

TEXAS BUSINESS REVIEW

A MONTHLY SUMMARY OF BUSINESS AND ECONOMIC CONDITIONS IN TEXAS

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

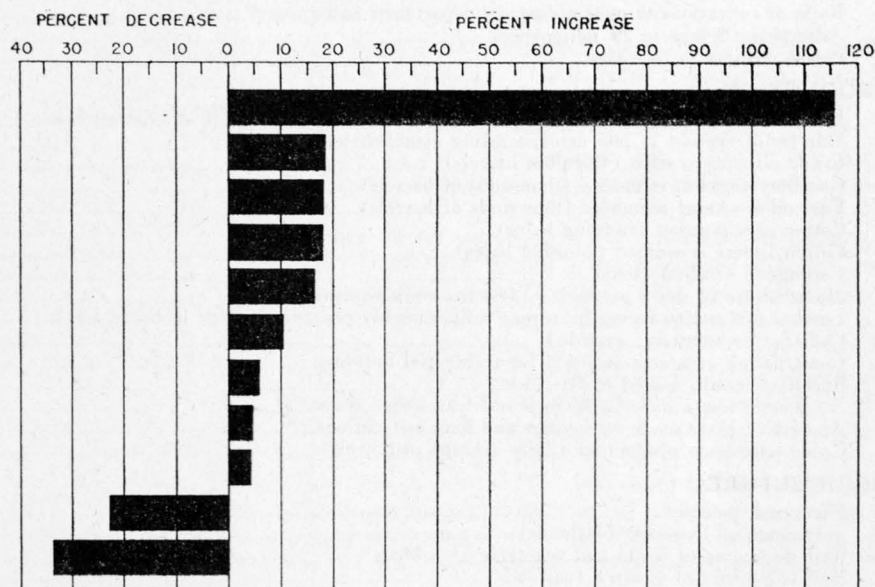
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HIGHLIGHTS OF TEXAS BUSINESS

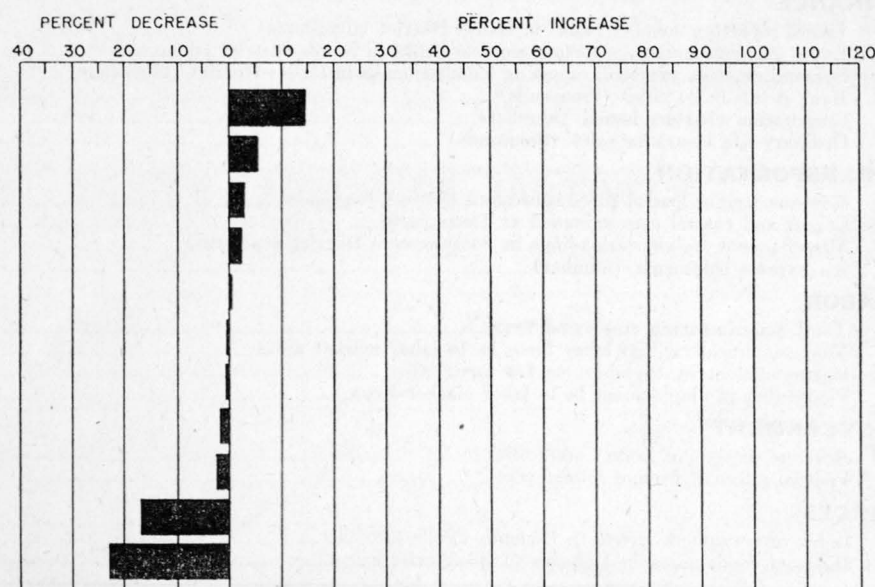
MAY 1947 COMPARED
WITH MAY 1946

Construction contracts
Pay rolls
Bank debits
Farm cash income
Retail sales
Employment
Crude petroleum production.....
Electric power consumption.....
Postal receipts
Life insurance sales
Cotton consumption



MAY 1947 COMPARED
WITH APRIL 1947

Farm cash income
Retail sales
Crude petroleum production.....
Bank debits
Pay rolls
Electric power consumption.....
Employment
Postal receipts
Life insurance sales
Construction contracts
Cotton consumption



