TEXAS BUSINESS REVIEW

A MONTHLY SUMMARY OF BUSINESS AND ECONOMIC CONDITIONS IN TEXAS

BUREAU OF BUSINESS RESEARCH
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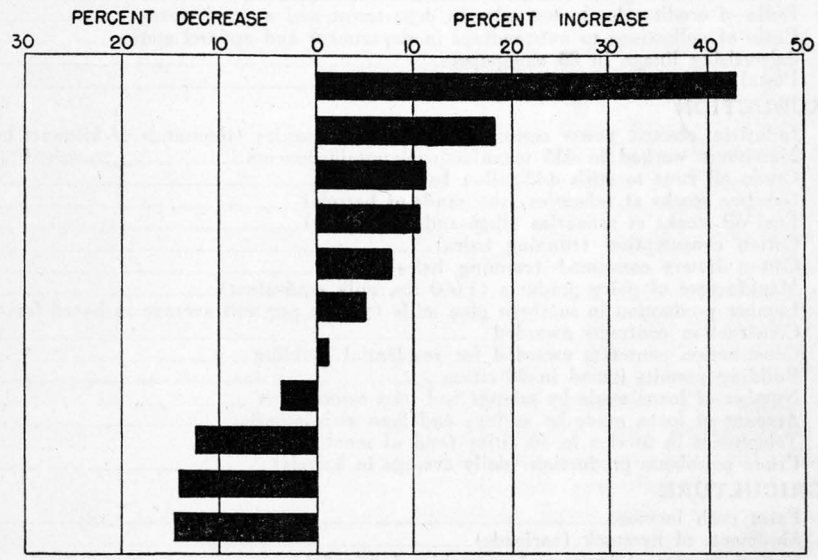
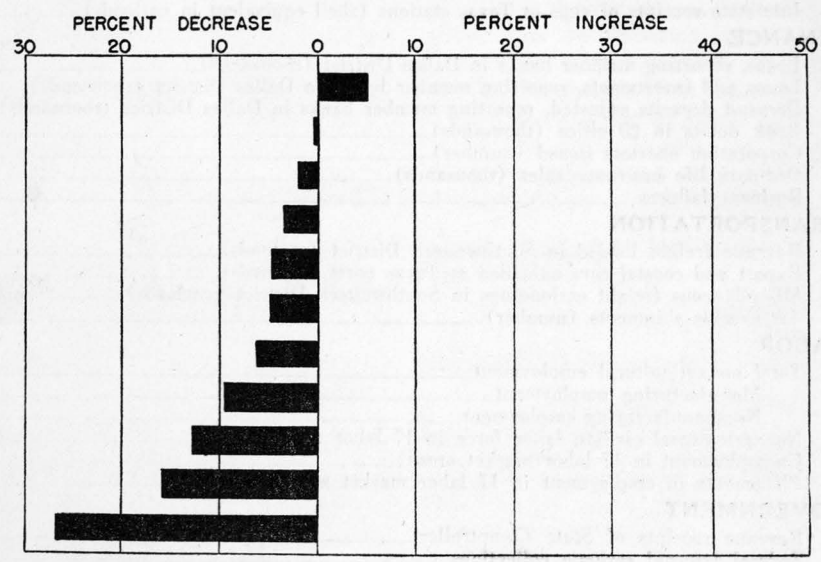
HIGHLIGHTS OF TEXAS BUSINESS

FEBRUARY 1949 COMPARED WITH FEBRUARY 1948



FEBRUARY 1949 COMPARED WITH JANUARY 1949



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FIGURES FOR THE MONTH

	February 1949	January 1949	February 1948
INDEX OF TEXAS BUSINESS ACTIVITY (1935–39=100)*	**221.8**	**227.0**	**213.6**
Index of department and apparel store sales (10)	336.0	350.0	336.6
Index of miscellaneous freight carloadings in Southwestern District (20)	130.0	148.0	155.7
Index of crude oil runs to stills (5)	177.8	181.5	178.4
Index of electric power consumption (15)	362.6	345.0	326.3
Index of employment (25)	127.8	128.2	121.5
Index of payrolls (25)	267.9	277.9	242.5
TRADE			
Retail sales, total	$360,033,000	$384,762,000	$356,260,000
Durable goods stores	$129,285,000	$144,688,000	$121,603,000
Nondurable goods stores	$230,748,000	$240,074,000	$234,657,000
Ratio of credit sales to net sales in department and apparel stores	61.8	60.6	61.4
Ratio of collections to outstandings in department and apparel stores	50.5	49.8	51.1
Advertising linage in 33 newspapers	29,814,635	30,760,744	30,787,904
Postal receipts in 60 cities	$ 3,394,580	$ 3,574,533	$ 2,873,110
PRODUCTION			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours)	266,106	279,088	245,541
Man-hours worked in 435 manufacturing establishments	2,616,206	2,757,433	2,725,510
Crude oil runs to stills (42-gallon barrels)	45,898,588	51,381,277	46,037,157
Gasoline stocks at refineries (thousands of barrels)	25,120	23,064	24,556
Fuel oil stocks at refineries (thousands of barrels)	23,995	28,091	13,765
Cotton consumption (running bales)	12,054	12,681	13,745
Cotton linters consumed (running bales)	2,556	2,278	2,031
Manufacture of dairy products (1,000 lbs. milk equivalent)	34,508	34,381	32,223
Lumber production in southern pine mills (weekly per unit average in board feet)	172,748	196,159	188,301
Construction contracts awarded	$ 75,189,015	$ 83,198,573	$ 52,432,159
Construction contracts awarded for residential building	$ 38,039,838	$ 42,065,562	$ 21,130,914
Building permits issued in 48 cities	$ 27,103,984	$ 23,053,095	$ 34,899,957
Number of loans made by savings and loan associations	1,508	1,576	1,376
Amount of loans made by savings and loan associations	$ 5,928,086	$ 6,106,775	$ 5,624,728
Telephones in service in 40 cities (end of month)	1,062,484	1,051,741	934,780
Crude petroleum production (daily average in barrels)	2,321,850	2,372,550	2,417,800
AGRICULTURE			
Farm cash income	$ 43,594,000	$ 60,406,000	$ 51,081,000
Shipments of livestock (carloads)	2,830	3,969	2,562
Rail shipments of fruits and vegetables (carloads)	4,652	8,852	12,871
Rail shipments of eggs (shell equivalent in carloads)	0	4	8
Rail shipments of poultry (carloads)	20	88	40
Interstate receipts of eggs at Texas stations (shell equivalent in carloads)	16	13	10
FINANCE			
Loans, reporting member banks in Dallas District (thousands)	$ 1,105,000	$ 1,113,000	$ 1,022,000
Loans and investments, reporting member banks in Dallas District (thousands)	$ 2,277,000	$ 2,297,000	$ 2,210,000
Demand deposits adjusted, reporting member banks in Dallas District (thousands)	$ 1,951,000	$ 1,945,000	$ 1,848,000
Bank debits in 20 cities (thousands)	$ 3,293,416	$ 3,925,952	$ 3,055,464
Corporation charters issued (number)	250	286	336
Ordinary life insurance sales (thousands)	$ 64,514	$ 57,142	$ 57,565
Business failures	12	6	4
TRANSPORTATION			
Revenue freight loaded in Southwestern District (carloads)	222,521	255,629	259,263
Export and coastal cars unloaded at Texas ports (carloads)	17,084	15,776	13,579
Miscellaneous freight carloadings in Southwestern District (carloads)	133,929	159,569	160,264
Air express shipments (number)	21,113	21,797	21,960
LABOR			
Total nonagricultural employment	1,747,000	1,752,100	1,658,900
Manufacturing employment	337,100	343,100	340,200
Nonmanufacturing employment	1,409,900	1,409,000	1,318,700
Nonagricultural civilian labor force in 17 labor market areas	1,373,785	1,373,790	1,319,841
Unemployment in 17 labor market areas	69,285	59,040	64,977
Placements in employment in 17 labor market areas	18,706	18,511	20,142
GOVERNMENT			
Revenue receipts of State Comptroller	$ 38,023,284	$ 45,003,593	$ 40,844,513
Federal internal revenue collections	$137,147,309	$218,279,280	$168,606,777
PRICES			
Index of consumers' prices in Houston (1935–39 = 100)	170.2	172.6	170.4
Index of food prices in Houston (1935–39 = 100)	208.0	215.7	218.1

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

The Business Situation in Texas

which may be interpreted as measuring the decline in total business activity in the State. The widespread nature of the decline throughout the various phases of the economic activity of the State, combined with the fact that business all over the country is showing the same kind of weakness, gives rise to the belief that a major turning point in business activity is at hand. Whether or not this is the turning point in a major cycle of business, or is a minor cyclical decline such as that which occurred in the last quarter of 1937, cannot be determined this early in the decline. The chart below shows that only two times since 1935 has the composite index dropped for enough consecutive months to represent more than an erratic fluctuation in business. Since one of these declines, in the last half of 1945, represented the period of reconversion from the expanded war production, there has been only one cyclical recession in business activity in the period covered by the chart and that one was very mild. It is generally considered that the upswing in business after the long decline of the early thirties began in March 1933; thus for 16 years the level of business activity has been expanding almost all of the time. Many businessmen have had no experience with any trend in business except a rising trend, and for many of those who have gone through a major recession the memory has grown dim. If the present downturn is the beginning of a major cyclical decline, it will call for a drastic change in the thinking of the majority of businessmen.

It is important to observe that all but one of the components of the composite index of Texas business declined in February. *Miscellaneous freight carloadings* dropped 12.2%, *department and apparel store sales* 4.0%, *pay rolls* 3.6%, *runs of crude oil to stills* 2.0%, and *employment* 0.3%. The only component to rise was *electric power consumption*, which was up 5.1%. The substantial declines in four of the component series emphasize the force of the movement that is under way. The series on employment is a sluggish series, and normally changes only slightly from month to month; so the drop of only 0.3% is more significant than the same decline would be in a series that fluctuated with a wider amplitude.

The decline that has been under way since last August has carried three of the component series to levels below February 1948. Miscellaneous freight carloadings are down 16.5% from a year ago, while the drop in crude runs to stills from February 1948 was only 0.3% and for department and apparel stores sales 0.2%. Electric power consumption in February was 11.1% above a year earlier, pay rolls were up 10.5%, and employment up 5.2%. The weighted composite index of business was 3.8% higher in February than a year ago, since the three series that have shown increases are given a weight of 65 out of the total weight of 100.

The *index of bank debits* in Texas cities confirms the trend of the composite index, with a decline of 4.0% after adjustment for seasonal variation. This makes the third consecutive month for the bank debits index to decline, and the decline for February was at a more rapid rate than for the two preceding months. The *index of postal receipts* in Texas cities, however, fails to confirm the decline in the general business situation, with an increase of 1.2% in the index adjusted for seasonal variation.

Retail trade in February showed a substantial rise from the January level, with the Bureau's index rising 3.5% after adjustment for seasonal variation. This rise wiped out some of the 10.5% decline from December to January, but not all of it, leaving the adjusted index at 302.6, still 7.4% below the 326.8 reached in December. Probably the simplest explanation of the fluctuations of the last two months is to consider that some of

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the extremely large decline in January was an erratic movement, which was reversed by the rise in February. The most significant relationship is probably that the two months following the end of December witnessed a net decline of 7.4% in retail trade. It is also significant that all of the increase in the index of retail sales was in the sales of durable goods stores. The sales of nondurable goods stores declined 0.5% from January, while sales of durable goods stores increased 11.6%.

All the Bureau's measures of manufacturing activity declined during the month of February. The seasonally adjusted *index of industrial power consumption* was 0.3% lower in February than in January, and since all manufacturing makes use of electric power, it is a composite measure of industrial activity. Manufacturing employment in Texas firms declined 1.7% during February, and man-hours worked in industrial establishments were down 4.0% from January.

Building activity as measured by permits issued in February registered a substantial rise to carry the Bureau's seasonally adjusted index up 12.1% from January. However, this level is still considerably below the rate of building during 1948, and was down 21.3% from February 1948. Except for erratic month-to-month fluctuations that characterize all building permit series, the course of the Bureau's index has been consistently downward since the beginning of 1948. However, the level of building is still extremely high in comparison with prewar standards, and at no time during the past year has the value of permits issued during a month been less than four times the value of permits issued in the prewar years, 1935–39.

Cash farm income continues to decline with falling prices of farm products in the primary markets of the country, and the disastrous freeze in the Lower Rio Grande Valley. The Bureau's seasonally adjusted index fell 9.0% from January, to bring it to the lowest level since 1942.

Consumers' prices dropped considerably between January 15 and February 15. The *index of food prices* in Houston, compiled by the Bureau of Labor Statistics, declined 3.6%, from 215.7 to 208.0. The *index of all consumers' prices* fell 1.4% to bring the level from 172.6 to 170.2.

Recent additions to the list of *Small Business Aids* reproduced by the Bureau of Business Research in cooperation with the Small Business Division of the United States Department of Commerce are as follows:

How A Small Plant Can Protect the Health of Its Workmen
Buying To Sell Profitably
Definitions of Business Terms

Copies of these *Aids* are available without charge from the Bureau of Business Research.

TRADE

the plunge registered in January but continued the earlier slowing trend. Sales increased notably over 1948 in some cities, districts, and retail lines—falling in others. Total retail prices (Fairchild index) have been falling for four consecutive months, but individual lines varied between significant decreases and increases. Apparently retail lines that have already experienced slower sales during price and inventory adjustments, such as men's and boys' clothing, are now showing better sales, stimulated by strong sales promotions. Prices of some commodities are rising again, supported by high labor costs and inventory adjustments. More "normal" sales and price and stock adjustments are undoubtedly in prospect for other lines, including durable goods. Special sales promotions, although less successful in February than in January, are planned increasingly for months ahead. Their effectiveness will depend largely upon merchants' ability to procure goods at lower costs in line with customers' responses to recent sales prices. Customers' buying resistance or apathy continues, reinforced by feelings of job insecurity, fear of economic adjustments, and expectations of yet lower prices, despite high current incomes. "Backlogs" of consumer demand have largely been satisfied, so far as present price levels permit. Customers continue to prefer savings to luxury goods and services. Sales figures can support either the idea that a threatened depression has again been postponed for some months or that necessary adjustments are occurring with minimum economic disturbance, that business is "good" and basically sound, and that buying is delayed in many areas by adverse weather and a late Easter.

ESTIMATES OF TOTAL RETAIL SALES
(in thousands of dollars)

Type of store	Feb. 1949	Jan.-Feb. 1949	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949	Percent change: Jan.-Feb. 1949 from Jan.-Feb. 1948
TOTAL	360,033	744,795	+ 1.1	— 6.4	+ 0.04
Durable goods stores	129,285	273,973	+ 6.3	—10.6	+ 6.0
Nondurable goods stores	230,748	470,822	— 1.7	— 3.9	— 3.1

Estimated total retail sales of $360,033,000 fell 6.4% below January and stood only a nominal 1.1% above February 1948. Durable goods sales made the larger decline (10.6%) from January but the larger rise (6.3%) over a year ago.

The *index of total retail sales*, adjusted for seasonal variation and based on the prewar years 1935–39, recovered weakly to 302.6 after dropping to 292.4 in

January from December's 326.8, a 1948 average index of 320.5, and the 1948 high point of 335.2 in April. For durable goods stores, the index returned to 343.7 after falling to 308.0 from 364.4 in December and a 1948 average of 362.2. The index for nondurables slid a little more to 280.4; this compared with a 1948 average of 297.8 and a high point of 311.0 in April 1948. Deflated for price changes, the adjusted total retail sales index rose slowly to 157.2 after declining from December's 169.8 and a 1948 average of 166.2. Sales indexes for building materials dealers, eating and drinking places, filling stations, and food and drug stores rose from January; but all remained substantially below their December points. Lower sales indexes than in January were recorded by furniture, apparel, general merchandise, and department stores. The automotive sales index rose to approach the high points attained in August through October 1948. Jewelers' sales returned nearly to the December index.

Motor vehicle dealers made the best showing, by *kinds of business*, topping January sales by 13.0% and 1948 by 30.5%. Other increases over February 1948 included filling stations (5.7%), women's ready-to-wear stores (2.3%), restaurants (2.1%), and food stores (2.1%). The larger declines from February 1948 were by building materials dealers (10.3%), furniture stores (9.8%), and jewelers (9.6%).

RETAIL SALES TRENDS BY KINDS OF BUSINESS

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

Business	Number of reporting establishments	Percent change: Feb. 1949 from Feb. 1948	Feb. 1949 from Jan. 1949	Jan.-Feb. 1949 from Jan.-Feb. 1948
Apparel stores	266	— 1.1	— 6.5	— 0.3
Automotive stores	244	+30.5	+13.0	+12.1
Lumber, building material, and hardware stores	257	—10.3	+ 5.2	—16.9
Country general stores	60	— 3.3	— 2.1	— 1.4
Department stores	68	— 0.5	— 1.4	+ 0.9
Drug stores	146	+ 0.8	— 1.4	+ 1.9
Eating and drinking places	111	+ 1.4	— 1.7	— 1.5
Filling stations	667	+ 5.7	— 2.3	+ 2.1
Florists	47	— 1.7	+ 4.2	— 1.0
Food stores	210	+ 2.1	— 4.3	— 1.3
Furniture and household stores	166	— 9.8	— 6.3	— 9.8
General merchandise stores	50	— 4.0	—10.4	— 1.4
Jewelry stores	43	— 9.6	+11.2	—11.7
All other stores	114	— 1.2	— 2.7	— 5.9

Cities with *populations* of 50,000 to 100,000 averaged largest sales increases (9.1%) over February 1948 and towns under 2,500, the smallest (1.1%). The small towns showed the best increases over January (6.0%). For the two months of 1949, cities over 100,000 reported the only increases (1.5%).

