4,000      |
| Texarkana                   | 5,500      | 6,800     | 6,300      |
| Waco                        | 3,300      | 3,500     | 2,000      |
| Wichita Falls               | 2,085      | 2,319     | 772        |

unemployed); 7,350 went to former employees in manufacturing; 3,438 to those from trade; 1,107 to transportation, communication and utilities; and 1,026 to persons who had been employed in services.

During the third quarter 14,768 accounts were exhausted, and compensation totaling \$2,853,059 was paid for a total of 191,166 weeks of total or partial unemployment. Women received approximately one-third of the total payments for unemployment.

The third quarter report of benefit determinations indicates that 22,587 new claims were disposed of on the first determination, of which 18,935 had sufficient wage credits and 3,652 had insufficient or no wage credits. There were 5,225 disqualifications, 4,438 of which had voluntarily quit jobs. In addition, 6,769 claims were denied on the issue "able to work, available for work."

### Placements

(The number of placements reported by the United States Employment Service indicates roughly the relationship of the supply of and the demand for jobs in various parts of the State. Placement data do not include private placements in business and industry, but only those made through the United States 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.)

Placements in employment in the 17 Texas labor market areas, measured by reports of the United States Employment Service, increased 6.4% from August to September 1946, but were down 0.9% from September 1945 figures. The greatest percentage gains in placements during the month were in the Brownsville (43.7%), and Houston-Baytown (31.0%) areas, while the Austin, Beaumont-Port Arthur-Orange, Corpus Christi, Galveston-Texas City, Longview, Lubbock, Waco, and Wichita Falls areas show declines ranging from 0.4% to 9.6%. Placements were still down an average of 30.9% under September 1945.

#### PLACEMENTS IN EMPLOYMENT

Source: U. S. Employment Service

| Area                        | Sept. 1946 | Aug. 1946 | Sept. 1945 | Percent change             |                           |
|-----------------------------|------------|-----------|------------|----------------------------|---------------------------|
|                             |            |           |            | Sept. 1946 from Sept. 1945 | Sept. 1946 from Aug. 1946 |
| TOTAL                       | 25,388     | 23,862    | 25,625     | - 0.9                      | + 6.4                     |
| Abilene                     | 669        | 588       | 426        | +57.0                      | +13.8                     |
| Amarillo                    | 717        | 640       | 538        | +33.3                      | +12.0                     |
| Austin                      | 909        | 918       | 498        | +82.5                      | - 0.4                     |
| Beaumont-Port Arthur-Orange | 2,324      | 2,411     | 3,004      | -22.6                      | - 3.6                     |
| Brownsville                 | 171        | 119       | 256        | -33.2                      | +43.7                     |
| Corpus Christi              | 659        | 729       | 516        | +27.7                      | - 9.6                     |
| Dallas                      | 4,660      | 4,330     | 4,955      | - 6.0                      | + 7.6                     |
| El Paso                     | 813        | 797       | 1,186      | -28.4                      | + 2.0                     |
| Fort Worth                  | 3,270      | 3,174     | 2,567      | +27.4                      | + 3.0                     |
| Galveston-Texas City        | 1,154      | 1,273     | 1,481      | -22.1                      | - 9.4                     |
| Houston-Baytown             | 4,764      | 3,637     | 4,088      | +16.5                      | +31.0                     |
| Longview                    | 605        | 666       | 450        | +34.4                      | - 9.2                     |
| Lubbock                     | 468        | 505       | 553        | -16.1                      | - 7.3                     |
| San Antonio                 | 2,345      | 2,238     | 2,391      | - 1.9                      | + 2.5                     |
| Texarkana                   | 705        | 607       | 1,189      | -40.7                      | +16.1                     |
| Waco                        | 745        | 763       | 1,044      | -23.6                      | - 3.0                     |
| Wichita Falls               | 410        | 417       | 528        | -22.4                      | - 1.7                     |

## GOVERNMENT

### Federal Finance

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

Federal internal revenue collections in Texas amounted to \$112,030,497 in September, or 4.4% less than the \$117,160,883 collected in September a year ago. Collections for the July-September period, the first quarter of the current fiscal year, were \$231,009,760 or 5% smaller than the sum collected in the same 3 months last year. Income taxes yielded about \$7,000,000 less this past month than a year ago but "other" taxes claimed an additional \$2,000,000. Nevertheless for the first quarter income tax collections were up slightly (1.3%) and "other" taxes were down 14.6%. Withholding taxes for the second quarter were all collected during July and August to show a 13.2% decline from comparable 1945-46 figures.