FIGURES FOR THE MONTH

	May 1947	Apr. 1947	May 1946
INDEX OF TEXAS BUSINESS ACTIVITY (1935-39=100) *	187.3	189.7	171.0
Index of department and apparel store sales (10)	284.1	289.5	268.0
Index of miscellaneous freight carloadings in Southwestern District (20)	143.0	145.3	134.4
Index of crude oil runs to stills (5)	145.3	132.3	150.6
Index of electric power consumption (15)	256.0	270.0	244.4
Index of employment (25)	119.3	119.8	107.9
Index of pay rolls (25)	219.2	217.9	184.6
TRADE			
Retail sales of 1,780 independent stores	\$ 60,738,823	\$ 57,596,454	\$ 52,109,257
Ratio of credit sales to net sales in department and apparel stores	57.1	55.7	53.5
Ratio of collections to outstandings in department and apparel stores	58.7	56.2	66.3
Advertising linage in 29 newspapers	25,122,241	23,861,349	19,609,065
Postal receipts in 54 cities	\$ 2,661,445	\$ 2,706,246	\$ 2,549,759
PRODUCTION			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours)	227,325	230,040	222,474
Man-hours worked in 505 manufacturing establishments	3,104,211	3,096,373	2,576,482
Crude oil runs to stills (42-gallon barrels)	41,746,563	36,553,999	43,256,732
Gasoline stocks at refineries (thousands of barrels)	17,809	18,464	17,277
Fuel oil stocks at refineries (thousands of barrels)	14,206	12,648	11,364
Cotton consumption (running bales)	12,437	16,263	18,783
Cotton linters consumed (running bales)	1,034	1,283	2,224
Cottonseed crushed (tons)	6,602	22,870	8,240
Manufacture of dairy products (1,000 lbs. milk equivalent)	102,527	88,129	85,677
Lumber production in southern pine mills (weekly per unit average in board feet)	226,206	221,625	184,475
Construction contracts awarded	\$ 52,898,189	\$ 63,601,739	\$ 24,507,453
Construction contracts awarded for residential building	\$ 23,526,200	\$ 30,456,913	\$ 6,801,600
Building permits issued in 46 cities	\$ 20,415,981	\$ 21,332,430	\$ 19,581,390
Number of loans made by savings and loan associations	1,984	2,040	2,342
Amount of loans made by savings and loan associations	\$ 7,405,365	\$ 7,743,839	\$ 8,562,501
Crude petroleum production (daily average in barrels)	2,226,850	2,162,250	2,114,800
AGRICULTURE			
Farm cash income	\$ 93,618,000	\$ 81,469,000	\$ 79,141,000
Shipments of livestock (carloads)	12,403	11,730	12,041
Rail shipments of fruits and vegetables (carloads)	13,311	13,184	13,681
Rail shipments of poultry (carloads)	28	17	69
Rail shipments of eggs (shell equivalent in carloads)	461	347	1,028
Interstate receipts of eggs at Texas stations (shell equivalent in carloads)	9	5	33
FINANCE			
Loans, reporting member banks in Dallas District (thousands)	\$ 736,000	\$ 736,000	\$ 682,000
Loans and investments, reporting member banks in Dallas District (thousands)	\$ 1,849,000	\$ 1,823,000	\$ 2,092,000
Demand deposits adjusted, reporting member banks in Dallas District (thousands)	\$ 1,530,000	\$ 1,510,000	\$ 1,426,000
Bank debits in 24 cities (thousands)	\$ 2,910,710	\$ 2,834,656	\$ 2,456,703
Corporation charters issued (number)	230	130	335
Ordinary life insurance sales (thousands)	\$ 62,009	\$ 63,467	\$ 80,277
TRANSPORTATION			
Revenue freight loaded in Southwestern District (carloads)	282,876	272,022	249,180
Export and coastal cars unloaded at Texas ports	17,249	19,771	9,500
Miscellaneous freight carloadings in Southwestern District (carloads)	173,500	165,256	162,891
Air express shipments (number)	25,917	23,445	23,608
LABOR			
Total manufacturing employment	324,800	325,900	299,700
Nonagricultural civilian labor force in 16 labor market areas	1,226,863	2,222,641	1,060,046
Unemployment in 16 labor market areas	68,356	67,576	106,046
Placements in employment in 16 labor market areas	21,640	21,845	22,205
GOVERNMENT			
Revenue receipts of State Comptroller	\$ 41,440,730	\$ 39,931,414	\$ 28,168,999
Federal internal revenue collections	\$ 62,651,199	\$ 86,176,852	\$ 52,166,566
PRICES			
Index of consumers' prices in Houston (1935-39=100)	157.6	158.6	128.5
Index of food prices in Houston (1935-39=100)	197.1	199.2	139.7

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

The Business Situation in Texas

Business in Texas turned downward in May according to the index of *Texas business activity* prepared by the Bureau of Business Research. The decline was not great (only 1.3%) and it was smaller than the 3.8% decrease between April and May last year, but it was large enough to drop the index to the lowest point since November 1946. Nevertheless May business this year was still 9.5% over business in May a year ago and 87.3% above the average month of the prewar (1935-39) period.

Texas business for the past 6 months has fluctuated within a narrow range at very high levels. The postwar peak was reached in February, a month before the national peak, but the February index was only 2.3% higher than the index for last month. The same narrow fluctuations at peak levels have characterized business throughout the country in recent weeks.

There was nothing uncertain about the downturn of Texas business during May. Of the six indexes that go into the general State index, four went down, one rose slightly and only one advanced. Last year similar tendencies appeared. The question is whether the present downswing in business is like those in May and September of last year that proved to be short-lived or is this the beginning of a prolonged period of downward readjustment.

Trade in Texas continued high in May. The *retail sales of independent stores* were 5.5% larger than in April and 16.6% greater than May 1946 sales. The general dollar figures obscure the retail trade situation, however, because prices have risen and sales in some lines declined. Decreases have developed in the sales of soft goods, luxury items, jewelry, and cosmetics, for example. Since these items are customarily handled by department stores it is not surprising the seasonally-adjusted *index of department and apparel store sales* fell 1.9% in May and was only 6.0% ahead of last year's figures despite the intervening rise in prices. Compared with the prewar period, the index was up 184.1%.

While stores of this type did 184.1% more business in dollars in May than in the average month of the prewar period, they responded to the buyers' resistance to high prices with clearance sales and more vigorous sales promotions. With larger inventories, lower consumer incomes, and a diminished rate of customer saving, stores generally were selling more goods on *credit* and were experiencing difficulty in keeping up the rate of *collection*. In April 1946 Texas department and apparel stores sold 49.3% of their merchandise on credit; last month the percentage was 57.1%. A year ago in May collections were 66.7% of outstandings at the end of the month; this year the ratio was 58.7%.