RETAIL SALES TRENDS BY CITY-SIZE GROUPS

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

Population	Number of reporting establishments	Percent change: Feb. 1949 from Feb. 1948	Feb. 1949 from Jan. 1949	Jan.-Feb. 1949 from Jan.-Feb. 1948
Over 100,000	1,240	+ 4.0	— 0.1	+ 1.5
50,000–100,000	238	+ 9.1	+ 2.5	— 0.4
2,500–50,000	798	+ 6.9	+ 3.6	— 1.7
Under 2,500	173	+ 1.1	+ 6.0	— 6.2

Of the thirty Texas *cities* reported individually, 24 recorded February dollar sales larger than in 1948. Largest increases were in Denison (29.2%), Gilmer (27.9%), Waco (27.5%), Sherman (23.6%), Corpus Christi (23.5%), McAllen (16.7%), Tyler (12.6%), and Beaumont (11.9%). For January and February combined, all these cities showed decreases from 1948 of 5 to 20%.

CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES

(in percent)

Classification	Number of reporting stores	Ratio of credit sales to net sales*: Feb. 1949	Feb. 1948	Ratio of collections to outstandings†: Feb. 1949	Feb. 1948
ALL STORES	66	61.8	61.4	50.5	51.1
BY CITIES:					
Austin	7	54.2	51.8	57.8	59.0
Bryan	3	51.7	47.5	49.5	48.9
Cleburne	3	48.3	44.8	45.7	47.4
Dallas	10	73.6	71.6	49.4	51.7
El Paso	3	53.9	51.9	41.3	47.0
Fort Worth	3	59.3	61.0	68.0	48.6
Houston	5	64.7	62.5	46.4	51.6
Lubbock	3	52.3	45.5	53.7	56.1
San Antonio	5	56.4	59.2	51.5	49.7
Waco	5	58.4	60.6	52.7	51.9
Other	19	54.7	54.7	53.5	55.3
BY TYPE OF STORE:					
Department stores (annual sales over $500,000)	14	58.6	58.2	50.3	49.6
Department stores (annual sales under $500,000)	11	79.4	77.2	45.6	49.8
Dry goods-apparel stores	7	51.7	47.9	47.6	49.9
Women's specialty shops	18	55.8	58.1	55.1	52.7
Men's clothing stores	16	58.2	56.6	57.7	59.7
BY VOLUME OF NET SALES (1948)					
Over $2,500,000	18	64.6	64.3	49.9	50.3
$1,000,000–$2,500,000	14	54.5	52.9	52.9	54.3
$500,000–$1,000,000	16	49.8	49.4	55.9	56.6
Less than $500,000	18	48.2	44.2	47.8	47.2

*Credit sales divided by net sales.

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

The *ratio of credit sales* to total sales in 66 Texas department and apparel stores averaged 61.8% in February, as compared with 61.4% a year ago, 62.0% in November, and 64.1% in September. Dallas (73.6%), Houston (64.7%), Fort Worth (59.3%), and Waco (58.4%) had the highest ratios. The average *collection ratio* was 50.5% in February in comparison with 51.1% a year ago, 49.8% in January, and 52.0% in December. The best collection percentages were in Fort Worth (68.0%), Austin (57.8%), Lubbock (53.7%), and Waco (52.7%).

Advertising linage in 33 Texas newspapers averaged 3.1% under January and 3.2% below a year ago. Decreases were shown by 23 papers.

Sales of *gasoline* subject to tax totaled 160,455,047 gallons in January, or 4.1% over 1948. Sales to the federal government amounted to 32,069,396 gallons, or 15.9% above 1948. The adjusted index stood at 181.1, from 210.3 for December.

Visitors at *State parks* numbered 77,712, or 4.5% over February 1948, but in fewer cars.

Postal receipts of 60 Texas cities averaged 18.2% over February 1948, with seven cities reporting decreases. Largest increases were in Tyler (52.1%) and Sweetwater (48.0%). The adjusted index registered 277.1.

POSTAL RECEIPTS

City	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	$3,379,856	$3,574,533	$2,873,110	+ 17.6	— 5.4
Abilene	37,637	42,093	31,877	+ 18.1	— 10.6
Amarillo	71,114	78,702	57,784	+ 23.1	— 9.6
Austin	160,934	122,898	131,065	+ 22.8	+ 30.9
Beaumont	52,266	62,965	46,638	+ 12.1	— 17.0
Big Spring	9,855	15,693	8,632	+ 14.2	— 37.2
Borger	10,589	9,819	8,231	+ 28.6	+ 7.8
Brownsville	13,773	17,047	12,161	+ 13.3	— 19.2
Brownwood	11,167	11,974	10,344	+ 8.0	— 6.7
Bryan	10,699	11,306	8,811	+ 21.4	— 5.4
Childress	3,788	4,154	3,611	+ 4.9	— 8.8
Cleburne	6,737	6,866	5,851	+ 15.1	— 1.9
Corpus Christi	75,008	84,064	63,370	+ 18.4	— 10.8
Corsicana	8,965	11,054	7,832	+ 14.5	— 18.9
Dallas	860,360	899,760	716,181	+ 20.1	— 4.4
Del Rio	6,190	7,051	6,977	— 11.3	— 12.2
Denison	9,741	12,239	9,903	— 1.6	— 20.4
Denton	14,467	17,142	12,918	+ 12.0	— 15.6
Edinburg	5,952	6,706	5,662	+ 5.1	— 11.2
El Paso	112,108	132,071	96,302	+ 16.4	— 15.1
Fort Worth	366,480	357,955	302,404	+ 21.2	+ 2.4
Gainesville	5,770	7,496	6,986	— 17.4	— 23.0
Galveston	53,057	56,948	50,886	+ 4.3	— 6.8
Gladewater	4,178	4,905	3,683	+ 13.4	— 14.8
Greenville	12,380	13,281	10,478	+ 18.2	— 6.8
Harlingen	15,334	18,247	15,030	+ 2.0	— 16.0
Houston	570,231	614,314	487,755	+ 16.9	— 7.2
Jacksonville	7,695	7,488	5,552	+ 38.6	+ 2.8
Kenedy	2,012	2,588	2,082	— 3.4	— 22.3
Kerrville	5,793	6,183	4,540	+ 27.6	— 6.3
Lamesa	5,530	5,256	4,837	+ 14.3	+ 5.2
Laredo	16,275	19,595	14,824	+ 9.8	— 16.9
Lockhart	2,069	2,881	2,028	+ 2.0	— 28.2
Longview	17,055	17,008	16,969	+ 0.5	+ 0.3
Lubbock	48,811	58,053	45,655	+ 6.9	— 15.9
Lufkin	9,519	11,430	8,307	+ 14.6	— 16.7
McAllen	12,000	14,693	11,556	+ 3.8	— 18.3
Marshall	12,648	14,406	10,939	+ 15.6	— 12.2
Midland	19,941	18,791	14,632	+ 36.3	+ 6.1
Nacogdoches	6,299	7,523	6,440	— 2.2	— 16.3
New Braunfels	7,046	5,842	5,746	+ 22.6	+ 20.6
Orange	10,059	11,699	11,477	— 12.4	— 14.0
Palestine	8,247	8,742	7,794	+ 5.8	— 5.7
Pampa	11,453	12,078	9,961	+ 15.0	— 5.2
Paris	11,021	11,875	10,000	+ 10.2	— 7.2
Plainview	8,698	9,025	6,766	+ 28.6	— 3.6
Port Arthur	26,756	28,595	23,314	+ 14.8	— 6.4
San Angelo	31,069	32,425	25,709	+ 20.8	— 4.2
San Antonio	314,469	337,895	278,843	+ 12.8	— 6.9
Seguin	5,025	6,311	4,895	+ 2.7	— 20.4
Sherman	16,411	16,712	13,314	+ 23.3	— 1.8
Snyder	2,396	3,188	1,977	+ 21.2	— 24.8
Sweetwater	11,403	10,181	7,655	+ 49.0	+ 12.0
Temple	14,677	15,969	12,929	+ 13.5	— 8.1
Texarkana	31,122	44,846	24,913	+ 24.9	— 30.6
Texas City	7,524	10,024	8,306	— 9.4	— 24.9
Tyler	47,791	48,023	31,422	+ 52.1	— 0.5
Vernon	6,422	7,805	5,396	+ 19.0	— 17.7
Victoria	9,727	11,856	8,508	+ 14.3	— 18.0
Waco	71,776	74,478	64,677	+ 11.0	— 3.6
Wichita Falls	52,337	54,319	39,775	+ 31.6	— 3.6

Wholesale Trade

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

Reversing the upward movement that appeared in November and December, Texas *wholesale trade* in January showed a decrease in sales of 5% under January of last year. The greatest drop in sales occurred in hardware (22%), and smaller decreases were registered by the "all other" group (13%), groceries (11%), automotive supplies (7%), and tobacco products (6%). During the same period, sales rose 3, 4, and 17% in machinery, equipment, and supplies (except electrical), the electrical group, and drugs and sundries, respectively.

January sales of Texas wholesalers fell 8% from the previous month. Declines were reported by the electrical group (31%), tobacco products (12%), the "all other" group (9%), and groceries (1%). On the other hand, sales advanced 25% in drugs and sundries, 8% in machinery, equipment, and supplies (except electrical), 7% in hardware, and 4% in automotive supplies.

Inventories were 14% above those for January a year ago, with the "all other" group showing the only decline for this period. In the electrical group, inventories climbed 50%, machinery, equipment, and supplies (except electrical) 20%, hardware 12%, and there were smaller gains ranging from 2 to 7% in the other categories.

In comparison with December, automotive supply wholesalers decreased their inventories by 13% in contrast to rises in other wholesalers' inventories. Among the largest increases, groceries were up 16%, machinery, equipment, and supplies (except electrical) 13%, hardware and "all other" 11%, and the electrical group 9%.

For the entire nation wholesale sales for January dropped 14% below those recorded in the preceding month, and they fell 8% during the 12-month period. Inventories throughout the nation were up 5% in January from December and 16% over the corresponding period in 1948.

It can thus be seen that the position of wholesalers in Texas is somewhat more favorable than that of the nation.

PERCENTAGE CHANGES IN WHOLESALERS' SALES AND INVENTORIES

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

Business	Sales: Jan. 1949 from Jan. 1948	Sales: Jan. 1949 from Dec. 1948	Inventories: Jan. 1949 from Jan. 1948	Inventories: Jan. 1949 from Dec. 1948
TOTAL	— 5.0	— 8.0	+14.0	+10.0
Automotive supplies	— 7.0	+ 4.0	+ 4.0	—13.0
Electrical equipment	+ 4.0	—31.0	+50.0	+ 9.0
Hardware	—22.0	+ 7.0	+12.0	+11.0
Machinery, equipment and supplies (except electrical)	+ 3.0	+ 8.0	+20.0	+13.0
Drugs and sundries*	+17.0	+25.0	+ 7.0	+ 2.0
Groceries	—11.0	— 1.0	+ 2.0	+16.0
Tobacco products	— 6.0	—12.0	+ 2.0	+ 7.0
All other	—13.0	— 9.0	— 6.0	+11.0

*Excludes liquor departments.

Foreign Trade

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

During January 1949 the value of both imports and exports of the United States declined from the high figures of December 1948, imports declining by 18.3% and exports by 15.5%. General imports amounted to $589.3 million in January, as compared with the record high value in December of $721.7 million. Exports (including re-exports) declined from the 1948 high point reached in December $1,283.7 million to $1,085.1 million. Imports in January were almost exactly equal to the 1948 average of $589.2 million, while exports, in spite of the sharp decline, were still well above the 1948 average of $1,051.2 million.

The sharp decline in exports had been anticipated because the unusually large December figure may reasonably be attributed to the backlog of goods awaiting shipment at the time the east coast maritime strike was settled.

The January declines in imports and exports quite generally applied to practically all commodity groups. Importation of textile fiber and manufactures, however, did show a small increase. Imports of metals and manufactures, while declining from $115.6 million to $94.3 million, still remained at levels above any other month of 1947 and 1948. Wood and paper imports declined to $67.2 million, the lowest point since May 1947. Export commodity groups showing the largest absolute declines, were machinery and vehicles, textile fibers, and manufactures, chemicals, and related products.

With respect to the commodity composition of imports, some observers have noted that imports of manufactured goods are increasing, while imports of raw materials are declining. This shift in emphasis has been attributed both to industrial recovery abroad and to the current weakness of the United States commodity market.

Along with the general decline in imports and exports, there were similar declines in trade with the Soviet Union and other Eastern European Nations. Exports declined from $13.8 million to $9.1 million, with exports to the Soviet Union continuing to be almost negligible (amounting to only about $200,000 in January). Imports from this area declined from $12.7 million to $8.0 million, largely because of the decline in goods arriving from the Soviet Union from $6.6 million to $1.6 million. The highly important imports of chrome and manganese ore from Russia dropped from $2.7 million to $1.2 million, but were still above the January figure for 1948.

It is interesting to note that the latest available figures indicate that, in spite of the general tendency of the foreign trade of the United States to decline because of declining exports, the value of water-borne trade from Texas ports continues to be well maintained above levels existing a year ago. In November 1948 water-borne exports reached the very high figure of $123 million, an increase of 44% from the previous month and 46% above the 1947 average. In the same month imports declined by 16% from $15.3 million in October to $12.8 million in November, but were still 56% above the 1947 average. It is, of course, possible that the unusually large export figure for November may be due to a diversion of exports from the east coast ports because of the November maritime strike in those ports.

An increasingly important item of United States "export" is information concerning United States methods and techniques of production. This trend in the direction of seeking such information from the United States is undoubtedly a reflection of the pre-eminent economic position which has been achieved by the United States. An important aspect of the program being conducted by the Economic Cooperation Administration is the providing of this technical information. By so doing it is believed that the achievement of the purpose of the E. C. A. program will be greatly facilitated and the costs of the program to the American taxpayer significantly reduced. The E. C. A. recently stated that it had received more than 200 requests from European countries for information relating to "fields ranging from steel processing and shipbuilding to ceramics and the production of peanuts." However, this program of technical assistance is still gaining momentum. The program is being carried out in numerous ways, such as sending American experts abroad for consultation, bringing European observers to this country, and distributing technical literature, special studies, and surveys. The cost of the program is being borne jointly by the United States Government and the government participating in the European Recovery Program.

FOREIGN TRADE OF TEXAS PORTS

(in millions of dollars)

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

Customs district	Dec. 1948	Nov. 1948	Dec. 1947	Percent change: Dec. 1948 from Dec. 1947	Percent change: Dec. 1948 from Nov. 1948
EXPORTS, TOTAL	31.8	25.7	42.8	— 25.7	+ 23.7
El Paso	3.9	2.5	3.7	+ 5.4	+ 56.0
Laredo	27.9	23.2	39.1	— 28.6	+ 20.3
IMPORTS, TOTAL	34.1	20.1	15.1	+125.8	+ 69.7
El Paso	1.0	1.8	1.8	— 44.4	— 44.4
Galveston	24.1	9.9	7.7	+213.0	+143.4
Laredo	6.5	6.3	5.6	+ 16.1	+ 3.2
Sabine	2.5	2.1	*	.....	+ 19.0

*Less than 50,000.

WATER-BORNE EXPORTS OF DOMESTIC AND FOREIGN MERCHANDISE

(in thousands of dollars)

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

Customs district	Nov. 1948	Oct. 1948	Monthly average 1947	Percent change: Nov. 1948 from 1947 avg.	Percent change: Nov. 1948 from Oct. 1948
TOTAL	123,100	85,400	84,400	+ 45.9	+ 44.1
Sabine	14,000	11,900	14,400	— 2.8	+ 17.6
Galveston	108,600	71,200	89,300	+ 21.6	+ 52.5
Laredo	500	2,300	700	— 28.6	— 78.3

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.)

Industrial activity in Texas showed small declines from January to February, following a similar downturn the month before. These reductions, though not alarming, were sharper than the regular seasonal drop.

The four principal indicators of manufacturing in Texas showed like trends. The industrial use of electric power was down fractionally and crude oil runs to stills were off 2.0% on a seasonally adjusted basis; manufacturing employment slid 1.7%; and man-hours worked in manufacturing establishments dropped 3.1%.

In general, the State's industry appeared to be operating at approximately the same level of activity as at the beginning of 1948.

REFINERY STOCKS*

(in thousands of barrels)

Source: *The Oil and Gas Journal*

Section and item	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TEXAS					
Gasoline	25,120	23,064	24,556	+ 2.3	+ 8.9
Distillate	9,794	12,534	5,678	+72.5	—21.8
Residual	10,889	12,049	6,704	+62.4	— 9.6
Kerosene	3,312	3,508	1,383	+139.5	— 5.6
TEXAS GULF COAST					
Gasoline	20,003	18,897	20,348	— 1.7	+ 5.9
Distillate	9,249	11,843	5,363	+72.5	—21.9
Residual	9,892	10,843	5,817	+70.1	— 8.8
Kerosene	2,903	2,980	1,191	+143.7	— 2.6
INLAND TEXAS					
Gasoline	5,117	4,167	4,208	+21.6	+22.8
Distillate	545	691	315	+73.0	—21.1
Residual	997	1,206	887	+12.4	—17.3
Kerosene	409	528	192	+113.0	—22.5

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

Refinery operations as measured by *crude runs to stills* slipped 10.7% under January and held extremely close to the February 1949 level. Most of the monthly decline was related to the usual seasonal factors, however. February runs totaled 45,898,588 barrels, and the seasonally adjusted index stood 77.8% above the prewar base period. Company *stocks* of petroleum products, though declining somewhat from January to February, showed supplies to be extremely heavy as related to last year.