Collections in the First (or South Texas) District were off less than the Second (North Texas) District collections for the month but for the fiscal year to date their positions were reversed. First District collections in September 1946 were 3.3% below September 1945 collections; Second District collections fell 5.7%. Thus for this fiscal year 1.7% less has been collected in North Texas than in the same 3-month period of 1945; South Texas collections were down 7.9%.

Despite the fact that the federal government took in more during the last 3 months than in any 12 months previous to the war, expenses continued to exceed revenues. Both collections and expenditures were under original estimates for the quarter, but the greater discrepancy appeared in expenditures which did not include G. I. terminal pay or other commitments. Although there is disagreement in high administration circles as to whether or not the federal budget is going to be balanced this fiscal year, the federal debt on September 25 was \$252,785,000,000.

### 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.)

Cash receipts of the State Comptroller during September, the first month of the new fiscal year, totaled \$30,337,760, or 39.0% more than the \$21,832,419 received in September 1945. State revenues thus continued to pile up at a rate somewhat greater than the monthly average for the previous fiscal period, and if receipts for the 1946-47 fiscal year are maintained at this level, the State will take in more than its record-breaking 1945-46 total of \$344,651,647.

Sharpest gains for the month occurred in miscellaneous revenues (183.3%) and contributions and aid (130.1%). Chiefly responsible for these gains were the increases in the unclassified receipts of the Highway Department and federal aid for public welfare and education. Ad valorem, inheritance, and poll tax receipts were off 66.0% and interest receipts were down 15.3%. All

other receipts items were up in September over the corresponding month of 1945.

The general revenue fund at the end of September carried a cash balance of \$35,450,795. If no additional appropriations are made by the 50th Legislature it is estimated that the balance next August 31 would be only a little less than the present total (\$34,106,264). The cash balance in all State funds on September 30 this year was \$123,452,695.

**PRICES**

**Wholesale Prices**

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

The index of wholesale prices for August 1946 for the country as a whole, compiled by the United States Bureau of Labor Statistics, was 29.1% above the average month of 1926, which is the base period. From July to August this year, wholesale prices rose 3.5% compared with a decrease of 0.2% from July to August 1945. The index of all commodities gained 22.1% during the year.

Food prices rose 6.3% during August and have increased 40.0% since August 1945. The index of foods at the end of August 1946 was 149.0. Textile products made the second greatest gain in price among wholesale commodities included in the report with an increase of 5.0% from July to August. The increase for the year totaled 24.5%; the index number for textile products rose from 99.6 in August 1945 to 124.0 in August 1946.

The farm products index reached 161.0 in August 1946.

All building materials as a group rose 0.5% from July to August, but were 12.6% above prices of August of last year. The index of building materials was 132.7, but for lumber separately the index was 177.6 compared with 177.3 in July and 155.3 in August a year ago. Lumber prices have increased more over the base year than any of the commodities listed.

**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 aggregates 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 Bureau of Labor Statistics warns users of the index that it shows only partially the wartime effects of changes in the quality and availability of consumer goods.)

Consumers' prices in Houston continued upward in September, rising 2.1% above the August level, according to the index prepared by the Bureau of Labor Statistics of the United States Department of Labor. At mid-September the index of all items stood at 142.8% of the 1935-39 average, and was 11.9% higher than in mid-September a year ago.

Food, the principal item in the consumers' price index, rose 2.8% in Houston between August 15 and September 15 this year to a level of 23.5% above September 15, 1945. Based on the 1935-39 average, food costs were up 73.5% in September 1946.

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J. Anderson Fitzgerald \_\_\_\_\_ Dean

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# BAROMETERS OF TEXAS BUSINESS