Production on the whole remained steady in May. *Man-hours* worked in the State's industrial establishments was steady at a level 20.5% above May 1946. The seasonally-adjusted *index of miscellaneous freight carloadings* in the Southwestern District fell 1.6% for the month, but the decrease was only a fraction of last year's 9.1% decline. *Runs of crude oil to stills* rose 9.8% between April and May after seasonal adjustment, almost 6 times last year's 1.7% increase. *Electric power consumption* dropped 5.2% in May after allowance for seasonal factors, a larger decrease than last year's 0.7% decrease, but the index in May was 4.7% above the May 1946 level. The *consumption of industrial power* alone declined only 1.2% to remain 2.2% above last May's total. Compared with May of last year, miscellaneous freight carloadings were up 6.4% and electric power consumption down 3.5%. All three indexes topped their prewar averages by substantial margins; miscellaneous freight carloadings were up 43.0%, crude runs to stills 45.3%, and electric power consumption 156.0%. The several cotton series turned down between April and May of this year, including *cotton consumption*, *cotton linters consumed* and *cottonseed crushed*, but these decreases were largely seasonal. On the other hand, *dairy product manufacturing*, *lumber production* and *crude petroleum production* turned up and showed substantial gains over May of last year.



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The leveling-out of production in Texas has matched the first signs of weakness in national industrial production. In April the Federal Reserve index dropped from 190 to 187 (1935-39=100). Manufacturers' shipments on a national basis now exceeded current orders, some materials were still short, and there were complaints of cost-price squeezes. Texas manufacturers seemed to have less to complain about on these scores than manufacturers in other parts of the country.

The recession in *construction*, however, was as evident in Texas as elsewhere. *Construction contract awards*, the value of *building permits*, and the number and amount of *loans made by insured savings associations* were all smaller in May than in April, although building permits and construction contract awards were still above May 1946. High prices had materially cut down the demands of business for new plants and of workers for new homes everywhere in the country.

Texas *agriculture* continued to enjoy dollar prosperity in May with *farm cash income* totaling \$93,618,000 for the month, 14.9% more than April and 18.3% above May 1946. The physical volume of marketings of *live-stock*, *poultry and eggs*, and *fruits and vegetables* also rose for the month but except for livestock was below May 1946. High prices clearly had more to do with the farmers' lot in this State than high production.

Mixed tendencies characterized the field of *finance* during May, some indicators rising and others falling. There was a decrease in *export and coastal cars* unloaded at Texas ports, but all of the other *transportation* series moved upward in May. *Employment* was down for the month, *unemployment* and the *civilian nonagricultural labor force* were down; and placements held fairly steady. *Receipts of the State Comptroller* continued to rise in May, but *federal internal revenue collections* in Texas dropped sharply.

SMALL BUSINESS AIDS

In continuance of a co-operative plan to extend management assistance to small business in Texas, the Bureau of Business Research has reproduced during the past month for free distribution the following Small Business Aids prepared in the Office of Small Business of the U. S. Department of Commerce:

- What Is Important in Selling?
- Points to Check in Your Sales Force
- Successful Electrical Appliance Window Displays
- 13 Ways to Eliminate "Seasonitis"
- Coming Competition Demands Better Retail Management
- How to Analyze Your Local Market
- Methods of Sales Approach for a Women's Ready-to-Wear Shop

Copies of the above leaflets, in addition to those announced in the May REVIEW, are available from the Bureau of Business Research upon request.

TRADE

Retail Trade

(The movement of goods into the hands of consumers is one of the fundamental series of statistical data on business activity, since for business to be sound the volume of retail trade must be good. During a period of rising prices, such as the present, an increase in sales may result from a rise in prices as well as from an increase in the amount of business. The fluctuations in retail credit ratios are important conditioning factors of the volume of trade. Newspaper advertising linage and postal receipts are secondary trade indicators.)

Total retail sales in Texas were estimated by the Bureau of Business Research to be \$400,000,000 in May, an increase of 5.0% over April. This estimate is based on data from 1,780 Texas retail establishments that report regularly to the Bureau. After adjustment for seasonal variation, however, the increase was only 3.6%, since there is normally an increase in May sales over April.

Sales of durable goods stores increased 7.4% after adjustment for seasonal variation, while sales of non-durable goods stores increased only 1.8%. In May durable goods stores accounted for 34.1% of the total retail sales, compared with only 29.4% of total sales in 1946. The prewar relationship between sales of

RETAIL SALES OF INDEPENDENT STORES BY KINDS OF BUSINESS

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

Business	Number of reporting establishments	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	1,780	+ 16.6	+ 5.5
APPAREL	211	+ 4.1	+ 3.1
Family clothing stores	37	+ 7.9	+ 5.4
Men's and boys' clothing stores	64	+ 8.1	+ 6.3
Shoe stores	32	+ 12.0	- 4.9
Women's specialty shops	62	+ 0.7	+ 2.3
Other apparel stores	16	- 9.9	- 7.9
AUTOMOTIVE*	214	+ 45.8	+ 6.7
Motor vehicle dealers	165	+ 49.7	+ 6.6
COUNTRY GENERAL	211	+ 9.7	+ 6.8
DEPARTMENT STORES	51	+ 12.1	+ 5.1
DRUG STORES	146	- 2.5	+ 4.6
GENERAL MERCHANDISE	46	+ 4.8	+ 9.0
FILLING STATIONS	72	- 6.6	+ 1.4
FLORISTS	47	- 1.4	- 8.5
FOOD*	245	+ 16.5	+ 5.3
Grocery stores (without meat)	52	+ 9.0	+ 5.5
Combination stores (groceries and meats)	165	+ 17.2	+ 4.6
Other grocery and combination stores	5	+ 27.8	+ 23.5
FURNITURE AND HOUSEHOLD*	150	+ 17.3	+ 17.5
Furniture stores	99	+ 12.1	+ 18.6
JEWELRY	45	- 10.6	+ 19.6
LUMBER, BUILDING, AND HARDWARE*	235	+ 28.6	+ 2.7
Farm implement dealers	23	+ 28.7	- 4.0
Hardware stores	67	+ 22.9	+ 12.7
Lumber and building material dealers	129	+ 27.0	- 0.1
EATING AND DRINKING PLACES*	122	+ 5.9	+ 0.7
Restaurants	95	+ 8.0	+ 0.5
ALL OTHER STORES	126	- 1.1	+ 3.1