Lumber production in the pine mills of Texas and other southern states turned downward in January, the latest month for which figures are available. Simultaneously, a decline in shipment during the month and a further rise in stocks pointed to a market situation somewhat more sluggish in January than in the other months of comparison. Indexes of Southern pine production, as computed by the Southern Pine Association of New Orleans, throw some interesting light on the current relation of production, shipments, and stocks of southern pine. January production was 17% above the 1935–39 base period, shipments were up just 5%, and gross stocks at the end of the month were up nearly 200%.

LUMBER PRODUCTION IN SOUTHERN PINE MILLS

(in million board feet)

Source: Southern Pine Association

Item	Jan. 1949	Dec. 1948	Jan. 1948	Percent change: Jan. 1949 from Jan. 1948	Percent change: Jan. 1949 from Dec. 1948
Production	694	732	701	— 1.0	— 5.2
Shipments	626	645	717	—12.7	— 2.9
Gross stocks, end of month	1,771	1,703	1,301	+36.1	+ 4.0

Production was slightly under January of last year and shipments were off a sizable 12.7%, but stocks were more than a third greater.

Cement production in Texas followed a pattern very similar to that of southern pine. January production and shipments dropped below December, while stocks jumped up nearly 50%. Seasonally adjusted, the January output of cement was 14.7% under December. It was, however, above January 1948 by a good margin (16.6%).

CEMENT PRODUCTION

(in thousands of barrels)

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

Item	Jan. 1949	Dec. 1948	Jan. 1948	Percent change: Jan. 1949 from Jan. 1948	Percent change: Jan. 1949 from Dec. 1948
Production	1,090	1,307	935	+16.6	—16.6
Shipments	879	1,247	909	— 3.3	—29.5
Stocks	641	480	543	+18.0	+49.1

Cotton consumption by Texas mills in February declined 4.9% from January and 12.3% from February a year ago.

COTTON MANUFACTURING

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

Item	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
CONSUMPTION*					
Cotton	12,054	12,681	13,745	—12.3	— 4.9
Linters	2,556	2,278	2,031	+25.8	+12.2
SPINNING ACTIVITY					
Spindles in place	246,000	244,000	234,000	+ 5.1	+ 0.8
Spindles active	202,000	200,000	229,000	—11.8	+ 1.0
Total spindle hours	71,000,000	76,000,000	89,000,000	—20.2	— 6.6
Average spindle hours	291	312	380	—23.4	— 6.7

*In running bales.

Grapefruit juice canning activity during the current season through February 26 showed a production gain of 5.2% over last season. Shipments were up 0.8%, but stocks were below a year ago. The full impact of the late January freeze had probably not been seen up to the end of February.

GRAPEFRUIT JUICE CANNING

(in cases of 24/2's)

Source: Texas Canners Association

Item	1948–49 Season*	1947–48 Season*	Percent change 1948–49 from 1947–48
Production	4,289,908	4,079,074	+ 5.2
Shipments	2,299,938	2,281,906	+ 0.8
Stocks	2,382,194	2,559,550	— 6.9

*As of week ending February 26.

Dairy manufacturing in February failed to come up to seasonal expectations because of a decline in creamery butter output. Manufacture of other dairy products was stepped up, however.

MANUFACTURE OF DAIRY PRODUCTS

Products	Unit	Feb. 1949	Jan. 1949	Feb. 1948	Percent change Feb. 1949 from Feb. 1948	Percent change Feb. 1949 from Jan. 1949
TOTAL MILK EQUIVALENT*	1,000 lbs.	34,508	34,381	32,223	+ 7.1	+ 0.4
Creamery butter	1,000 lbs.	901	960	823	+ 9.5	— 6.1
Ice cream†	1,000 gals.	680	645	704	— 3.4	+ 5.4
American cheese	1,000 lbs.	405	355	439	— 7.7	+14.1
All others	1,000 lbs.	1,753	1,499	1,124	+56.0	+16.9

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

†Includes sherbets and ices.

Wheat grindings in January turned in a slightly-under-seasonal rise approaching 5% above December 1948, but were 11.3% under January 1948. The adjusted index for January was 136.2% of its prewar base.

WHEAT GRINDING AND FLOUR PRODUCTION

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

Item	Unit	Jan. 1949	Dec. 1948	Jan. 1948	Percent change Jan. 1949 from Jan. 1948	Percent change Jan. 1949 from Dec. 1948
Wheat ground	1,000 bu.	3,469	3,310	3,913	—11.3	+ 4.8
Wheat flour	1,000 sks.	1,524	1,451	1,730	—11.9	+ 5.0

Construction

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

Construction activity remained at a high level in Texas during February and building permits pointed to a continuation of the level. *Construction contract awards* declined seasonally from January, but stood 44.2% over February a year ago as a result of an 80.0% expansion in contracts let for residential building.

Building permits increased 12.1% after seasonal adjustment. The level of the index in February was almost four times its prewar (1935–39) base.

BUILDING PERMITS

City	February 1949	January 1949	February 1948
TOTAL	$27,103,984	$23,053,095	$34,899,957
Abilene	424,812	499,816	254,215
Amarillo	2,060,600	326,825	591,825
Austin	2,243,870	1,766,292	1,557,525
Beaumont	1,147,975	737,461	478,854
Big Spring	65,280	244,190	102,325
Borger	75,500	22,300	111,100
Brownsville	255,165	162,975	58,390
Brownwood	59,290	29,850	153,613
Bryan	88,525	448,387	56,225
Childress	12,300	1,150	48,295
Cleburne	66,275	1,550	18,000
Corpus Christi	871,945	894,658	3,919,895
Dallas	4,224,135	5,809,694	6,119,065
Denison	60,304	18,070	36,815
Denton	94,300	54,500	58,550
Edinburg	23,360	17,000	33,100
El Paso	677,590	750,580	878,585
Fort Worth	1,746,062	1,871,601	1,286,239
Gainesville	42,200	24,725	43,025
Galveston	567,506	653,967	174,127
Houston	5,901,700	3,876,250	10,819,125
Jacksonville	19,044	48,165	24,800
Kenedy	8,300	475	7,362
Kerrville	69,300	9,090	45,910
Lamesa	55,600	12,500	28,600
Lockhart	11,100	4,350	34,310
Longview	135,900	112,950	70,625
Lubbock	797,044	256,118	1,259,097
McAllen	45,950	33,975	86,035
Marshall	26,776	61,975	403,674
Midland	521,250	143,900	286,250
New Braunfels	100,875	51,105	75,015
Palestine	19,935	18,580	69,275
Pampa	62,228	42,672	103,150
Paris	15,075	35,250	18,725
Plainview	71,000	65,000	195,600
Port Arthur	323,220	226,955	182,938
San Angelo	299,240	195,174	480,079
San Antonio	2,429,769	2,511,781	2,312,813
Sherman	55,635	30,910	49,997
Sweetwater	70,255	8,950	56,420
Temple	209,525	66,732	230,475
Texarkana	61,799	39,183	377,135
Texas City	35,090	144,705	199,030
Tyler	155,990	197,659	326,649
Waco	450,135	403,190	793,480
Wichita Falls	345,255	119,910	383,620

Home *loans made by savings and loan associations* showed a seasonal reduction from January to February. Refinance and recondition loans were above February last year in both number and amount, whereas loans for new home construction were fewer but greater in value and loans for the purchase of homes were down in both instances.

CONSTRUCTION CONTRACTS

Source: *Texas Contractor*

Type of building	Feb. 1949	Jan. 1949	Feb. 1948	Percent change Feb. 1949 from Feb. 1948	Percent change Feb. 1949 from Jan. 1949
TOTAL	$ 75,189,015	$ 83,198,573	$ 52,130,914	+ 44.2	— 9.6
Engineering	8,680,853	8,920,610	15,209,963	— 42.9	— 2.7
Nonresidential	28,468,324	32,212,401	16,091,282	+ 76.9	— 11.6
Residential	38,039,838	42,065,562	21,130,914	+ 80.0	— 9.6

LOANS MADE BY SAVINGS AND LOAN ASSOCIATIONS

Source: Federal Home Loan Bank of Little Rock

Type	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
NUMBER, TOTAL	1,508	1,576	1,376	+ 9.6	— 4.3
Construction	329	412	363	— 9.4	—20.1
Purchase	517	553	604	—14.4	— 6.5
Refinance	209	187	111	+88.3	+11.8
Recondition	175	181	106	+65.1	— 3.3
Other	278	243	192	+44.8	+14.4
AMOUNT, TOTAL	$5,928,086	$6,106,775	$5,624,728	+ 5.4	— 2.9
Construction	1,810,977	2,033,153	1,682,489	+ 7.6	—10.9
Purchase	2,165,252	2,240,874	2,774,042	—21.9	— 3.4
Refinance	894,188	621,384	359,007	+149.1	+43.9
Recondition	298,692	384,889	201,549	+48.2	—22.4
Other	758,977	826,475	607,641	+24.9	— 8.2

Public Utilities

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

Consumption of *electric power* by all users in Texas declined less than seasonally expected and held 11.0% above February 1948. All types of users turned in monthly reductions but important year-to-year gains. After seasonal adjustment the total power index rose 5.1% over January, and the *index of industrial power* dipped fractionally.

Output capacity of electric utility plants in the nation has been expanded 50% above 1939, according to a recent report of the Edison Electric Institute. Company expansion schedules for the next three years point to a further $8.5 billion expenditures toward increased capacity.

Federal Power Commission reports for January show that *electric energy production* for public use in Texas amounted to over 802 million kilowatt-hours, a level slightly (1.7%) under December 1948 but 12.1% above January of last year. This yearly advance put Texas above the nation in rate of increase, since national production rose only 6.7%.

The *number of telephones* in service continued to move up at the rate of 1% a month. There are now 1,062,484 telephones in service in 40 major Texas cities, an increase of 13.7% over last year.

ELECTRIC POWER CONSUMPTION*

(in thousands of kilowatt hours)

Use	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	591,938	611,152	533,169	+11.0	— 3.1
Commercial	126,089	126,331	112,523	+12.1	— 0.2
Industrial	266,106	279,088	245,541	+ 8.4	— 4.7
Residential	108,546	111,725	97,733	+11.1	— 2.8
Other	91,197	94,008	77,372	+17.9	— 3.0

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

Natural Resources

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

Considerable uneasiness pervaded the petroleum situation in Texas as the Railroad Commission announced a fourth successive reduction in allowable oil production for April. Domestic producers were fearful that oil imports furnished a threat to "the nation's welfare and security." The National Petroleum Council called for a cut in crude oil imports to avoid seriously hampering the "productive ability of the domestic industry." Standard Oil announced that negotiations had been made in December to reduce its crude imports from the Middle East in the second and third quarters of 1949. Opinions on the wisdom of continuing importation of foreign oil were mixed, but the conservation aspect of such imports to the domestic economy were fairly generally overlooked or discounted.

Other considerations of the Railroad Commission in announcing a cut of 234,211 daily barrels in March were that Texas stocks of crude were heavy, the Bureau of Mines forecast of demand for Texas crude during April was down, and indicated purchaser nominations were dropping.

Texas *crude oil production* during March averaged 2,321,850 barrels a day. This level of output was still 86.4% above the prewar base and was not too far from last fall's record production.

Drilling operations measured by *well completions* in 1949 to date have been above last year, with the greatest expansion in the Panhandle and North Central Texas.

Value of carbon black and natural and casinghead gas output showed important monthly and yearly advances; however, crude oil output declined in both instances.

VALUE OF NATURAL RESOURCES PRODUCED

Source: State Comptroller of Public Accounts

Item	February 1949	January 1949	February 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
Carbon black	$ 3,311,804	$ 1,673,442	$ 3,087,044	+ 7.3	+ 97.9
Crude oil	181,508,657	202,754,483	188,114,624	— 3.5	— 10.5
Natural and casinghead gas	14,785,779	10,839,019	11,579,288	+ 27.7	+ 36.4

WELL COMPLETIONS

Source: *The Oil and Gas Journal*

District	February 1949* Total	Oil	Gas	Dry	Jan.-Feb. (all wells) 1949	1948
TEXAS	790	470	62	258	1,845	1,676
North Central Texas	230	113	2	115	564	491
West Texas	161	132	6	23	402	443
Panhandle	104	56	40	8	193	93
Eastern Texas	43	28	2	13	94	92
Texas Gulf Coast	118	72	7	39	285	277
Southwest Texas	134	69	5	60	307	280

*For 4 weeks ending 26th of February.

AGRICULTURE

Income

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

Farm income in Texas dropped again in February, for the fifth straight month, on a seasonally adjusted basis. The February index slid to 192.0% of the prewar period and represented the lowest level of income since early 1942. Dollar cash income last month was only $43,594,000 according to Bureau of Business Research estimates. It was down 15% from February a year ago and 28% below January 1949.

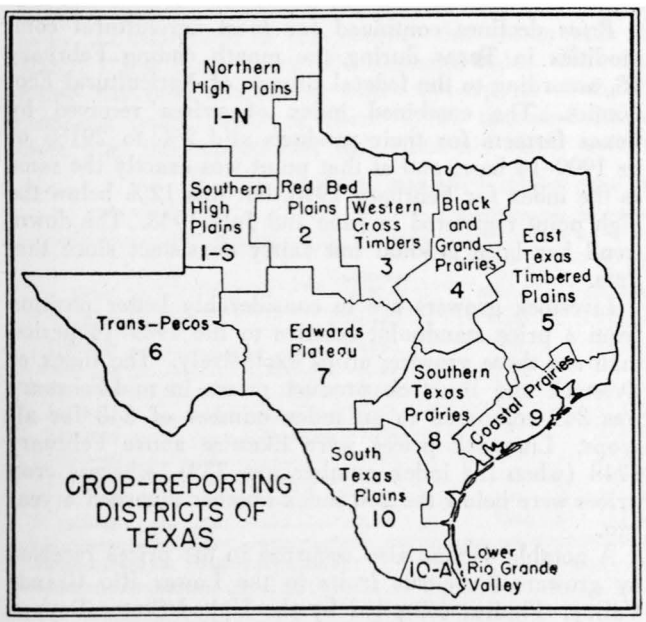
While the February record of farm income paints a somewhat bleak picture of the Texas farm situation, it should not be overlooked that 1948 started on a similar note, but recovered some of its decline in the summer and fall. Although it failed by far to match the record 1947 income figure, 1948 remains on the record as the second best year in history for Texas agriculture. This matter should be considered in comparing 1949 income with that of 1948. The fact remains, however, that in February 1949 for the first time since early in the war (1942), the monthly income of Texas farmers on a seasonally adjusted basis did not exceed the 1935–39 average by 100%.

Year to date figures on farm income in Texas reveal the same trend, a decline of 24% for the first two months this year under their year-earlier figures. The explanation lies almost entirely in a reduction in the volume of products marketed, since the level of Texas farm prices as a whole was the same at the first of 1949 as at the same time in 1948; that is, at 291% of the August 1909–July 1914 base period. As indicated in the section on prices, there were variations among commodities as to price changes, and in general crop prices are below last year while most livestock products have held their own or actually increased.

By areas of the State, the Lower Rio Grande Valley suffered the greatest loss in dollar income in comparison with last year, reflecting the harsh damage done by recent weather conditions to the citrus and vegetable crops.

FARM CASH INCOME

District	Indexes, 1935–39 = 100, adjusted for seasonal variation			Amount, Jan.-Feb. (in thousands of dollars)	
	Feb. 1949	Jan. 1949	Feb. 1948	1949	1948
TEXAS	192.0	211.0	234.1	$ 104,000	$ 137,642
1-N	375.7	437.6	458.7	13,491	16,203
1-S	265.1	242.2	283.3	10,972	23,604
2	210.5	217.0	218.8	8,801	12,064
3	266.4	271.9	280.0	5,074	5,788
4	151.9	142.0	178.0	14,939	18,076
5	247.8	192.5	287.2	7,095	8,190
6	130.2	180.8	131.1	3,839	4,290
7	187.7	181.3	206.9	4,739	5,963
8	276.3	304.3	290.2	10,792	11,735
9	460.1	363.5	402.7	11,786	12,159
10	299.0	241.6	472.6	4,769	6,638
10-A	86.5	220.6	258.8	7,703	12,932



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.)

Marketings of the majority of individual farm commodities were lower in February 1949 than in either the preceding month this year or in February 1948. Major declines under last February were in cotton and cotton-

SHIPMENTS OF LIVESTOCK

(in carloads)*

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

Classification	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL SHIPMENTS	2,830	3,969	2,562	+ 10.5	— 28.7
Cattle	1,705	2,564	1,480	+ 15.2	— 33.5
Calves	305	609	360	— 15.3	— 49.9
Hogs	670	570	552	+ 21.4	+ 17.5
Sheep	150	226	170	— 11.8	— 33.6
INTERSTATE PLUS FORT WORTH	2,627	3,680	2,304	+ 14.0	— 28.6
Cattle	1,555	2,345	1,288	+ 20.7	— 33.7
Calves	272	552	309	— 12.0	— 50.7
Hogs	666	566	544	+ 22.4	+ 17.7
Sheep	134	217	163	— 17.8	— 38.2
INTRASTATE MINUS FORT WORTH†	203	289	258	— 21.3	— 29.8
Cattle	150	219	192	— 21.9	— 31.5
Calves	33	57	51	— 35.3	— 42.1
Hogs	4	4	8	— 50.0	0.0
Sheep	16	9	7	+128.6	+ 77.8

*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.

seed and fruits and vegetables. Most livestock items, however, registered heavier marketings than a year ago. All commodities except hogs and rice were marketed in smaller quantities in February 1949 than in January 1949.