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

RETAIL SALES OF INDEPENDENT STORES BY CITY-SIZE GROUPS

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

City-size group	Number of reporting establishments	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	1,780	+ 16.6	+ 5.5
Over 100,000 population	702	+ 16.1	+ 5.0
50,000-100,000 population	203	+ 20.8	+ 6.2
2,500-50,000 population	685	+ 15.6	+ 6.5
Under 2,500 population	190	+ 21.0	+ 6.4

durable and nondurable goods stores was about 30% for durable goods stores and 70% for nondurable. In 1943 sales of durable goods stores had dropped to 18.7% of the total.

The Bureau's index of sales of durable goods stores was 307.9% of the 1935-39 base period in May, compared to 279.4% for sales of nondurable goods stores. The index for durable goods stores in May was 27.3% above the average for 1946, while for nondurable goods stores it was only 5.1% above 1946.

In comparison with a year ago, sales for May were up 16.6%, although jewelry stores, florists, and filling stations reported a decrease in sales. All durable goods stores except jewelry stores reported substantial gains over a year ago, the largest being motor vehicle dealers with an increase of 45.8%.

The ratio of credit sales to net sales in department and apparel stores was 57.1% in May 1947 compared to 53.5% a year earlier, which represents no substantial

change in this series for the last 18 months. During all this time the volume of credit sales has been climbing back to the prewar relationship to cash sales. Of the cities for which individual tabulations were made, only Dallas reported a lower percentage of credit sales for May in comparison with a year ago, and this was 69.8% compared to 71.0%.

Advertising linage in Texas newspapers in May 1947 was 28.1% above May 1946. In comparison with the preceding month May linage increased 5.3%.

May 1947 postal receipts for 54 Texas cities were 4.4% above May 1946, but decreased 1.7% from April. The normal seasonal change between April and May is a drop of 2.2%; so the Bureau's index rose 0.5% after adjustment for seasonal variation. Nine of the 54 cities reported an increase in postal receipts, with Fort Worth showing the largest gain (12.9%). Thirty-five cities registered gains over a year ago, with the largest increase 36.8% in Lubbock.

Taxable sales of gasoline reported by the State Comptroller were 168,079,685 gallons in April, an increase of 4.7% from March. This volume was 5.9% above April 1946, and the Bureau's index of gasoline sales adjusted for seasonal changes stood at 178.8% of the 1935-39 base period. Sales to the federal government in April totaled 14,157,135 gallons, a decrease of 62.1% from a year earlier, but an increase of 25.8% over March 1947.

Attendance at Texas State parks in May was substantially above a year ago and the preceding month,

CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES
(in percent)

Classification	Number of reporting stores	Ratio of credit sales to net sales*		Ratio of collections to outstandings†	
		May 1947	May 1946	May 1947	May 1946
ALL STORES	49	57.1	53.5	58.7	66.3
STORES GROUPED BY CITIES:					
Austin	7	46.2	40.6	68.9	75.4
Bryan	3	43.2	41.2	61.6	60.6
Corpus Christi	3	50.3	38.8	70.1	81.5
Dallas	5	69.8	71.0	57.7	63.9
Fort Worth	4	56.9	51.1	60.2	71.6
Houston	5	56.4	49.6	57.7	60.1
San Antonio	4	50.4	43.4	59.4	69.0
Waco	5	54.1	50.8	58.9	66.3
Other	13	50.5	46.0	55.0	64.8
BY TYPE OF STORE:					
Department stores (annual sales over \$500,000)	14	56.5	60.6	59.5	67.4
Department stores (annual sales under \$500,000)	6	48.4	44.7	55.9	69.8
Dry goods apparel stores	4	40.1	37.6	67.7	72.1
Women's specialty shops	12	64.3	66.5	55.7	63.1
Men's clothing stores	13	45.4	39.3	67.3	72.2
BY VOLUME OF NET SALES (1946):					
Over \$2,500,000	19	59.4	56.0	57.9	65.4
\$1,000,000-\$2,500,000	8	46.2	40.9	67.9	74.1
\$500,000-\$1,000,000	12	43.0	39.4	62.2	73.5
Less than \$500,000	10	41.5	38.1	61.9	64.1

*Credit sales divided by net sales.

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

RETAIL SALES OF INDEPENDENT STORES BY CITIES

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

City	Number of reporting establishments	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	1,780	+ 16.6	+ 5.5
Abilene	14	+ 27.4	- 8.0
Amarillo	52	+ 14.1	+ 0.6
Austin	61	+ 23.1	+ 6.5
Beaumont	49	+ 21.9	+ 9.2
Corpus Christi	51	+ 30.5	+ 11.2
Dallas	102	+ 15.0	+ 6.0
El Paso	43	+ 12.8	+ 7.7
Fort Worth	131	+ 16.9	+ 6.1
Galveston	29	+ 40.7	+ 20.3
Houston	155	+ 16.5	+ 6.2
Lamesa	22	+ 11.5	+ 5.0
Lockhart	19	+ 92.0	+ 10.6
Lubbock	14	+ 27.8	+ 0.1
Plainview	29	- 0.7	- 5.4
Port Arthur	54	+ 41.4	+ 13.6
San Antonio	156	+ 13.3	- 0.5
Temple	33	+ 9.2	+ 1.2
Texas City	12	+295.2	+101.6
Tyler	23	+ 18.4	+ 10.5
Waco	38	+ 9.1	+ 1.1
Wichita Falls	13	+ 0.1	+ 4.6
Other	680	+ 12.4	+ 6.0

according to the monthly report of the Board of State Parks. A total of 90,413 cars visited the parks in May, an increase of 34.7% over April. Of this total, 87,738 were Texas cars and 2,675 out-of-state. The number of out-of-state cars increased only 11.9% over April, while the number of Texas cars increased 35.6%. During May 320,188 persons visited the parks, an increase of 26.4% over last year. This increase was entirely in daytime visitors since the number of over-night visitors was 7.8% less than a year ago.

POSTAL RECEIPTS

City	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	\$2,661,445	\$2,706,246	\$2,549,759	+ 4.4	- 1.7
Abilene	30,359	32,792	27,416	+10.7	- 7.4
Amarillo	56,853	63,736	57,614	- 1.3	-10.8
Austin	123,996	114,534	118,828	+ 4.3	+ 8.3
Beaumont	45,632	52,140	46,527	- 1.9	-12.5
Borger	7,022	8,195	7,151	- 1.8	-14.3
Brownsville	11,313	12,659	10,133	+11.6	-10.6
Brownwood	10,577	10,669	11,955	-11.5	- 0.9
Bryan	8,381	9,329	8,405	- 0.3	-10.2
Childress	3,271	4,284	3,936	-16.9	-23.6
Cleburne	4,815	5,420	5,250	- 8.3	-11.2
Coleman	3,910	4,424	4,080	- 4.2	-11.6
Corpus Christi	64,295	68,412	63,691	+ 0.9	- 6.0
Corsicana	8,652	10,001	8,274	+ 4.6	-13.5
Dallas	677,612	696,199	647,573	+ 4.6	- 2.7
Denison	9,433	9,404	9,385	+ 0.5	+ 0.3
Denton	12,036	13,066	11,000	+ 9.4	- 7.9
Edinburg	5,485	6,487	5,135	+ 6.8	-15.4
El Paso	79,979	91,784	95,591	-16.3	-12.9
Fort Worth	296,766	262,751	275,319	+ 7.8	+12.9
Gainesville	5,475	6,235	4,984	+ 9.9	-12.2
Galveston	48,109	49,739	52,727	- 8.8	- 3.3
Gladewater	3,522	4,129	3,849	- 8.5	-14.7
Graham	3,362	3,510	3,337	+ 0.7	- 4.2
Greenville	9,194	10,563	8,946	+ 2.8	-13.0
Harlingen	11,636	13,890	10,455	+11.3	-16.2
Houston	468,688	468,925	424,998	+10.3	- 0.1
Jacksonville	6,068	6,524	6,652	- 8.8	- 7.0
Kenedy	2,081	1,940	1,786	+16.5	+ 7.3
Kerrville	4,562	4,974	4,381	+ 4.1	- 8.3
Lamesa	5,065	4,727	4,640	+ 9.2	+ 7.2
Laredo	15,137	16,698	14,506	+ 4.3	- 9.3
Longview	15,428	16,160	12,884	+19.7	- 4.5
Lubbock	44,058	42,054	32,216	+36.8	+ 4.8
Lufkin	7,754	8,349	7,026	+10.4	- 7.1
McAllen	9,626	10,583	8,727	+10.3	- 9.0
Marshall	10,297	11,831	10,496	- 1.9	-13.0
Midland	13,977	14,014	12,429	+12.5	- 0.3
Nacogdoches	5,737	6,035	5,585	+ 2.7	- 4.9
Orange	10,542	10,767	12,819	-17.8	- 2.1
Palestine	7,625	7,906	6,299	+21.1	- 3.6
Pampa	10,511	10,760	9,778	+ 7.5	- 2.3
Paris	11,481	10,396	9,961	+15.3	+10.4
San Angelo	23,007	24,457	23,729	- 3.0	- 5.9
San Antonio	257,534	266,909	257,553	0.0	- 3.5
Seguin	4,071	4,312	4,328	- 5.9	- 5.6
Sherman	12,786	13,303	11,260	+13.6	- 3.9
Sweetwater	9,229	10,632	7,511	+22.9	-13.2
Temple	11,735	14,358	12,537	- 6.4	-18.3
Texas City	7,633	7,903	6,869	+11.1	- 3.4
Tyler	26,519	28,988	25,518	+ 3.9	- 8.5
Vernon	5,574	5,527	5,551	+ 0.4	+ 0.9
Victoria	8,776	9,233	8,610	+ 1.9	- 4.9
Waco	64,729	66,811	57,250	+13.1	- 3.1
Wichita Falls	39,534	36,818	42,299	- 6.5	+ 7.4

Wholesale Trade

(Wholesale sales represent the movement of goods to retailers, and when compared with the changes in retail sales indicate whether stocks in the hands of retailers are being maintained at a constant level or are being allowed to increase or decrease. The information on inventories of wholesalers gives an indication of the availability of goods to retailers, which in this period of shortages is a significant factor in the business situation.)