Total *livestock shipments* from Texas stations slid 28.7% under January 1949, but were a strong 10.5% greater than a year ago in February. Cattle and hogs were responsible for the increase, for loadings of sheep and calves were down. In February as compared with January 1949 all items were off except hogs, with a 17.5% rise in shipments.

RAIL SHIPMENTS OF FRUITS AND VEGETABLES†

(in carloads)

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

Item	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	4,652	8,852	12,871	— 63.9	— 47.4
Beets	58	80	108	— 46.3	— 27.5
Broccoli	41	37	50	— 18.0	+ 10.8
Cabbage	725	1,435	3,007	— 75.9	— 49.5
Carrots	1,088	1,224	849	+ 28.2	— 11.1
Grapefruit	692	1,870	3,235	— 78.6	— 63.0
Lettuce	69	576	157	— 56.1	— 88.0
Mixed citrus	92	354	496	— 81.5	— 74.0
Mixed vegetables	1,292	2,582	2,802	— 53.9	— 50.0
Oranges	152	156	1,137	— 86.6	— 2.6
Spinach	423	473	808	— 47.6	— 10.6
Other	20	65	222	— 91.0	— 69.2

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

The effect of the late January freeze was pronounced, as seen in the accompanying table of *fruit and vegetable shipments*. A survey made by the Texsun Citrus Exchange showed the recent freeze cost the Valley 15 to 18% of its grapefruit and 16% of its oranges. February shipments of both fruits and vegetables were 47.4% under those of January 1949 and 63.9% below those of February 1948. Personnel and price problems were also of new concern to citrus growers last month, as witnessed by the fact that one of the largest canning enterprises in the Valley temporarily suspended its canning and by-products operations in the face of a sharp drop in quality of fruit. Carelessness of harvesting crews working under increased pressure from growers was held to be the main factor behind the decline in quality of fruit offered for processing. Citrus fruit prices received by farmers also dropped nearly 50% from mid-January to mid-February.

Prospective plantings in 1949 for Texas farmers indicate a 5% reduction in total acreage of crops (excluding cotton) from 1948 and a 4% reduction from the 10-year (1938–47) average. Wheat and flaxseed were notable exceptions to the declines, for the acreage planted to wheat in Texas last fall was the largest on record. In late March weather conditions seemed favorable for good harvests of crops already planted.

Egg shipments by rail from Texas stations declined to 20 carloads in February from 88 in January and 40 in February a year ago.

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	February 1949	January 1949	February 1948
Chickens	0	2	6
Turkeys	0	2	2
Eggs—shell equivalent*	20	88	40
Shell	0	0	0
Frozen	2	8	4
Dried	2	9	4

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

INTERSTATE RECEIPTS OF EGGS BY RAIL AT TEXAS STATIONS

(in carloads)

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

Type	February 1949	January 1949	February 1948
TOTAL RECEIPTS—SHELL EQUIVALENT*	16	13	10
Shell	2	3	0
Frozen	3	5	1
Dried	1	0	1

*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.

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.)

Price declines continued for most agricultural commodities in Texas during the month ending February 15, according to the federal Bureau of Agricultural Economics. The combined index of prices received by Texas farmers for their products slid 2% to 291% of its 1909–14 base, and at that point was exactly the same as the index for February 1948, but was 12% below the high point registered in June and July 1948. The downtrend has been gradual but fairly consistent since that time.

Livestock growers are in considerably better position from a price standpoint relative to the 1909–14 period than are those growing crops exclusively. The index of livestock and livestock product prices in mid-February was 349 compared to an index number of 248 for all crops. Livestock prices were likewise above February 1948 (when the index number was 332), whereas crop prices were below the 260 index number recorded a year ago.

A notable decline also occurred in the prices received by growers for citrus fruits in the Lower Rio Grande Valley. Figures compiled by the United States Depart-

ment of Agriculture show a price decline of nearly 50% in both oranges and grapefruit from their January levels. The new prices were approximately the same as the average for the 1935–39 seasons, whereas the January prices had soared well above that figure.

PRICES OF TEXAS FARM PRODUCTS

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

Commodity	Unit	Feb. 1949	Jan. 1949	Feb. 1948
Wheat	bu.	$ 1.96	$ 2.05	$ 2.11
Corn	bu.	1.41	1.51	2.00
Oats	bu.	0.88	0.97	1.10
Barley	bu.	1.19	1.25	1.55
Grain sorghum	cwt.	2.08	2.25	2.70
Rice	bu.	2.85	2.95	3.40
Flaxseed	bu.	5.70	5.70	5.90
Potatoes	bu.	2.10	2.10	1.80
Sweet potatoes	bu.	3.00	2.80	2.65
Cotton lint	lb.	0.291	0.287	0.286
Cottonseed	ton	64.00	73.00	89.00
Cowpeas	bu.	4.15	4.30	4.10
Peanuts	lb.	0.098	0.103	0.096
Hogs	cwt.	18.50	19.70	21.20
Beef cattle	cwt.	19.00	20.00	18.20
Veal calves	cwt.	21.50	22.50	21.10
Sheep	cwt.	9.80	10.00	10.00
Lambs	cwt.	20.50	20.70	18.70
Milk cows	head	149.00	154.00	124.00
Chickens	lb.	0.289	0.290	0.242
Turkeys	lb.	0.372	0.401	0.302
Eggs	doz.	0.437	0.467	0.436
Butter	lb.	0.64	0.66	0.71
Butterfat	lb.	0.57	0.59	0.74
Milk, retail	qt.	0.200	0.203	0.197
Milk, wholesale	cwt.	6.10	6.30	6.35
Wool	lb.	0.66	0.58	0.42
All hay, loose	ton	23.60	23.30	24.50
Alfalfa hay, loose	ton	31.00	31.00	35.00

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.)

The cotton balance sheet shows an increase on March 1, 1949, over the same date last year of over two million bales. Consumption in this country this cotton year to March 1 was down about 600 thousand bales. This decrease has been more than offset by exports of 2,400 thousand bales. This is about 1,400 thousand bales more than the exports last year. The net result is that total disappearance this cotton year to March 1 has been about one million bales ahead of last year.

There are two big questions in the cotton market at the present. The one of most immediate concern is, what price will be necessary to draw sufficient supplies of cotton out of Government loan to meet the domestic demand and export requirements for the remainder of the year? The strength of the market will tend to express itself in the price of current active month futures due to a large volume of long hedges.

The second big question concerns the probable size of the 1949 cotton crop, especially in the United States. It is generally conceded that there will be an increase in acreage planted to cotton of about 10%. It is a mistake to assume that this means an increase in production over last year. Even with an acreage of 25 million it will require an average yield per acre of 275 pounds to equal the 1948 crop. Based on experience during the 10 years ending with the 1948 record yield, the chance of having that high a yield per acre is 1 in 5.

Present discounts in the futures market offer spinners a good chance to cover forward sales of goods out of new crop at attractive prices. The Government loan is thus retarding the flow of this crop into consumption. The present price structure suggests that farmers who have substantial equities in loan cotton would be wise to sell those equities rather than turn the cotton over to the Government.

Cold Storage

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

The reduced supply of farm products held in *cold storage* places in Texas on February 1 pointed to a rather heavy net out-movement of fruits, vegetables, and livestock products during the month of January. Nuts and frozen vegetables were the only two commodities which came in more rapidly then they were shipped out of cold storage places during the month. Dairy product holdings showed a net drop of 31.9% from January 1, 1949, and a decline of 57.8% from February 1, 1948.

COTTON BALANCE SHEET FOR THE UNITED STATES AS OF MARCH 1

(in thousands of running bales except as noted)

Year	Carryover Aug. 1	Imports to Mar. 1	Government final ginnings	Total	Consumption to Mar. 1	Exports to Mar. 1*	Total	Balance as of Mar. 1
1939–40	13,033	103	11,481	24,617	4,704	4,917	9,621	14,996
1940–41	10,596	72	12,298	22,966	5,216	714	6,030	16,936
1941–42	12,367	214	10,495	23,076	6,280	727	7,007	16,069
1942–43	10,590	144	12,438	23,172	6,503	653	7,150	16,022
1943–44	10,687	103	11,129	22,924	5,902	810	6,712	16,212
1944–45	10,727	77	11,839	22,643	5,652	814	6,466	16,177
1945–46	11,164	192	8,813	20,369	5,153	1,683	6,836	13,533
1946–47	7,522	180	8,513	16,215	6,044	2,234	8,278	7,937
1947–48	2,521	200	11,694†	14,397	5,423	1,065	6,295	8,102
1948–49	2,823	138‡	14,540	17,501	4,844	2,427	7,291	10,210

*Figures are in 500-pound bales.
†December estimate.
‡To February 1.

LOCAL BUSINE

City and item	February 1949	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
ABILENE:			
Retail sales of independent stores		+ 3.0	+ 6.2
Department and apparel store sales		— 4.8	+ 6.3
Postal receipts	$ 37,637	+ 18.1	— 10.6
Building permits	$ 424,812	+ 67.1	— 15.0
Bank debits to individual accounts (thousands)	$ 29,839	+ 2.4	— 7.3
End-of-month deposits (thousands)*	$ 42,871	+ 3.6	+ 1.0
Annual rate of deposit turnover	8.4	0.0	— 7.7
Air express shipments	122	0.0	— 6.9
Unemployment	1,750	+ 18.6	+ 30.6
Placements in employment	413	+ 17.0	+ 0.2
Nonagricultural civilian labor force	19,150	+ 11.1	+ 2.2
AMARILLO:			
Retail sales of independent stores		— 5.9	+ 6.1
Department and apparel store sales		— 3.0	+ 26.9
Postal receipts	$ 71,114	+ 23.1	— 9.6
Building permits	$ 2,060,600	+248.2	+530.5
Bank debits to individual accounts (thousands)	$ 76,018	+ 5.9	— 14.1
End-of-month deposits (thousands)*	$ 83,536	+ 1.0	— 0.2
Annual rate of deposit turnover	10.9	+ 6.9	— 12.8
Air express shipments	415	— 8.2	— 1.7
Unemployment	1,700	— 2.9	— 2.9
Placements in employment	474	— 15.4	+ 3.9
Nonagricultural civilian labor force	35,750	+ 3.0	+ 0.4
AUSTIN:			
Retail sales of independent stores		0.0	+ 3.4
Department and apparel store sales		— 2.7	— 4.7
Postal receipts	$ 160,934	+ 22.8	+ 30.9
Building permits	$ 2,243,870	+ 44.1	+ 27.0
Bank debits to individual accounts (thousands)	$ 117,603	+ 18.2	— 23.4
End-of-month deposits (thousands)*	$ 103,206	+ 3.1	— 4.9
Annual rate of deposit turnover	13.3	+ 10.8	— 23.6
Air express shipments	354	— 11.1	— 19.7
Unemployment	2,240	+ 31.7	+ 26.2
Placements in employment	670	+ 6.9	+ 17.5
Nonagricultural civilian labor force	45,390	+ 2.1	+ 0.7
Railroad carloadings:			
Inbound	948	— 2.9	— 7.7
Outbound	312	+ 15.6	— 6.0
BEAUMONT:			
Retail sales of independent stores		+ 11.9	— 2.0
Department and apparel store sales		+ 1.5	+ 0.3
Postal receipts	$ 52,266	+ 12.1	— 17.0
Building permits	$ 1,147,975	+139.7	+ 55.7
Bank debits to individual accounts (thousands)	$ 93,481	+ 7.6	— 7.3
End-of-month deposits (thousands)*	$ 103,798	+ 5.0	+ 1.3
Annual rate of deposit turnover	10.9	+ 2.8	— 8.4
Export and coastal cars unloaded	37	— 91.7	— 85.0
Air express shipments	305	+ 1.7	— 6.7
Water-borne commerce (tons)	5,299	— 72.4	— 54.9
Unemployment (area)	6,175	+ 12.8	+ 14.4
Placements in employment (area)	1,287	— 14.9	— 28.5
Nonagricultural civilian labor force (area)	77,175	+ 8.4	+ 0.1
BROWNSVILLE:			
Postal receipts	$ 13,733	+ 13.3	— 19.2
Building permits	$ 255,165	+337.0	+ 56.6
Export cars unloaded	241	— 23.0	— 3.2
Coastal cars unloaded	16	— 87.6	+ 33.3
Water-borne commerce (tons)	35,931	— 23.7	— 59.7
Air express shipments	342	— 70.0	— 7.8

*Excludes deposits to credit of banks.

City and item	February 1949	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
BROWNWOOD:			
Retail sales of independent stores		— 7.9	+ 3.1
Department and apparel store sales		+ 3.0	0.0
Postal receipts	$ 11,167	+ 8.0	— 6.7
Building permits	$ 59,290	— 61.4	+ 98.6
Air express shipments	19	— 29.6	0.0
BRYAN:			
Department and apparel store sales		— 21.4	— 38.4
Postal receipts	$ 10,699	+ 21.4	— 5.4
Building permits	$ 88,525	+ 57.4	— 80.3
Air express shipments	21	+ 40.0	— 22.2
CORPUS CHRISTI:			
Retail sales of independent stores		+ 23.5	+ 0.7
Department and apparel store sales		+ 1.6	— 17.8
Postal receipts	$ 75,008	+ 18.4	— 10.8
Building permits	$ 871,945	— 77.8	— 2.5
Bank debits to individual accounts (thousands)	$ 66,972	+ 1.8	— 14.6
End-of-month deposits (thousands)*	$ 80,157	+ 10.4	+ 1.9
Annual rate of deposit turnover	10.1	— 6.5	— 14.4
Air express shipments	370	— 5.9	+ 7.2
Water-borne commerce (tons)	1,688,110	— 5.6	— 9.4
Unemployment	2,300	— 41.0	+ 9.5
Placements in employment	1,134	+ 42.8	+ 22.6
Nonagricultural civilian labor force	53,200	+ 8.2	0.0
Water connections	23,558	+ 9.2	+ 0.7
Electrical connections	27,455	+ 8.7	+ 0.7
DALLAS:			
Retail sales of independent stores		+ 2.1	+ 7.5
Apparel stores		— 3.3	+ 6.6
Automotive stores		+ 34.8	+ 6.7
Drug stores		+ 1.6	— 1.6
Eating and drinking places		— 11.3	— 6.0
Florists		+ 9.3	+ 13.6
Food stores		+ 3.3	+ 20.7
Furniture and household stores		— 13.6	+ 8.0
General merchandise stores		+ 3.7	+ 3.2
Lumber, building materials, and hardware stores		— 19.0	+ 42.7
All other stores		+ 1.9	+ 7.6
Postal receipts	$ 860,360	+ 20.1	— 4.4
Building permits	$ 4,224,135	— 31.0	— 27.3
Air express shipments	6,767	+ 10.1	— 10.7
Bank debits to individual accounts (thousands)	$ 924,118	+ 7.9	— 18.9
End-of-month deposits (thousands)*	$ 749,865	+ 9.3	+ 1.0
Annual rate of deposit turnover	14.9	0.0	— 17.2
Unemployment	9,200	+ 8.2	+ 22.7
Placements in employment	3,306	— 6.5	+ 4.7
Nonagricultural civilian labor force	239,500	+ 7.7	+ 0.6
DENISON:			
Retail sales of independent stores		+ 29.2	+ 25.0
Department and apparel store sales		+ 37.9	— 13.4
Postal receipts	$ 9,741	— 1.6	— 20.4
Building permits	$ 60,304	+ 63.8	+233.7
Bank debits to individual accounts (thousands)	$ 8,025	———	— 11.1
End-of-month deposits (thousands)*	$ 10,494	———	+ 18.2

*Excludes deposits to credit of banks.

CONDITIONS

City and item	February 1949	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
EL PASO:			
Retail sales of independent stores		+ 6.2	+ 6.8
Department and apparel store sales		— 1.5	+ 6.0
Postal receipts	$ 112,108	+ 16.4	— 15.1
Building permits	$ 677,590	— 22.9	— 9.7
Bank debits to individual accounts (thousands)	$ 120,244	+ 2.3	— 9.7
End-of-month deposits (thousands)*	$ 212,140	+ 4.4	+ 2.7
Annual rate of deposit turnover	12.0	+ 0.8	— 9.8
Air express shipments	1,184	— 11.7	— 1.1
Unemployment	3,000	— 1.6	+ 9.1
Placements in employment	790	+ 13.0	— 2.6
Nonagricultural civilian labor force	52,300	+ 1.5	+ 0.7
Railroad carloadings:			
Inbound	3,519	+ 10.9	+ 3.7
Outbound	2,748	— 19.9	— 0.5
FORT WORTH:			
Retail sales of independent stores		+ 0.3	— 4.2
Apparel stores		— 13.0	— 28.5
Automotive stores		+ 27.5	+ 7.5
Eating and drinking places		+ 5.4	— 8.1
Florists		— 21.5	— 9.1
Food stores		— 0.8	— 10.3
General merchandise stores		— 1.3	+ 5.5
Lumber, building materials, and hardware stores		— 8.2	— 14.8
All other stores		+ 3.6	— 8.5
Postal receipts	$ 366,480	+ 21.2	+ 2.4
Building permits	$ 1,746,062	+ 35.7	— 6.7
Air express shipments	1,399	+ 4.0	— 2.4
Bank debits to individual accounts (thousands)	$ 269,498	+ 2.8	— 15.1
End-of-month deposits (thousands)*	$ 295,675	+ 11.3	+ 1.5
Annual rate of deposit turnover	11.0	— 5.2	— 14.1
Unemployment	9,100	— 5.2	+ 12.3
Placements in employment	2,316	— 7.4	+ 22.5
Nonagricultural civilian labor force	137,200	+ 2.8	— 0.2
GALVESTON:			
Retail sales of independent stores		+ 3.4	— 2.6
Department and apparel store sales		+ 0.5	— 8.6
Postal receipts	$ 53,057	+ 4.3	— 6.8
Building permits	$ 567,506	+225.9	— 13.2
Bank debits to individual accounts (thousands)	$ 62,763	— 9.0	— 19.8
End-of-month deposits (thousands)*	$ 97,667	+ 4.5	+ 2.5
Annual rate of deposit turnover	7.8	— 12.4	— 19.6
Export and coastal cars unloaded	9,794	+ 32.5	+ 14.8
Air express shipments	334	— 4.6	+ 19.7
Unemployment (area)	2,300	+ 48.4	+ 15.0
Placements in employment (area)	454	— 49.9	— 33.8
Nonagricultural civilian labor force (area)	50,700	— 11.5	— 5.4
LAREDO:			
Department and apparel store sales		— 15.8	— 4.1
Postal receipts	$ 16,275	+ 9.8	— 16.9
Bank debits to individual accounts (thousands)	$ 16,117	+ 20.2	— 15.1
End-of-month deposits (thousands)*	$ 22,622	+ 3.6	— 0.8
Annual rate of deposit turnover	8.5	+ 16.4	— 16.7
Air express shipments	231	— 11.8	+ 3.1
Electric power consumption (thousand KWH)	2,787	+ 20.3	+ 5.2
Natural gas consumption (thousand cu. ft.)	92,600	— 2.2	+ 28.7
Tourists cars entering Mexico	3,019	+ 0.3	———
Tourists entering Mexico	9,851	+ 1.6	———

*Excludes deposits to credit of banks.

City and item	February 1949	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
HOUSTON:			
Retail sales of independent stores		+ 9.8	— 3.8
Apparel stores		+ 3.1	— 23.7
Automotive stores		+ 37.0	+ 19.8
Drug stores		— 8.2	— 12.9
Eating and drinking places		— 0.2	— 3.2
Food stores		— 0.3	— 5.1
Furniture and household stores		— 8.2	— 13.8
General merchandise stores		— 3.0	— 10.1
Lumber, building materials, and hardware stores		— 10.0	+ 4.2
All other stores		— 4.1	— 7.9
Postal receipts	$ 570,231	+ 16.9	— 7.2
Building permits	$ 5,901,700	— 45.5	+ 52.3
Air express shipments	4,749	+ 0.2	+ 3.6
Export and coastal cars unloaded	5,139	+ 39.9	+ 5.3
Bank debits to individual accounts (thousands)	$ 1,026,137	+ 14.4	— 15.2
End-of-month deposits (thousands)*	$ 924,215	+ 11.7	— 0.4
Annual rate of deposit turnover	13.3	+ 2.3	— 14.7
Unemployment	14,000	+ 48.9	+ 33.3
Placements in employment	3,626	— 15.0	— 4.4
Nonagricultural civilian labor force	324,700	+ 5.3	+ 0.1
Manufacturing employment	310,630	+ 3.9	— 1.0
Nonmanufacturing employment	237,075	+ 3.0	— 1.2
LAMESA:			
Retail sales of independent stores		+ 2.3	+ 12.8
Postal receipts	$ 5,530	+ 14.3	+ 5.2
Building permits	$ 55,600	+ 94.4	+344.8
LOCKHART:			
Retail sales of independent stores		+ 2.4	+ 1.2
Department and apparel store sales		— 0.2	— 29.2
Postal receipts	$ 2,069	+ 2.0	— 28.2
Building permits	$ 11,100	— 67.6	+155.2
Bank debits to individual accounts (thousands)	$ 2,546	+ 6.1	— 9.1
End-of-month deposits (thousands)*	$ 4,588	— 7.8	— 5.6
LUBBOCK:			
Retail sales of independent stores		+ 4.3	+ 5.4
Department and apparel store sales		— 12.8	+ 1.2
Postal receipts	$ 48,811	+ 6.9	— 15.9
Building permits	$ 797,044	— 36.7	+211.2
Bank debits to individual accounts (thousands)	$ 54,646	— 10.3	— 18.2
End-of-month deposits (thousands)*	$ 70,203	+ 4.3	— 3.3
Annual rate of deposit turnover	9.5	— 10.4	— 17.4
Air express shipments	239	— 1.2	— 1.6
Unemployment	1,200	+ 20.0	0.0
Placements in employment	477	+ 12.8	+ 7.2
Nonagricultural civilian labor force	26,750	+ 6.0	— 0.4
MARSHALL:			
Retail sales of independent stores		+ 2.0	— 8.9
Department and apparel store sales		+ 4.1	— 13.6
Postal receipts	$ 12,648	+ 15.6	— 12.2
Building permits	$ 26,776	— 93.4	— 56.8
PLAINVIEW:			
Retail sales of independent stores		— 4.0	+ 5.3
Department and apparel store sales		— 3.9	— 10.4
Postal receipts	$ 8,698	+ 28.6	— 3.6
Building permits	$ 71,000	— 63.7	+ 9.2
Air express shipments	26	— 52.7	— 3.7

*Excludes deposits to credit of banks.

LOCAL BUSINESS CONDITIONS

(Continued)

City and item	February 1949	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
PORT ARTHUR:			
Retail sales of independent stores		+ 4.1	— 2.6
Department and apparel store sales		+ 12.3	— 7.2
Postal receipts	$ 26,756	+ 14.8	— 6.4
Building permits	$ 323,220	+ 76.7	+ 42.4
Bank debits to individual accounts (thousands)	$ 33,788	+ 5.4	— 6.0
End-of-month deposits (thousands)*	$ 40,543	— 0.6	+ 0.8
Annual rate of deposit turnover	10.1	+ 6.3	— 6.5
Export cars unloaded	1,028	+ 16.0	+ 13.1
Coastal cars unloaded	425	+ 22.8	— 2.7
Air express shipments	141	+ 0.7	— 12.4
Unemployment (area)	6,175	+ 12.8	+ 14.4
Placements in employment (area)	1,287	— 14.9	— 28.5
Nonagricultural civilian labor force (area)	77,175	+ 8.4	+ 0.1
SAN ANGELO:			
Department and apparel store sales		— 0.6	— 9.6
Postal receipts	$ 31,069	+ 20.8	— 4.2
Building permits	$ 299,240	— 37.7	+ 53.3
Bank debits to individual accounts (thousands)	$ 24,217	— 13.0	— 16.0
End-of-month deposits (thousands)*	$ 40,311	+ 7.8	+ 3.1
Annual rate of deposit turnover	7.3	— 18.0	— 15.1
Air express shipments	384	— 12.5	+ 16.0
Unemployment	950	+ 58.3	— 2.6
Placements in employment	351	— 16.2	+ 38.2
Nonagricultural civilian labor force	17,750	+ 6.3	— 0.1
SAN ANTONIO:			
Retail sales of independent stores		+ 0.8	— 5.8
Apparel stores		+ 6.2	— 4.3
Automotive stores		+ 37.2	+ 3.9
Drug stores		+ 0.2	— 1.4
Eating and drinking places		— 6.7	— 2.4
Food stores		— 0.9	— 2.9
Furniture and household stores		— 27.8	— 1.1
General merchandise stores		— 8.6	— 17.1
Lumber, building materials, and hardware stores		— 31.5	+ 11.3
All other stores		— 1.2	— 4.4
Postal receipts	$ 314,469	+ 12.8	— 6.9
Building permits	$ 2,429,769	+ 5.1	— 3.3
Air express shipments	2,038	— 23.0	+ 0.1
Bank debits to individual accounts (thousands)	$ 215,389	+ 2.4	— 15.6
End-of-month deposits (thousands)*	$ 319,823	+ 2.9	+ 0.5
Annual rate of deposit turnover	8.2	+ 2.5	+ 13.7
Unemployment	5,000	— 33.3	+ 25.0
Placements in employment	1,736	— 21.1	+ 6.7
Nonagricultural civilian labor force	159,300	+ 1.4	+ 0.3
Electric power consumption (thousand KWH)	41,925	+ 12.7	+ 1.4
Natural gas consumption (thousand cu. ft.)	1,873,512	— 5.4	+ 8.1
TEMPLE:			
Retail sales of independent stores		— 8.1	+ 14.4
Department and apparel store sales		— 22.2	+ 12.7
Postal receipts	$ 14,677	+ 13.5	— 8.1
Building permits	$ 209,525	— 9.1	+214.0
Air express shipments	48	— 20.0	+ 2.1

*Excludes deposits to credit of banks.

City and item	February 1949	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TEXARKANA:			
Retail sales of independent stores		+ 9.0	— 1.3
Department and apparel store sales		+ 5.8	— 6.4
Postal receipts	$ 31,122	+ 24.9	— 30.6
Building permits	$ 61,799	— 83.6	+ 57.7
Bank debits to individual accounts (thousands)	$ 21,023	+ 0.9	— 20.2
End-of-month deposits (thousands)*	$ 23,128	+ 2.5	— 0.3
Annual rate of deposit turnover	6.4	— 5.9	— 20.0
Air express shipments	74	+ 27.6	+ 23.3
Unemployment	4,100	+ 58.8	+ 7.9
Placements in employment	411	+ 84.3	— 15.1
Nonagricultural civilian labor force	34,400	+ 5.9	— 0.6
TEXAS CITY:			
Department and apparel store sales		— 41.4	— 24.6
Postal receipts	$ 7,524	— 9.4	— 24.9
Building permits	$ 35,090	— 82.4	— 75.8
Export cars unloaded	0	.....	.....
Coastal cars unloaded	404	+ 3.6	— 21.1
Unemployment (area)	2,300	+ 48.4	+ 15.0
Placements in employment (area)	454	— 49.9	— 33.8
Nonagricultural civilian labor force (area)	50,700	— 11.5	— 5.4
TYLER:			
Retail sales of independent stores		+ 12.6	+ 7.1
Department and apparel store sales		— 4.4	+ 8.3
Postal receipts	$ 47,791	+ 52.1	— 0.5
Building permits	$ 155,990	— 52.2	— 21.1
Bank debits to individual accounts (thousands)	$ 36,181	+ 4.8	— 19.2
End-of-month deposits (thousands)*	$ 52,201	+ 3.8	+ 3.6
Annual rate of deposit turnover	8.5	+ 3.7	— 16.7
Air express shipments	130	+ 3.2	+ 15.0
WACO:			
Retail sales of independent stores		+ 27.5	+ 17.2
Department and apparel store sales		+ 9.0	— 0.9
Postal receipts	$ 71,776	+ 11.0	— 3.6
Building permits	$ 450,135	— 43.3	+ 11.6
Bank debits to individual accounts (thousands)	$ 45,791	— 4.9	— 2.4
End-of-month deposits (thousands)*	$ 66,935	+ 5.5	— 1.4
Annual rate of deposit turnover	8.2	— 8.9	— 2.4
Air express shipments	177	+ 5.4	— 4.8
Unemployment	2,900	— 17.1	0.0
Placements in employment	371	+ 11.7	— 8.8
Nonagricultural civilian labor force	45,700	— 0.7	— 0.2
WICHITA FALLS:			
Retail sales of independent stores		+ 9.8	— 5.0
Department and apparel store sales		+ 9.8	— 5.2
Postal receipts	$ 52,337	+ 31.6	— 3.6
Building permits	$ 345,255	— 10.0	+187.9
Bank debits to individual accounts (thousands)	$ 50,623	+ 13.3	— 11.8
End-of-month deposits (thousands)*	$ 81,882	+ 6.8	+ 0.04
Annual rate of deposit turnover	7.4	+ 5.7	— 10.8
Air express shipments	241	+ 10.0	+ 2.6
Unemployment	1,570	+ 6.9	+ 18.5
Placements in employment	503	+ 51.1	+ 16.4
Nonagricultural civilian labor force	32,520	+ 8.5	+ 0.1

*Excludes deposits to credit of banks.

COLD STORAGE HOLDINGS

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

Item	Unit (000's)	Feb. 1 1949	Jan. 1 1949	Feb. 1 1948	Percent change Feb. 1949 from Feb. 1948	Percent change Feb. 1949 from Jan. 1949
Fresh vegetables	lbs.	1,177	1,919	3,262	— 63.9	— 38.7
Frozen vegetables	lbs.	3,076	2,987	3,976	— 22.6	+ 3.0
Dried and evaporated fruits	lbs.	320	352	1,132	— 71.7	— 9.1
Frozen fruits	lbs.	4,482	4,855	5,318	— 15.7	— 7.7
Nuts	lbs.	15,494	13,270	7,929	+ 95.4	+ 16.8
Dairy products	lbs.	3,628	5,325	8,601	— 57.8	— 31.9
Cream	lbs.	526	754	571	— 7.9	— 30.2
Fluid	lbs.	269	366	377	— 28.6	— 26.5
Plastic	lbs.	257	388	195	+ 31.8	— 33.8
Creamery butter	lbs.	579	810	820	— 29.4	— 28.5
Evaporated and condenesd milk	lbs.	520	625	2,555	— 79.6	— 16.8
Cheese, all varieties	lbs.	2,003	3,136	4,654	— 57.0	— 36.1
Eggs:						
Shell	cases	1	2	4	— 75.0	— 50.0
Frozen	lbs.	2,182	3,966	4,496	— 51.5	— 45.0
Dried	lbs.	2,064	2,123	3,551	— 41.9	— 2.8
Frozen poultry	lbs.	2,156	2,202	2,254	— 4.3	— 2.1
Meat and meat products	lbs.	34,398	37,161	36,757	— 6.4	— 7.4
Hides and pelts	lbs.	2,556	2,596	1,861	+ 37.3	— 1.5

Although *space* in meat-packing establishments was filled in within 2% of capacity, cooler and freezer space in warehouses was only 32 to 64% filled.

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 Feb. 1 1949	Jan. 1 1949	Feb. 1 1948	Jan. 1 1948
Public cold storage warehouses:					
Cooler	4,709	61	68	68	70
Freezer	3,311	64	71	80	83
Private and semi-private warehouses:					
Cooler	576	32	36	100	100
Freezer	123	—	2	—	100
Meat packing establishments:					
Cooler	2,497	98	98	79	61
Freezer	1,045	100	100	41	34

*Space survey October 1, 1945.

Fertilizer Sales

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

Sales of *fertilizer tax tags* in Texas were equivalent to 49,968 short tons in January 1949, according to reports of the National Fertilizer Association. Although this amount was 26% under that of a year ago, it was 16% over that of two years ago. Sales in the 10 Southern states for January 1949 decreased 12% from January 1948 and 14% from January 1947. Fertilizer sales in Texas from July 1948–January 1949 totaled 259,274 tons, a 1% gain over the comparable period last year.

FINANCE

Bank Credit

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

The *statement of condition of weekly reporting member banks* in the Dallas district reflected only minor aggregate changes from the previous months. Significant changes in individual loan and investment items were apparent, however, in treasury bills, which were down approximately one-third from last month. In addition, all other classes of government securities declined slightly, with the exception of United States bonds, which increased but slightly. Total loans and investments continued to decline slightly though the decrease was less than that of the previous month and considerably less than the decline during the corresponding month a year ago. Total loans and investments are still slightly above a year ago, while holdings of government securities are somewhat below a year ago, indicating some reversal of the war-time trend. "Other" securities and reserves with Federal Reserve Banks increased over a year ago, while cash in vault and balances with domestic banks decreased. On the liability side, adjusted demand deposits while only slightly off from last month were considerably above a year ago; time deposits showed a small decrease from last month but held well above a year ago. United States Government deposits showed an increase of nearly one-fourth over the previous month to place them at a level almost 50% above a year ago. The net result of the changes during the month was a slight increase in capital accounts exactly equaling the increase during the same

CHANGES IN CONDITION OF WEEKLY REPORTING MEMBER BANKS*

Source: Board of Governors of the Federal Reserve System

Item	Percent change Feb. 1949 from Feb. 1948	Feb. 1949 from Jan. 1949	Feb. 1948 from Jan. 1948
ASSETS			
Loans and investments	+ 3.0	— 0.9	— 3.1
Loans	+ 8.1	— 0.7	— 2.0
Total U.S. Government securities	— 2.0	— 1.1	— 4.4
Treasury bills	+1,150.0	— 35.9	— 77.8
Treasury certificates of indebtedness	+ 66.0	— 2.9	— 5.8
Treasury notes	— 55.3	0.0	— 8.7
United States bonds	— 12.1	+ 1.4	— 2.7
Other securities	+ 4.4	0.0	0.0
Reserve with Federal Reserve Banks	+ 15.7	+ 2.3	— 2.3
Cash in vault	— 9.1	0.0	0.0
Balances with domestic banks	— 8.4	0.0	+ 4.6
LIABILITIES			
Total deposits (except interbank)	+ 6.5	+ 0.5	— 0.9
Demand deposits adjusted	+ 5.6	+ 0.3	— 1.9
Time deposits	+ 7.0	— 1.2	+ 1.6
United States Government deposits	+ 45.9	+ 22.7	+ 32.1
Interbank deposits:			
Domestic banks	— 5.7	— 3.0	— 8.1
Foreign banks	+ 25.0	0.0	0.0
CAPITAL ACCOUNTS	+ 3.1	+ 0.5	+ 0.5

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

SUMMARY STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANK OF DALLAS
(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

Classification	Mar. 2 1949	Feb. 2 1949	Mar. 4 1948	Percent change: Mar. 2, 1949 from Mar. 4, 1948	Percent change: Mar. 2, 1949 from Feb. 2, 1949
ASSETS					
Gold certificate reserves	668,336	693,195	518,390	+ 28.9	— 3.6
U.S. Government securities	944,578	960,924	954,927	— 1.1	— 1.7
Discounts and advances	7,114	11,564	8,518	— 16.5	— 38.5
Other cash	14,098	16,280	14,921	— 5.5	— 13.4
Other assets	123,308	132,518	117,364	+ 5.1	— 6.9
TOTAL ASSETS	1,757,434	1,814,481	1,614,120	+ 8.9	— 3.1
LIABILITIES					
Federal reserve notes	601,753	605,102	599,833	+ 0.3	— 0.6
Deposits	1,026,332	1,067,865	880,767	+ 16.5	— 3.9
Other liabilities	99,028	112,367	107,360	— 7.8	— 11.9
TOTAL LIABILITIES	1,727,113	1,785,334	1,587,960	+ 8.8	— 3.3
Capital paid in	8,110	7,910	7,585	+ 6.9	+ 2.5
Surplus	16,261	16,261	15,418	+ 5.5	0.0
Other capital accounts	5,950	4,976	3,157	+ 88.5	+ 19.6
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	1,757,434	1,814,481	1,614,120	+ 8.9	— 3.1

period a year ago. The capital accounts show an appreciable increase over early 1948.