Sales of wholesalers in Texas for April were reported by the Bureau of the Census, United States Department of Commerce, to be 28% above the same month last year, but the same as the preceding month. The sales of wholesale druggists were reported to be 5% below April 1946, but all other lines of business were up. Sales of electrical goods wholesalers were up 136%, to register by far the greatest gain of any type of business. Other types of business were up as follows: tobacco 35%, machinery, equipment, and supplies 27%, hardware 24%, groceries 19%, and automotive supplies 7%. In comparison with the preceding month electrical goods and drugs reported no change, automotive supplies, hardware, and tobacco were up, while machinery and groceries declined.

WHOLESALESALES

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

Business	Number of reporting firms	Percent change	
		Apr. 1947 from Apr. 1946	Apr. 1947 from Mar. 1947
TOTAL	135	+ 28	0
Automotive supplies	12	+ 7	+ 5
Drugs and sundries*	19	- 5	0
Electrical goods	28	+136	0
Groceries	42	+ 19	- 4
Hardware	14	+ 24	+ 4
Machinery, equipment, and supplies (except electrical)	4	+ 27	- 3
Tobacco	9	+ 35	+ 7
All other	7	+ 1	- 2

*Includes liquor departments.

Inventories of the same establishments increased 66% over the same month of last year. For electrical goods the increase was 330%, while automotive supplies increased 121%, hardware 84%, machinery 65%, groceries 38%, and drugs 28%.

WHOLESALESALES INVENTORIES

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

Business	Percent change	
	Apr. 1947 from Apr. 1946	Apr. 1947 from Mar. 1947
TOTAL	+ 66	+ 2
Automotive supplies	+121	+ 3
Drugs and sundries*	+ 28	- 5
Electrical goods	+330	+ 6
Groceries	+ 38	- 1
Hardware	+ 84	+ 6
Machinery, equipment, and supplies (except electrical)	+ 65	+10
Tobacco	- 8	+ 1
All other	+ 37	+ 7

*Includes liquor departments of other trades.

Foreign Trade

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

Exports of domestic and foreign merchandise from the 4 Texas customs districts continued to rise in March, totaling \$155,500,000 or 11.3% more than the \$139,700,000 of merchandise exported in February. March 1947 exports were 46.7% greater than exports in March 1946. Texas shared in the broad upswing of American foreign trade.

Among the 4 districts, Galveston and Laredo showed gains for March over February of this year; El Paso and Sabine registered decreases. All 4 districts reported substantially more export trade this past March than a year ago.

Big items among State and national exports were such typical items as wheat, automobiles, trucks, petroleum products, and steel. Allocations of grain (mostly wheat) for export were 46 million bushels in June, 54 million bushels in July, and 53 million bushels in August. This heavy movement was expected to put a severe strain on the transportation facilities of the Southwest and Midwest, the major grain producing areas (see Transportation, p. 19). The public grain elevator at Houston shipped 3,096,016 bushels of grain in May and received 1,296,826 bushels.

EXPORTS OF DOMESTIC AND FOREIGN MERCHANDISE (in thousands of dollars)

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

Customs district	Mar. 1947	Feb. 1947	Mar. 1946	Percent change	
				Mar. 1947 from Mar. 1946	Mar. 1947 from Feb. 1947
TOTAL	155,500	139,700	106,000	+ 46.7	+ 11.3
El Paso	4,100	4,200	2,700	+ 51.9	- 2.4
Galveston	97,500	87,000	71,000	+ 37.3	+ 12.1
Laredo	40,600	31,400	22,800	+ 78.1	+ 29.3
Sabine	13,300	17,100	9,500	+ 40.0	- 22.2

Imports of general merchandise through Texas amounted to \$8,800,000 in March—31.3% less than in February 1947 and 30.7% less than in March 1946. Slight gains for the month were reported by the El Paso and Laredo districts, but the loss of imports through Galveston more than offset them. All 4 districts handled

IMPORTS OF GENERAL MERCHANDISE (in thousands of dollars)

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

Customs district	Mar. 1947	Feb. 1947	Mar. 1946	Percent change	
				Mar. 1947 from Mar. 1946	Mar. 1947 from Feb. 1947
TOTAL	8,800	12,800	12,700	- 30.7	- 31.3
El Paso	1,300	1,000	2,100	- 38.1	+ 30.0
Galveston	3,100	7,700	5,500	- 43.6	- 59.7
Laredo	4,400	4,100	5,000	- 12.0	+ 7.3
Sabine	*	*	100	—	—

*Less than \$50,000.

a smaller dollar volume of imports this past March than they did 12 months earlier.

A major difficulty in building up importations into the United States at this time is the failure of the foreign production programs to come up to their original goals. As long as production lags abroad, the foreign trade of the United States rests on an insecure foundation. In recent weeks Texas foreign traders have called for greater efforts to promote imports. Shipping services at the Texas Gulf ports are being improved, customs entries are being facilitated, and plans for foreign trade zones in San Antonio and Houston are progressing.

There was a sharp drop in the *exports of merchandise by air* from Texas in January and a smaller (3.1%) decline in February. The total for February was \$1,591,922, the bulk of the movement taking place through the Laredo District which includes the airports of Brownsville, San Antonio, and Laredo. The drop in air exports from the Galveston District was responsible for the over-all decline.