The summary *statement of condition of the Dallas Federal Reserve Bank* showed a decrease in total assets from the previous month, but total assets were still well above a year ago. Greatest drop was in discounts and advances, off approximately one-third from the previous month, and considerably below a year ago. "Other" cash also fell considerably under last month and last year. Gold certificate reserves, while slightly off from last month, continued to hold around one-fourth above the corresponding period last year. No single classification showed an increase over last month and "other" assets were the only other classification which remained above the figure for a year ago. On the other hand, liabilities declined slightly more than did assets, leaving a net increase in capital accounts over the previous month. All liability items showed decreases from the previous months; however, only the "other" liabilities item dropped below a year ago. Capital paid in increased only slightly from the previous month while surplus remained unchanged and "other" capital accounts showed a considerable increase; all capital items were above a year ago with "other" capital accounts almost double the figure of a year ago.

Bank Debits

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

Bank debits in 20 Texas cities showed a further decrease from the previous month and were less than 8% above a year ago. The 20 Texas cities showed decreases without exception, ranging from 2.4% in Waco to 24.6% in Corsicana. Other sizable declines were shown in Austin, Galveston, Texarkana, and Tyler. The seasonally adjusted index dropped 4% from the previous month indicating that only a minor part of the monthly decrease was attributable to nonseasonal factors. The decline in the seasonally adjusted index was slightly greater for the same period a year ago.

The annual rate of deposit turnover in 20 Texas cities fell 15% from the previous month, compared with a slightly greater decline for the similar period a year ago. The February turnover rate was about the same as in the same month of 1948.

BANK DEBITS*
(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

City	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	$3,293,416	$3,925,952	$3,055,464	+ 7.8	—16.1
Abilene	29,839	32,172	29,127	+ 2.4	— 7.3
Amarillo	76,018	88,455	71,763	+ 5.9	—14.1
Austin	117,603	153,611	99,499	+18.2	—23.4
Beaumont	93,481	100,856	86,886	+ 7.6	— 7.3
Corpus Christi	66,972	78,440	65,778	+ 1.8	—14.6
Corsicana	8,968	11,889	8,361	+ 7.3	—24.6
Dallas	924,118	1,140,000	856,176	+ 7.9	—18.9
El Paso	120,244	133,211	117,546	+ 2.3	— 9.7
Fort Worth	269,498	317,418	262,063	+ 2.8	—15.1
Galveston	62,763	78,223	68,954	— 9.0	—19.8
Houston	1,026,137	1,210,557	896,615	+14.4	—15.2
Laredo	16,117	18,988	13,403	+20.2	—15.1
Lubbock	54,646	66,817	60,920	—10.3	—18.2
Port Arthur	33,788	35,945	32,063	+ 5.4	— 6.0
San Angelo	24,217	28,831	27,831	—13.0	—16.0
San Antonio	215,389	255,127	210,272	+ 2.4	—15.6
Texarkana†	21,023	26,330	20,834	+ 0.9	—20.2
Tyler	36,181	44,797	34,528	+ 4.8	—19.2
Waco	45,791	46,908	48,156	— 4.9	— 2.4
Wichita Falls	50,623	57,377	44,689	+13.3	—11.8

*Debits to deposit accounts except interbank accounts.
†Includes two banks in Arkansas, Eighth District.

Corporation Charters

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

The Secretary of State granted *charters* to 250 corporations in February, as compared with 286 in January and 336 in February 1948. The total capitalization of corporations chartered this month was considerably below the total for last month and February a year ago. Merchandising and real estate corporations predom-

CORPORATION CHARTERS ISSUED BY CAPITALIZATION
Source: Secretary of State

Capitalization	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
Over $100,000	8	12	18	— 55.6	— 33.3
$5,000–$100,000	147	170	173	— 15.0	— 13.5
Less than $5,000	49	76	93	— 47.3	— 35.5
No capital stock	43	40	6	+616.7	+ 7.5
Capitalization not specified	3	16	46	— 93.5	— 81.3

CORPORATION CHARTERS ISSUED BY CLASSIFICATIONS

Source: Secretary of State

Classification	February 1949	January 1949	February 1948
DOMESTIC CORPORATIONS			
Capitalization*	$5,496	$7,908	$8,213
Number	250	286	336
Banking-finance	6	2	8
Construction	17	22	25
Manufacturing	13	32	22
Merchandising	55	81	75
Oil	18	14	15
Public service	0	3	4
Real estate	40	42	50
Transportation	2	0	3
All others	56	50	88
No capital stock	43	40	46
FOREIGN CORPORATIONS			
Number	27	49	35

*In thousands of dollars.

inated among the different types of business receiving charters; the number of manufacturing concerns chartered was less than at any time in recent months. Approximately one-fifth of the corporations chartered had no capital stock, and of the remainder, approximately one-fourth had a capitalization of from $5,000 to $100,000, less than 4% having capital stock of over $100,000.

Classified by nature of business, those to engage in merchandising led with 55 charters, followed by real estate with 40, oil 18, and construction 17.

Business Failures

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

Business failures reported by Dun and Bradstreet in February were double the number reported in January, but resulted in total liabilities that were less than half those of January.

BUSINESS FAILURES

Source: Dun and Bradstreet, Inc.

	Feb. 1949	Jan. 1949	Feb. 1948	Jan. 1948
Number	12	6	4	8
Liabilities*	$420	$951	$101	$145
Average liabilities per failure*	$ 35	$159	$ 25	$ 18

*In thousands of dollars.

Life Insurance Sales

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

Texas *sales of ordinary life insurance* showed a greater increase (12.9%) from the previous month than did nationwide sales (1.2%). Texas sales, however, were farther above February 1948 than were nationwide sales.

February sales amounted to $64,514 thousand in Texas, representing a 12.1% rise over February of last year; nationwide sales totaled $1,142,554 thousand, a 2.5% gain over a year earlier.

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.)

The number of cars of *revenue freight loaded* in the Southwestern district in February was 222,521. This was 13.0% less than the number loaded in January, and 14.2% less than in February 1948. The only increase registered over January was the gain of 0.4% in the number of cars of ore loaded.

The only increase during the 12-month period was in loadings of grain and grain products, which gained 7.6% over February 1948. Among products showing substantial declines from a year earlier were: ore 36.8%, coke 22.8%, miscellaneous 16.4%, coal 16.2%, and merchandise (l.c.l.) 14.8%.

The Bureau's *index of miscellaneous freight car loadings*, corrected for seasonal variation, declined 18 points, or 12.2% in February as compared with January.

As the volume of traffic moving over the highways soars, that moving by rail continues to drop. Truck loadings were up by 2.9% this January over the previous one, whereas the Association of American Railroads reports carloadings were down 9.3% during the same period. The conclusion seems inescapable that the rail carriers are pricing themselves out of the market, at least in a number of commodities. It remains to be seen just how far this diversion of traffic will go before the railroads get "sales minded" and reduce their rates to a level that the traffic will bear.

REVENUE FREIGHT LOADED IN SOUTHWESTERN DISTRICT

(in carloads)

Source: Car Service Division, Association of American Railroads

Item	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	222,521	255,629	259,263	—14.2	—13.0
Grain and grain products	19,035	21,305	17,690	+ 7.6	—10.7
Livestock	2,777	3,714	3,012	— 7.8	—25.2
Coal	24,128	24,966	28,785	—16.2	— 3.4
Coke	653	657	846	—22.8	— 0.6
Forest products	16,194	18,357	17,578	— 7.9	—11.8
Ore	1,974	1,966	3,122	—36.8	+ 0.4
Merchandise (l.c.l.)	23,831	25,095	27,966	—14.8	— 5.0
Miscellaneous	133,929	159,569	160,264	—16.4	—16.1

Air

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

The number of *air express shipments* in Texas declined by 3.1% in February compared with January. This was also 3.9% under the previous February.

AIR EXPRESS SHIPMENTS

Source: Railway Express Agency

City	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	21,113	21,797	21,960	— 3.9	— 3.1
Abilene	122	131	122	0.0	— 6.9
Amarillo	415	422	452	— 8.2	— 1.7
Austin	354	441	398	— 11.1	— 19.7
Beaumont	305	327	300	+ 1.7	— 6.7
Big Spring	52	29	43	+ 20.9	+ 79.3
Brownsville	342	371	1,139	— 70.0	— 7.8
Brownwood	19	19	27	— 29.6	0.0
Bryan	21	27	15	+ 40.0	— 22.2
Corpus Christi	370	345	393	— 5.9	+ 7.2
Dallas	6,767	7,579	6,145	+ 10.1	— 10.7
Eagle Pass	34	34	35	— 2.9	0.0
El Paso	1,184	1,197	1,341	— 11.7	— 1.1
Fort Stockton	13	11	5	+160.0	+ 18.2
Fort Worth	1,399	1,433	1,345	+ 4.0	— 2.4
Galveston	334	279	350	— 4.6	+ 19.7
Houston	4,749	4,584	4,739	+ 0.2	+ 3.6
Laredo	231	224	262	— 11.8	+ 3.1
Longview	155	111	138	+ 12.3	+ 39.6
Lubbock	239	243	242	— 1.2	— 1.6
Midland	180	184	218	— 17.4	— 2.2
Mineral Wells	12	19	18	— 33.3	— 36.8
Odessa	186	197	151	+ 23.2	— 5.6
Palestine	13	12	19	— 31.6	+ 8.3
Paris	23	30	29	— 20.7	— 23.3
Plainview	26	27	55	— 52.7	— 3.7
Port Arthur	141	161	140	+ 0.7	— 12.4
San Angelo	384	331	439	— 12.5	+ 16.0
San Antonio	2,038	2,036	2,647	— 23.0	+ 0.1
Sweetwater	18	12	86	— 79.1	+ 50.0
Temple	48	47	60	— 20.0	+ 2.1
Texarkana	74	60	58	+ 27.6	+ 23.3
Tyler	130	113	126	+ 3.2	+ 15.0
Victoria	39	29	36	+ 8.3	+ 34.5
Waco	177	186	168	+ 5.4	— 4.8
Wichita Falls	241	235	219	+ 10.0	+ 2.6

A total of 21,113 shipments were made by air express in February in comparison to 21,797 for January and 21,960 for February 1948.

Pioneer Airlines is on the move. Forced to vacate their headquarters in Houston the company is considering locating elsewhere on their lines. Rated among the topmost local service airlines, Pioneer had its best year in 1948. The net profit of $119,532 was the best in the company's history. New records were made in the number of passengers carried and in the number of passenger miles flown.

Not so fortunate is Florida Airways, which loses its lease on life on March 28 with the expiration of its temporary certificate of public convenience and necessity. The fate of several other feeder lines is equally dubious. Of the 19 certificates granted by the Board for feeder operations 7 were never activated. For the year 1948 the local service airlines flew slightly less than 2% of the total revenue passenger miles flown by the trunklines. Although they flew less than 1% of the mail ton miles, their mail pay was more than 20% as much as that received by the trunklines.

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 number of *export and coastal cars unloaded* at Texas ports reacted upward during the month of February from a volume of 15,776 cars in January to 17,084 cars in February. Percentage-wise the gain was 8.3%. The 14.8% increase, February over January, registered by the Port of Galveston was the largest of any Texas port. The Port of Beaumont showed a decrease of 8.5% during the same period. Comparing February 1949 with February 1948, the Port of Houston outstripped the other Texas ports with an increase of 39.9%.

EXPORT AND COASTAL CARS UNLOADED*

Source: Car Service Division, Association of American Railroads

Port	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	17,084	15,776	13,579	+ 25.8	+ 8.3
Beaumont	37	246	448	— 91.7	— 85.0
Port Arthur	1,453	1,346	1,232	+ 17.9	+ 7.9
Texas City	404	512	390	+ 3.6	— 21.1
Houston	5,139	4,879	3,674	+ 39.9	+ 5.3
Galveston	9,794	8,532	7,393	+ 32.5	+ 14.8
Brownsville	257	261	442	— 41.9	— 1.5

*Excluding coal.

WATER-BORNE COMMERCE AT TEXAS PORTS

(tons)

Port	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	1,729,340	1,963,704	1,855,172	— 6.8	—11.9
Beaumont	5,299	11,750	19,208	—72.4	—54.9
Brownsville	35,931	89,208	47,105	—23.7	—59.7
Corpus Christi	1,688,110	1,862,746	1,788,859	— 5.6	— 9.4

Motor

(Although current data on trends in Texas motor transportation are not available, developments in this important segment of the transportation industry are part of the business picture.)

For the third consecutive month the monthly *index of truckloadings* showed a decrease. However, the decline of 5.4% in January was still 2.9% greater than the previous January. The index is computed by the Department of Research of the American Trucking Association from statistics gathered from 303 carriers in 42 states. In hauling 2,726,974 tons in January, the trucking industry continues to register a vigorous growth. From a regional standpoint the increases in January 1949 over January 1948 were 14.0%, 1.1%, and 3.1% for the Southern, Eastern, and Western Districts, respectively.

The A. F. of L. teamsters' union is laying plans to move in on the estimated two million unorganized truck drivers. Attention will be concentrated on the over-the-road drivers first. What effect this will have on costs of operation remains to be seen.

LABOR

Employment

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

February 1949 *nonagricultural employment* in Texas declined 0.4% (5,100 persons), according to preliminary estimates compiled by the Bureau of Business Research in cooperation with the federal Bureau of Labor Statistics. Manufacturing employment in both durable and nondurable goods was responsible for most of the slight drop in the over-all picture. Employment changes for February were significant in a few "soft spots" within the various classifications. For practical purposes the general employment situation in the State was fairly stable in February.

Employment in durable goods manufacturing decreased in 5 of the 8 listed industries. Lumber and timber, with the greatest loss in this group, hired 2,500 fewer people in February. Stone, clay, and glass industries employed 300 more people in February than in January, for the largest percentage increase in the group.

Nondurable manufactured goods employed 4,200 fewer persons for the month of February, with major percentage declines in paper and allied products, chemicals, and "other" nondurable goods. If the general national pattern is followed in Texas, soft goods manufacturing will probably feel downward employment trends more quickly than heavy goods manufacturing.

Nonmanufacturing employment recorded few major changes for February of 1949. Mining and transportation and public utilities employment increased somewhat in the larger firms. Employment in trade was lessened by some 5,100 persons for the month, with retail trade, apparel, and general merchandising bearing the brunt of the change. Finance and service institutions decreased the number of employees in all classifications except medical services. Governmental employment was up by 0.6% in the State for February.

As a whole, employment figures for manufacturing were below February of 1948 by some 4,500 persons, while nonmanufacturing employment was up by 91,200 persons for the period.

Even though the downward movement of prices of some goods and services together with increases in manufacturers' and wholesalers' inventories is causing some concern, indications are that employment will adjust gradually as business tends toward prewar levels.

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.)

On the basis of reports from 160 enterprises, production worker *pay rolls* were up for February 1949 in all but two of the durable goods manufacturing industries. Lumber and timber jumped 21.0% over last month to record the largest pay-roll increase for the group.

The nondurable goods manufacturing group, 290 firms reporting, increased pay rolls in four classifications and decreased pay rolls in four classifications. The increases that are more significant are evidenced by the 10.8% gain in petroleum refining, the 10.6% rise in the paper industry, and the 9.8% upswing in chemicals. Significant

ESTIMATES OF NONAGRICULTURAL EMPLOYMENT IN TEXAS*

(in thousands)

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

Industry	Feb.‡ 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	1,745.6	1,752.1	1,658.9	+ 5.2	— 0.4
Manufacturing	335.7	343.1	340.2	— 1.3	— 2.2
Durable goods	144.3	147.5	141.0	+ 2.3	— 2.2
Nondurable goods	191.4	195.6	199.2	— 3.9	— 2.1
Nonmanufacturing	1,409.9	1,409.0	1,318.7	+ 6.9	+ 0.1
Iron and steel	19.7	20.2	19.5	+ 1.0	— 2.5
Machinery, except electrical	32.5	32.8	31.1	+ 4.5	— 0.9
Transportation equipment, except automobile	28.0	27.9	24.2	+15.7	+ 0.4
Nonferrous metals	11.4	11.2	11.2	+ 1.8	+ 1.8
Lumber and timber	29.4	31.9	31.1	— 5.5	— 7.8
Furniture	11.0	11.4	11.3	— 2.7	— 3.5
Stone, clay, and glass	9.5	9.2	9.5	0.0	+ 3.3
Other durable goods	2.8	2.9	3.1	— 9.7	— 3.4
Textiles	10.3	10.4	9.8	+ 5.1	— 1.0
Apparel	25.3	25.2	27.9	— 9.3	+ 0.4
Food	64.4	64.5	68.4	— 5.8	— 0.2
Paper and allied products	3.3	3.6	3.6	— 8.3	— 8.3
Printing and publishing	21.1	20.8	19.7	+ 7.1	+ 1.4
Chemicals	22.7	25.2	24.1	— 5.8	— 9.9
Petroleum	38.7	39.2	38.1	+ 1.6	— 1.3
Other nondurable goods	5.6	6.7	7.6	—26.3	—16.4
Mining	99.5	98.2	92.2	+ 7.9	+ 1.3
Crude petroleum and natural gas production	92.8	91.5	85.8	+ 8.2	+ 1.4
Other mining	6.6	6.7	6.4	+ 3.1	— 1.5
Transportation and public utilities	240.3	235.5	221.8	+ 8.3	+ 2.0
Interstate railroads	68.4	69.7	66.4	+ 3.0	— 1.9
Telephone and telegraph	37.9	36.1	32.0	+18.4	+ 5.0
Other transportation and public utilities	134.1	129.7	123.4	+ 8.7	+ 3.4
Trade	390.4	395.5	383.6	+ 1.8	— 1.3
Wholesale	116.7	117.5	104.6	+11.6	— 0.7
Retail	273.7	278.0	279.0	— 1.9	— 1.5
General merchandise	56.4	58.6	57.4	— 1.7	— 3.8
Food and liquor	37.3	37.5	37.7	— 1.1	— 0.5
Automotive	23.7	23.5	25.6	— 7.4	+ 0.9
Apparel	23.6	24.6	22.8	+ 3.5	— 4.1
Other retail trade	132.7	133.8	135.5	— 2.1	— 0.8
Finance and service	302.1	304.0	285.3	+ 5.9	— 0.6
Bank and trust companies	19.7	19.7	18.2	+ 8.2	0.0
Insurance	24.7	24.8	25.2	— 2.0	— 0.4
Real estate and other financial agencies	26.6	27.2	24.9	+ 6.8	— 2.2
Hotels	24.1	24.2	24.0	+ 0.4	— 0.4
Other personal services	47.3	48.2	50.4	— 6.2	— 1.9
Medical services	33.6	33.2	29.8	+12.8	+ 1.2
Other business and professional services	126.1	126.7	112.8	+11.8	— 0.5
Government	260.6	259.0	240.6	+ 8.3	+ 0.6

*Totals include classifications other than those listed.
‡Preliminary.

declines came in "other" nondurable goods, and printing and publishing.

Pay rolls in nonmanufacturing increased in all classifications except hotels. Quarrying establishments and insurance firms led the group in percentage gains for February.

As compared to last year, February 1949 production worker pay rolls present a favorable situation.

CHANGES IN PRODUCTION WORKER PAY ROLLS IN SPECIFIED INDUSTRIES*

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

Industry	Number of reporting establishments	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
MANUFACTURING			
Durable goods:			
Iron and steel	29	+11.8	+ 5.4
Machinery, except electrical	36	+20.9	+ 2.3
Nonferrous metals	6	— 2.1	— 2.5
Lumber and timber	18	— 7.2	+21.0
Furniture and finished lumber	24	+ 5.6	+ 4.4
Stone, clay, and glass	37	+22.3	— 5.8
Other durable goods	10	—49.5	+ 4.6
Nondurable goods:			
Textiles	18	+ 4.7	+ 3.4
Apparel	25	+ 0.6	— 2.6
Food	103	+10.5	— 0.1
Paper	15	— 3.8	+10.6
Printing and publishing	32	+19.0	— 4.7
Chemicals	67	— 1.3	+ 9.8
Petroleum refining	29	+ 3.2	+10.8
Other nondurable goods	6	—30.1	— 7.5
NONMANUFACTURING			
Crude petroleum production	36	+11.7	+ 4.5
Hotels†	9	+ 6.9‡	— 1.0‡
Insurance†	97	+ 8.2	+ 4.9
Public utilities	85	+31.5	+ 1.0
Quarrying	10	+14.4	+ 5.7
Wholesale trade†	134	+ 8.7	+ 1.9
Retail trade†	253	+ 9.1	0.0

*Preliminary.

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

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

Placements

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

Placement activity in the 17 labor market areas of Texas for February 1949 was up 1.1% over January 1949, but down 7.1% from February 1948. The additional unemployed of February gave increased work to the Texas Employment Commission. In February 18,706 persons were placed, compared to 18,511 in January.

A comparison of the placement and the unemployment figures in the accompanying table shows that in most areas placements kept up favorably with unemployment. The major exceptions were the Beaumont-Port Arthur, the Galveston-Texas City, the Houston-Baytown, and the Texarkana areas.

PLACEMENTS IN EMPLOYMENT

Source: Texas Employment Commission

Area	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	18,706	18,511	20,142	— 7.1	+ 1.1
Abilene	413	412	353	+17.0	+ 0.2
Amarillo	474	456	560	+15.4	+ 3.9
Austin	670	570	627	+ 6.9	+17.5
Beaumont-Port Arthur	1,287	1,801	1,512	—14.9	—28.5
Corpus Christi	1,134	925	794	+42.8	+22.6
Dallas	3,306	3,157	3,535	— 6.5	+ 4.7
El Paso	790	811	699	+13.0	— 2.6
Fort Worth	2,316	1,890	2,500	— 7.4	+22.5
Galveston-Texas City	454	686	906	—49.9	—33.8
Houston-Baytown	3,626	3,794	4,264	—15.0	— 4.4
Longview	387	360	426	—16.2	+ 7.5
Lubbock	477	445	423	+12.8	+ 7.2
San Angelo	351	254	419	—16.2	+38.2
San Antonio	1,736	1,627	2,200	—21.1	+ 6.7
Texarkana	411	484	223	+84.3	—15.1
Waco	371	407	332	+11.7	— 8.8
Wichita Falls	503	432	333	+51.1	+16.4

Unemployment

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

Unemployment in the 17 labor market areas of Texas was up 6.6% in February 1949 as compared with February 1948, and up 17.4% over January 1949. The sharp rise in unemployment noted in January over December slackened during February, even though February is usually the "off-season" month. A total of 69,285 persons were reported as unemployed in February 1949.

Nationally, unemployment hit a postwar high; however, it was still below 1941 levels. The Census Bureau reported 3,200,000 unemployed in February, an increase of 550,000 above January. Total employment remained about the same, though, at an estimated 57,250,000. For purposes of comparison, the 5,500,000 unemployed average of 1941 meant that one of every 10 persons in the nation's labor force that year was out of work. The present 3,200,000 figure means only one person of every 20 out of work. The slack season is about over, and unless unemployment rises drastically during March and April, much of the danger will be past.

Because jobs are stabilizing and work is still available, unions' fourth-round wage demands may not be dead. Many labor leaders believe if any upturn is reported by April they could back their claims for higher wages, increased pensions, etc., because of the good condition of business. The softening of the past few months has caused higher productivity per man because of fear of losing jobs. Good business management plus higher productivity could easily show up in prosperity levels by April. Present indications are that any such wage demands will probably be settled in a 5-10 cent range.

UNEMPLOYMENT

Source: Texas Employment Commission

Area	February 1949	January 1949	February 1948
TOTAL	69,285	59,040	64,977
Abilene	1,750	1,340	1,475
Amarillo	1,700	1,750	1,750
Austin	2,240	1,775	1,701
Beaumont-Port Arthur	6,175	5,400	5,475
Corpus Christi	2,300	2,100	3,900
Dallas	9,200	7,500	8,500
El Paso	3,000	2,750	3,050
Fort Worth	9,100	8,100	9,600
Galveston-Texas City	2,300	2,000	1,550
Houston-Baytown	14,000	10,500	9,400
Longview	1,800	1,625	1,925
Lubbock	1,200	1,200	1,000
San Angelo	950	975	600
San Antonio	5,000	4,000	7,500
Texarkana	4,100	3,800	2,582
Waco	2,900	2,900	3,500
Wichita Falls	1,570	1,325	1,469

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 payrolls by the total man-hours worked in reporting establishments.)

Average *weekly hours* for the manufacturing industries in Texas was 41.8 for February 1949. This was slightly greater (1.0%) than the 41.4 reported for February 1948. February is notably, of course, a slack season of the work year. The increase over last year, even though small, is an indication that Texas industry may not be alarmed about further serious declines. As has been pointed out previously, reduction in work week may be used in times of economic depression to spread work so that mass lay-offs become unnecessary. So far Texas industry has not found it necessary to employ this device. The lumber, furniture, textiles and apparel industries should be watched carefully in this connection. For the month of February all four of these had lower average weekly hours than in January 1949.

Compared to February 1948, wages remained high during February 1949, and only a few declines were reported from January 1949. Weekly earnings remained high also, due primarily to the high hourly earnings. Seven of the manufacturing and nonmanufacturing industries reported average weekly wages of over $55.

Labor Force

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

The *nonagricultural civilian labor force* in 17 labor market areas included 6.3% more persons in February 1949 than a year ago, according to the Texas Employment Commission. Abilene, Beaumont-Port Arthur, Corpus Christi, Dallas, and Wichita Falls showed the greatest percentage gains in the number of persons available for work or employed.

HOURS AND EARNINGS IN TEXAS*

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

Industry	Average weekly hours		Average hourly earnings (in cents)		Average weekly earnings (in dollars)		Percent change February 1949 from February 1948		
	Feb.‡ 1949	Feb. 1948	Feb.‡ 1949	Feb. 1948	Feb.‡ 1949	Feb. 1948	Weekly hours	Hourly earnings	Weekly earnings
MANUFACTURING, TOTAL	41.8	41.4	124.9	118.0	52.21	48.85	+ 1.0	+ 5.8	+ 6.9
Durable goods	41.6	40.2	124.4	119.9	51.75	48.20	+ 3.5	+ 3.8	+ 7.4
Iron and steel	41.6	43.1	139.6	122.1	58.07	52.63	— 3.5	+ 14.3	+ 10.3
Machinery, except electrical	42.3	41.3	132.5	128.8	56.05	53.19	+ 2.4	+ 2.9	+ 5.4
Nonferrous metals	39.6	41.0	154.9	135.3	61.34	55.47	— 3.4	+ 14.5	+ 10.6
Lumber and timber	40.7	38.5	90.3	105.3	36.75	40.54	+ 5.7	— 14.2	— 9.3
Furniture and finished lumber	41.9	40.9	111.5	92.2	46.72	37.71	+ 2.4	+ 20.9	+ 23.9
Stone, clay, and glass	43.7	39.1	111.0	97.8	48.51	38.24	+ 11.8	+ 13.5	+ 26.9
Other durable goods	41.7	39.0	140.9	137.5	58.76	53.62	+ 6.9	+ 2.5	+ 9.6
Nondurable goods	41.9	42.2	125.2	116.6	52.46	49.21	— 0.7	+ 7.4	+ 6.6
Textiles	40.9	42.6	105.7	98.3	43.23	41.88	— 4.0	+ 7.5	+ 3.2
Apparel	38.5	37.5	73.7	72.2	28.37	27.08	+ 2.7	+ 2.1	+ 4.8
Food	45.3	44.6	102.8	95.5	46.57	42.59	+ 1.6	+ 7.6	+ 9.3
Paper	39.5	42.8	102.2	111.4	40.37	47.68	— 7.7	— 8.3	— 15.3
Printing and publishing	40.5	40.4	182.4	166.2	73.87	67.14	+ 0.2	+ 9.7	+ 10.0
Chemicals	41.4	43.5	124.1	124.6	51.38	54.20	— 4.8	— 0.4	— 5.2
Petroleum refining	39.3	41.0	183.9	168.1	72.27	68.92	— 4.1	+ 9.4	+ 4.9
Other nondurable goods	41.6	43.0	104.6	83.0	43.51	35.69	— 3.3	+ 26.0	+ 21.9
NONMANUFACTURING									
Crude petroleum production†	39.6	42.4	185.7	172.2	73.54	73.01	— 6.6	+ 7.8	+ 0.7
Hotels	47.9	47.9	50.8	45.4	24.33	21.75	0.0	+ 11.9	+ 11.9
Public utilities	41.0	44.7	131.7	124.0	54.00	55.43	— 8.3	+ 6.2	— 2.6
Quarrying†	39.7	38.8	147.7	128.8	58.64	49.97	+ 2.3	+ 14.7	+ 17.4
Retail trade	44.7	44.0	85.9	77.9	38.40	34.28	+ 1.6	+ 10.3	+ 12.0
Wholesale trade	41.9	41.3	100.2	92.9	41.98	38.37	+ 1.5	+ 7.9	+ 9.4

*Figures do not cover proprietors, firm members, officers of corporations, or other principal executives. Manufacturing data, revised in June 1948, cover production and related workers; nonmanufacturing data cover all employees except as noted.

‡Preliminary. Subject to change upon completion of supplemental tabulations.

†Production workers only.

NONAGRICULTURAL CIVILIAN LABOR FORCE

Source: Texas Employment Commission

Area	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	1,373,785*	1,373,790	1,319,841	+ 4.1	0.0
Abilene	19,150	18,740	17,243	+11.1	+ 2.2
Amarillo	35,750	35,600	34,711	+ 3.0	+ 0.4
Austin	45,390	45,075	44,478	+ 2.1	+ 0.7
Beaumont-Port Arthur	77,175	77,100	71,168	+ 8.4	+ 0.1
Corpus Christi	53,200	53,200	49,182	+ 8.2	0.0
Dallas	239,500	238,000	222,275	+ 7.7	+ 0.6
El Paso	52,300	51,950	51,515	+ 1.5	+ 0.7
Fort Worth	137,200	137,500	133,479	+ 2.8	+ 0.2
Galveston-Texas City	50,700*	53,600	57,257	—11.5	— 5.4
Houston-Baytown	324,700	324,400	308,330	+ 5.3	+ 0.1
Longview	22,300	22,325	22,630	— 1.5	— 0.1
Lubbock	26,750	26,850	25,225	+ 6.0	— 0.4
San Angelo	17,750	17,775	16,702	+ 6.3	— 0.1
San Antonio	159,300	158,800	157,161	+ 1.4	+ 0.3
Texarkana	34,400	34,600	32,479	+ 5.9	— 0.6
Waco	45,700	45,800	46,028	— 0.7	— 0.2
Wichita Falls	32,520	32,475	29,978	+ 8.5	+ 0.1

*Excluding 3,400 off the job in Texas City because of a labor dispute.

Man-hours

(The reports which the Bureau receives on employment include every employee who worked any part of the week nearest the fifteenth of the month. 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.)

Man-hours in Texas manufacturing establishments in February dropped 3.1% under January and slid below February a year ago by the same percentage. In both comparisons the heavier declines were in durable goods manufacturing, while nondurable goods factories more nearly held their own with decreases under 2%.

Industrial Relations

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

The minimum wage law will be due for congressional consideration in the near future. It is almost a certainty that the administration's 75c minimum will not be approved. A 65c minimum is probably the highest that can be expected. Such a loss may be made up by broadening the law's coverage to include employees of an employer who produces goods for, or who is engaged in, interstate commerce.

John L. Lewis's "memorial" walkout for his United Mine Workers is generally considered to be an attempt to reduce coal reserves and strengthen his bargaining position later this spring. C. I. O. and A. F. L. leaders are fearful of the effect the stoppage will have on labor's slow-moving drive against the Taft-Hartley law. No doubt the mine workers' stoppage will have this effect. With the administration having difficulty anyway, the chances for a return to the Wagner Act are slim.

Recent price cuts are further indications that wage increases will be small and union demands will concentrate on social security benefits.

GOVERNMENT

State Finance

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

Total *revenue receipts* of the State, as reported by the State Comptroller, in February were $38,023,248. This was below the amount for February 1948 by 6.9%, but this decrease was due to smaller receipts from federal aid and not to any decline in the State's own tax and non-tax sources of revenue. The receipts in the first six months of the current fiscal year were, however, 3.6% above those in the corresponding period of the preceding year. The percent increase would have been more but for the large percent decreases in the receipts from the ad valorem tax (35.8%) and mineral leases, bonuses, and rentals (56.3%).

Crude oil and motor fuel taxes continued to be the leading revenue producers, and both, but especially crude oil, showed substantial increases this current fiscal year. Due to recent cuts in oil production the upward trend of the oil tax will be reversed. The cigarette, alcoholic beverage, and other consumption excises showed little change from last year.

Net governmental cost expenditures during the first six months of the current fiscal year were $211,789,691, as compared with $145,438,018 in the corresponding period last year. The net cash balance in the general revenue fund on February 28, 1949, was $70,689,300.