EXPORTS OF MERCHANDISE BY AIR

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

District and port	Feb. 1947	Jan. 1947	Percent change	
			Feb. 1947 from Jan. 1947	
TOTAL	\$1,591,922	\$1,643,030	+ 3.1	
GALVESTON	223,109	400,335	- 44.3	
Dallas	26,948	2,310	+1066.6	
Fort Worth	10,040	66,396	- 84.9	
Houston	186,121	331,629	- 43.9	
LAREDO	1,310,570	1,201,125	+ 9.1	
Brownsville	596,774	564,458	+ 5.7	
Laredo	18,052	2,501	+ 621.8	
San Antonio	695,744	634,166	+ 9.7	
EL PASO	58,243	41,570	+ 40.1	
El Paso	58,243	41,570	+ 40.1	

January imports of general merchandise by air doubled the December figures, but February imports were down to almost two-thirds of the January total. The import situation was just the reverse of the export picture. Imports rose in February through the Galveston and El Paso districts; importations through the airports of the Laredo District were off 78.2%.

IMPORTS OF GENERAL MERCHANDISE BY AIR

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

District and port of unloading	Feb. 1947	Jan. 1947	Percent change	
			Feb. 1947 from Jan. 1947	
TOTAL	\$ 215,395	\$ 631,941	- 65.9	
GALVESTON	11,116	10,936	+ 1.6	
Dallas	115	3,213	- 96.4	
Fort Worth	—	510	—	
Houston	11,001	7,213	+ 52.5	
LAREDO	126,389	580,232	- 78.2	
Brownsville	3,281	10,932	- 70.0	
Laredo	—	21	—	
San Antonio	123,108	569,279	- 78.4	
EL PASO	77,890	40,773	+ 91.0	
El Paso	77,890	40,773	+ 91.0	

PRODUCTION

Manufacturing

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

Manufacturing activity in Texas, measured by *man-hours worked* in 505 factories reporting to the Bureau, leveled off by registering a slight increase of 0.3% from April to May 1947. Man-hours worked in May 1947 registered a 20.5% gain over the figure for May 1946. Gains over April 1947 were shown by firms turning out iron and steel, machinery (except electrical), lumber and timber, food, paper and allied products, and printing and publishing. Both durable and nondurable goods industries showed mixed gains and losses in the monthly comparison, with durable goods industries presenting the stronger picture. For the 12-month period all industries, except paper and allied products, showed gains.

Industrial electric power consumption at Texas manufacturing plants registered a 1.2% decrease over April and was 2.2% above May 1946. Adjusted for seasonal variation, the Bureau's index of industrial electric power consumption in Texas dropped 5.2% between April and May this year to 239.1% of its 1935-39 level.

Runs of crude oil to stills in Texas totaled 41,746,563 barrels during May, a 14.2% advance over April, according to information compiled by the Railroad Commission of Texas. Crude runs to stills in May 1947 were 45.1% above the prewar (1935-39) average but were 3.7% under May 1946 runs.

Refinery stocks of both gasoline and residual fuel in Texas for May 1947 were down from April 1947 by

REFINERY STOCKS*

(in thousands of barrels)

Source: *The Oil and Gas Journal*

Section and item	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TEXAS					
Gasoline	17,809	18,464	17,277	+ 3.1	- 3.5
Distillate	6,329	5,437	5,524	+14.6	+16.4
Residual	5,610	5,695	5,840	- 3.9	- 1.5
Kerosene	2,267	1,516	-----	-----	+49.5
TEXAS GULF COAST					
Gasoline	14,056	14,121	14,249	- 1.4	- 0.5
Distillate	5,996	5,134	5,205	+15.2	+16.8
Residual	4,991	4,981	5,135	- 2.8	+ 0.2
Kerosene	2,014	1,305	-----	-----	+54.3
INLAND TEXAS					
Gasoline	3,753	4,343	3,028	+23.9	-13.6
Distillate	333	303	319	+ 4.4	+ 9.9
Residual	619	714	705	-12.2	-13.3
Kerosene	253	211	-----	-----	+19.9

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

3.5% and 1.5%, respectively, but in the same period, distillate and kerosene stocks increased 16.4% and 49.5%, respectively. The yearly comparison of gasoline and distillate in Texas showed gains, while residual fuel stocks revealed a loss. The Texas Gulf Coast registered a 54.3% gain in kerosene for May 1947 over April 1947, while Inland Texas registered a 19.9% increase in kerosene.

Texas consumption of both *cotton and cotton linters* for May 1947 declined noticeably from April figures by registering losses of 23.5% and 19.4%, respectively. Both were also down from May 1946, 33.8% and 53.5%, respectively.

CONSUMPTION OF COTTON AND COTTON LINTERS

(in running bales)

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

Item	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
Cotton	12,437	16,263	18,783	-33.8	-23.5
Linters	1,034	1,283	2,224	-53.5	-19.4

Cottonseed received at Texas mills for May 1947 was 98.2% below that for April 1947, although 83.9% above that for May 1946. Cottonseed crushed was down 17.1% from April 1947 and 19.9% from May 1946. The index of cottonseed crushed in Texas during May 1947 dropped to 34.1 (1935-39 = 100), a 37.7% decline from April, after seasonal adjustment.

COTTONSEED PRODUCTION

(in tons)

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

Item	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
Received at mills	206	11,353	112	+83.9	-98.2
Crushed	6,602	22,870	8,240	-19.9	-71.1
Stocks at end of month	20,535	26,931	13,660	+50.3	-23.7

Spinning spindles in place in Texas, active spindles, and average spindle hours all registered losses from the end of April to the end of May 1947. Spindles active and average spindle hours showed a decline from May 1946, with practically no change registered for spinning spindles in place for the 12-month period. Average spindle hours showed the greatest loss from April to May 1947 with a 20.1% decrease. Active spindles followed with a 17.1% decrease.