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 February of this year were 18.7% below those of the month a year

MAN-HOURS WORKED IN MANUFACTURING ESTABLISHMENTS*

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

Industry	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
TOTAL	— 3.1	— 3.1
Durable goods	— 4.9	— 5.4
Iron and steel	— 0.4	— 2.9
Machinery, except electrical	+ 18.0	— 2.4
Nonferrous metals	— 11.8	— 0.9
Lumber and timber	+ 9.8	— 12.2
Furniture and finished lumber	— 9.9	— 12.9
Stone, clay, and glass	+ 16.4	+ 9.3
Other durable goods	— 48.3	— 6.5
Nondurable goods	— 1.9	— 1.4
Textiles	+ 5.0	— 4.8
Apparel	— 3.1	+ 1.9
Food	+ 5.7	+ 5.6
Paper and allied products	— 4.9	— 3.3
Printing and publishing	+ 4.7	+ 1.9
Chemicals	— 14.2	— 13.2
Petroleum and refining	— 5.6	— 9.9
Other nondurable goods	— 35.9	— 5.1

*Preliminary. Weighed by employment.

ago, but the total for the first eight months of the current fiscal year were 7.8% above those of the corresponding period of the previous year. The receipts from the income tax, both the paid and the withheld, thus far this fiscal year were 6.2% ahead of those of the first eight months of last year. All items, except income tax withheld, show an increase, and the slight falling off there is due to the higher exemption and other changes in the income tax law made by the 80th Congress. The largest increase—15.2%—was in receipts from the estate tax, excise, licenses, and miscellaneous collections. The next largest increase—14%—was in the Social Security (pay roll) taxes, and this is an accepted index of the healthy state of business activity and employment.

REVENUE RECEIPTS OF STATE COMPTROLLER

Source: State Comptroller of Public Accounts

Item	February 1949	September 1–February 28 1948–49	1947–48	Percent change
TOTAL	$ 38,023,248	$256,295,597	$247,390,086	+ 3.6
Ad valorem taxes	1,174,187	15,000,620	23,358,656	— 35.8
Crude oil production taxes	7,634,519*	49,459,815	39,294,216	+ 25.9
Motor fuel tax (net)	5,421,684	36,324,705	33,948,700	+ 7.0
Cigarette tax and license	1,790,763	11,455,144	10,969,108	+ 4.4
Mineral leases, rentals, and bonuses	224,209	6,473,589	14,819,187	— 56.3
Interest on securities owned	162,381	3,569,819	2,947,158	+ 21.1
Unclassified receipts from county tax collectors	605,148	4,073,801	3,838,622	+ 6.1
Federal aid-highways	1,170,095	14,379,168	16,022,637	— 10.3
Federal aid-public welfare	6,630,583	36,358,545	27,359,827	+ 32.9
Federal aid-public education	296,251	8,940,216	11,056,920	— 19.1
Unemployment compensation tax	4,053,448	12,628,716	11,040,409	+ 14.4
All other receipts	8,859,980	57,631,459	52,734,646	+ 9.3

*Transit item included in this figure.

PRICES

Consumers' Prices

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

The bearish movement of the Bureau of Labor Statistics *consumers' price index* continued to bring good news to Houston housewives for the fifth consecutive month. While the over-all index declined only 1.4% during February, food prices dropped 3.6%, clothing prices declined 1.4%, and housefurnishings decreased 0.3%.

The cost of living in Houston dropped somewhat more last month than did the price level for the country as a whole. Generally, however, consumers' prices still exceeded those of the corresponding month a year ago. Food prices, however, were 4.6% lower than in February 1948. Recent announcement of cuts in the prices of milk and bread may further this trend. However, many authorities feel that retail food prices will not decline as rapidly as some commodity prices have because of the recent increase in freight rates and the prevailing high levels of wages and other expenses in the processing and distributing industries.

INDEXES OF CONSUMERS' PRICES IN HOUSTON

(1935–39 = 100)

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

Group	Feb. 1949	Jan. 1949	Feb. 1948	Percent change: Feb. 1949 from Feb. 1948	Percent change: Feb. 1949 from Jan. 1949
ALL ITEMS	170.2	172.6	170.4	— 0.1	— 1.4
Food	208.0	215.7	218.1	— 4.6	— 3.6
Clothing	204.4	207.2	202.9	+ 0.7	— 1.4
Rent	122.3	*	118.1	+ 3.6	
Fuel, electricity, and ice	99.4	99.4	94.3	+ 5.4	0.0
Housefurnishing	197.9	198.5	191.6	+ 3.3	— 0.3
Miscellaneous	153.7	153.3	149.2	+ 3.0	+ 0.3
UNITED STATES, ALL ITEMS	169.0	170.9	167.5	+ 0.9	— 1.1

*Not surveyed.

FEDERAL INTERNAL REVENUE COLLECTIONS

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

District	February 1949	February 1948	Percent change	July 1–February 28 1948–49	1947–48	Percent change
TEXAS	$137,147,309	$168,606,777	— 18.7	$864,082,326	$801,511,617	+ 7.8
Income	61,544,527	82,803,011	— 25.7	492,482,673	444,595,277	+ 10.8
Employment	13,276,266	12,316,925	+ 7.8	49,639,203	43,557,957	+ 14.0
Withholding	48,905,309	59,007,443	— 17.1	204,081,555	211,000,089	— 3.3
Other	13,421,207	14,479,398	— 7.3	117,878,895	102,358,294	+ 15.2
FIRST DISTRICT	75,651,856	75,515,733	+ 0.2	463,416,929	415,446,282	+ 11.5
Income	31,001,007	31,886,420	— 2.8	267,213,788	227,987,713	+ 17.2
Employment	6,678,140	5,947,564	+ 12.3	22,611,920	20,042,428	+ 12.8
Withholding	30,230,343	30,570,514	— 1.1	111,021,401	113,701,858	— 2.4
Other	7,742,366	7,111,235	+ 8.9	62,569,820	53,714,283	+ 16.5
SECOND DISTRICT	61,495,453	93,091,044	— 33.9	400,665,398	386,065,335	+ 3.8
Income	30,543,520	50,916,591	— 40.0	225,268,885	216,607,564	+ 4.0
Employment	6,598,126	6,369,361	+ 3.6	27,027,283	23,515,529	+ 14.9
Withholding	18,674,966	28,436,929	— 34.3	93,060,154	97,298,231	— 4.4
Other	5,678,841	7,368,164	— 22.9	55,309,075	48,644,012	+ 13.7

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.)

Despite rather sharp breaks in the price levels of farm and food products during the second week of February, subsequent recovery put the *index of wholesale prices* back to the same point on March 1 that it had been on February 1. According to the Bureau of Labor Statistics, prices of farm products and foods were actually higher by 0.9% and 1.7%, respectively, at the end of the month than they were when it began. Building materials prices also rose 0.3% during February, but hides and leather prices were off 6.6%, while textiles dropped 0.8%.

Considerable uncertainty prevails as to future price trends. Some authorities feel that since most of the postwar inflation occurred in commodities rather than in securities still greater declines in wholesale prices are due to follow. Others feel that if businessmen, generally, proceed cautiously there is little danger of a major recession growing out of commodity price adjustments.

At any rate the index for all commodities is 1.6% below the level attained on March 1, 1948.

INDEXES OF WHOLESALE PRICES IN THE UNITED STATES

(1926 = 100)

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

Group	Mar. 1 1949	Feb. 1 1949	Mar. 2 1948*	Percent change: Mar. 1, 1949 from Mar. 2, 1948	Percent change: Mar. 1, 1949 from Feb. 1, 1949
ALL COMMODITIES	158.8	158.8	161.4	— 1.6	0.0
Farm products	170.5	168.9	189.3	— 9.9	+ 0.9
Foods	161.3	158.6	173.0	— 6.8	+ 1.7
Hides and leather products	181.4	194.3	186.2	— 2.6	— 6.6
Textile products	142.3	143.5	150.5	— 5.4	— 0.8
Building materials	201.5	200.8	192.9	+ 4.5	+ 0.3
All commodities other than farm products	131.5	132.9	134.6	— 2.3	— 1.1
All commodities other than farm products and foods	152.3	153.5	147.4	+ 3.3	— 0.8

*Revised.

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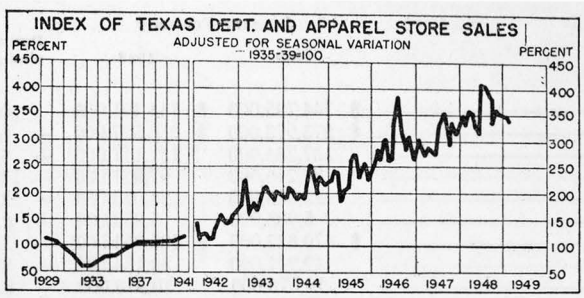
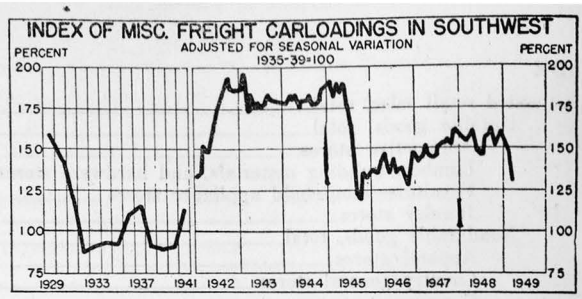
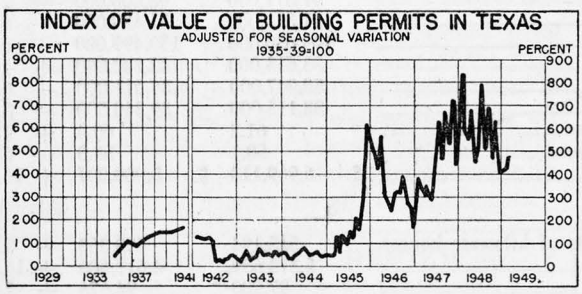
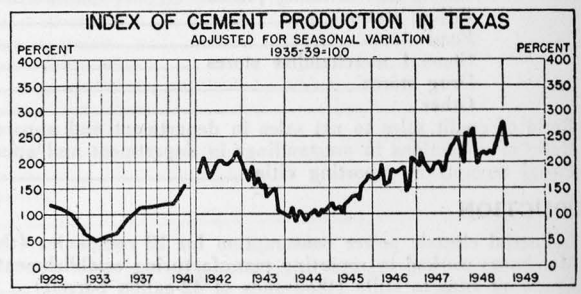
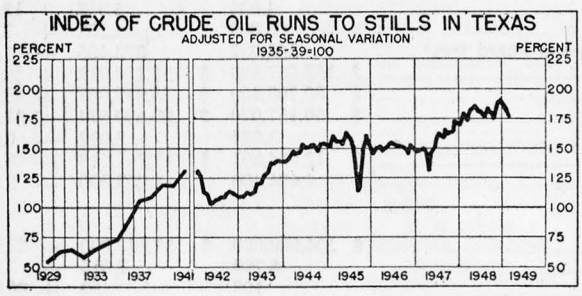
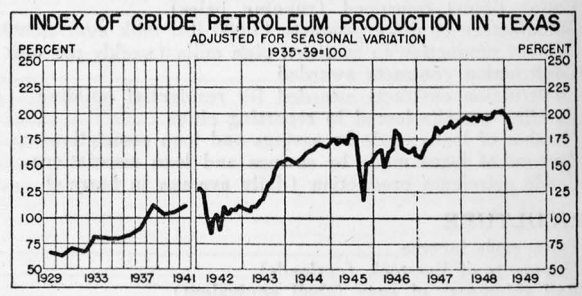
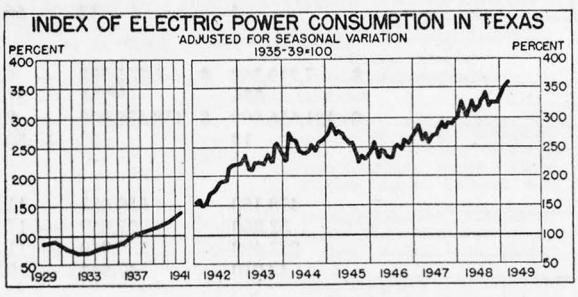
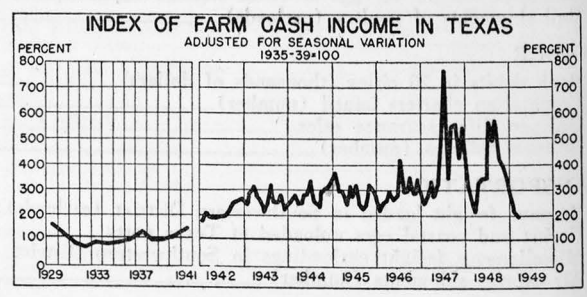
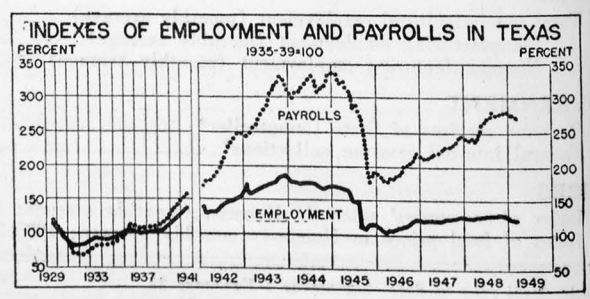
FIGURES FOR THE YEAR TO DATE

	January–February 1949	January–February 1948	Percent change
TRADE			
Estimated retail sales, total	$ 744,795,000	$ 744,491,000	0.0
Durable goods, total	$ 273,973,000	$ 258,527,000	+ 6.0
Automotive stores	137,234,000	131,137,000	+ 4.6
Lumber, building materials, and hardware stores	83,246,000	97,527,000	— 14.6
Furniture—household appliance stores	22,016,000	24,013,000	— 8.3
Jewelry stores	5,983,000	5,850,000	+ 2.3
Nondurable goods, total	$ 470,822,000	$ 485,964,000	— 3.1
Apparel stores	49,901,000	50,134,000	— 0.5
Country general stores	10,076,000	10,978,000	— 8.2
Department stores	51,854,000	53,683,000	— 3.4
Eating and drinking places	47,371,000	48,608,000	— 2.5
Filling stations	51,313,000	51,429,000	— 0.2
Food stores	149,630,000	159,499,000	— 6.2
General merchandise stores	33,615,000	33,282,000	+ 1.0
Drug stores	38,947,000	39,011,000	— 0.2
Other	38,115,000	39,340,000	— 3.1
Ratio of credit sales to net sales in department and apparel stores	61.2	60.4	+ 1.3
Ratio of collections to outstandings in department and apparel stores	50.1	53.3	— 6.0
Postal receipts in reporting cities	$ 6,969,113	$ 5,980,007	+ 16.5
PRODUCTION			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours)	545,194	498,363	+ 9.4
Man-hours worked in reporting manufacturing establishments	5,373,639	4,617,686	+ 16.4
Crude oil runs to stills (thousands of 42-gallon barrels)	97,280	94,676	+ 2.8
Cotton consumption (running bales)	24,735	27,279	— 9.3
Cotton linters consumed (running bales)	4,834	4,313	+ 12.1
Manufacture of dairy products (1,000 lbs. milk equivalent)	68,889	64,252	+ 7.2
Lumber production in southern pine mills (weekly per unit average in board feet)	368,907	373,455	— 1.2
Construction contracts awarded	$ 158,387,588	$ 121,158,972	+ 30.7
Construction contracts awarded for residential building	$ 80,105,400	$ 55,975,987	+ 43.1
Building permits issued in reporting cities	$ 50,157,079	$ 80,699,974	— 37.8
Number of loans made by savings and loan associations	3,084	3,092	— 0.3
Amount of loans made by savings and loan associations	$ 12,034,861	$ 12,767,513	— 5.7
Crude petroleum production (daily average in barrels)	4,694,400	4,803,500	— 2.3
AGRICULTURE			
Farm cash income	$ 104,000,000	$ 137,642,000	— 24.4
Shipments of livestock (carloads)	6,799	7,015	— 3.1
Rail shipments of eggs (shell equivalent)	108	60	+ 80.0
Interstate receipts of eggs at Texas stations (shell equivalent)	29	21	+ 38.1
Rail shipments of poultry (carloads)	4	12	— 66.7
FINANCE			
Bank debits in 20 cities (thousands of dollars)	$ 7,219,368	$ 6,755,588	+ 6.9
Corporation charters issued (number)	536	734	— 27.0
Ordinary life insurance sales	$ 121,656,000	$ 118,652,000	+ 2.5
Business failures (number)	18	12	+ 50.0
TRANSPORTATION			
Revenue freight loaded in Southwestern District (carloads)	478,150	539,083	— 11.3
Export and coastal cars unloaded at Texas ports	32,860	27,869	+ 17.9
Miscellaneous freight carloadings in Southwestern District	293,498	330,940	— 11.3
Air express shipments (number)	42,910	47,644	— 9.9
LABOR			
Total nonagricultural employment (monthly average)	1,749,550	1,667,850	+ 4.9
Manufacturing employment (monthly average)	340,100	341,450	— 0.4
Nonmanufacturing employment (monthly average)	1,409,450	1,326,400	+ 6.3
GOVERNMENT			
Revenue receipts of State Comptroller*	$ 256,295,597	$ 247,390,086	+ 3.6
Federal internal revenue collections†	$ 864,082,326	$ 801,511,617	+ 7.8
PRICES			
Index of consumers' prices in Houston (monthly average; 1935–39 = 100)	171.4	170.6	+ 0.5
Index of food prices in Houston (monthly average; 1935–39 = 100)	211.9	219.8	— 3.6

*State fiscal year to date—September 1–February 28.
†Federal fiscal year to date—July 1–February 28.

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