COTTON SPINNING ACTIVITY

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

Item	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
Spinning spindles in place*	242,496	245,824	242,392	+ 0.04	- 1.4
Spindles active	200,274	241,690	240,640	-16.8	-17.1
Average spindle hours	314	393	402	-21.9	-20.1

*End of the month.

Cement production in Texas rose slightly (0.6%) from March to April 1947, but showed a gain of 16.3% over April 1946. After seasonal factors were removed, the Bureau's index of cement production in Texas therefore declined 6.4% to 182.7% of its 1935-39 average. Shipments from Texas plants showed a 6.7% increase from March to April, which reduced stocks at the end of April 9.5% below the March figure. All items registered gains from April 1946 to April 1947.

CEMENT PRODUCTION (in thousands of barrels)

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

Item	Apr. 1947	Mar. 1947	Apr. 1946	Percent change	
				Apr. 1947 from Apr. 1946	Apr. 1947 from Mar. 1947
Production	1,013	1,007	871	+16.3	+ 0.6
Shipments	1,064	997	988	+ 7.7	+ 6.7
Stocks	493	544	478	+ 3.1	- 9.4

Average weekly lumber production per unit in southern pine mills for May 1947 was 2.1% greater than for the preceding month and was 22.6% above that for May 1946. Average weekly shipments per unit increased only 0.6% from April to May. Average unfilled orders per unit at the end of May 1947 decreased 8.8% from April 1947 figures and 32.0% from May 1946 figures. Lumber production in southern pine mills increased only 1.8% to bring the index to 78.5% of the 1935-39 average.

LUMBER PRODUCTION IN SOUTHERN PINE MILLS (in board feet)

Source: Southern Pine Association

Item	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
Average weekly production per unit	226,206	221,625	184,475	+22.6	+ 2.1
Average weekly shipments per unit	212,428	211,237	199,968	+ 6.2	+ 0.6
Average unfilled orders per unit, end of month	772,658	847,288	1,135,500	-32.0	- 8.8

Total milk equivalent used in the manufacture of dairy products in Texas for May 1947 showed an increase of 16.3% over the April 1947 figure and 19.7%

MANUFACTURE OF DAIRY PRODUCTS

Product	Unit	May 1947	Apr. 1947	May 1946	Percent change	
					May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL MILK EQUIVALENT*						
	1,000 lbs.	102,527	88,129	85,677	+19.7	+16.3
Creamery butter	1,000 lbs.	2,298	2,015	1,556	+47.7	+14.0
Ice cream†	1,000 gal.	2,054	1,644	2,668	-23.0	+24.9
American cheese	1,000 lbs.	1,581	1,427	973	+62.5	+10.8
All other	1,000 lbs.	5,790	5,181	5,171	+12.0	+11.8

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

†Includes sherbets and ices.

over the May 1946 figure. Creamery butter was up 14.0% from April and 47.7% above May 1946. Ice cream showed a 24.9% gain over April but was 23.0% below May 1946. American cheese increased 10.8% over April 1947 and 62.5% over May 1946. All other dairy products increased both on a monthly and yearly comparison basis.

Output of **canned grapefruit juice** for the 1946-47 season through May 31 showed a decrease of 13.8% from the same period of the 1945-46 season. Shipments were off 39.1%, while stocks showed an increase of 106.8%. As a result, canned grapefruit stocks were over 2 times their year-ago level.

GRAPEFRUIT JUICE CANNING

(in cases of 24/2's)

Source: Texas Cannery Association

Item	1946-47* Season	1945-46* Season	Percent change
Production	8,239,813	9,561,319	- 13.8
Shipments	4,780,306	7,852,008	- 39.1
Stocks	3,535,676	1,709,311	+106.8

*Through May 31.

Construction

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

Expectation of a drop in the cost of building caused a decline in **total construction contract awards** for May 1947, showing a 16.8% loss from April. The May 1947 figure of \$52,898,189 was 115.8% greater than the figure a year ago. Engineering, nonresidential, and residential construction all turned in losses in the monthly comparison, the greatest decline being 22.8% in residential awards. Outstanding increases in the yearly comparison were a 104.3% gain in nonresidential awards and a 245.9% gain in residential awards.

CONSTRUCTION CONTRACTS

Source: Texas Contractor

Type of building	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	\$52,898,189	\$63,601,739	\$24,507,453	+115.8	- 16.8
Engineering	11,709,118	12,896,172	9,058,208	+ 29.3	- 9.2
Nonresidential	17,662,871	20,248,654	8,647,645	+104.3	- 12.8
Residential	23,526,200	30,456,913	6,801,600	+245.9	- 22.8

Building permits issued in 46 Texas cities continued their downward trend by registering a 4.3% drop in May 1947 from the preceding month. The \$20,415,981 permits for May 1947 were 4.3% in excess of the amount issued in May a year ago. Houston, with permits totaling \$5,249,821, led in value of permits issued during

BUILDING PERMITS

City	May 1947	Apr. 1947	May 1946
TOTAL	\$20,415,981	\$21,332,430	\$19,581,390
Abilene	249,335	1,252,745	217,227
Amarillo	646,055	766,040	688,615
Austin	1,413,750	2,279,470	1,514,540
Beaumont	447,706	368,588	213,406
Big Spring	62,905	57,605	209,100
Borger	36,950	96,850	34,700
Brownsville	85,730	121,455	67,678
Brownwood	247,372	63,540	10,725
Bryan	204,030	155,555	202,419
Childress	6,300	7,900	40,931
Cleburne	18,850	27,855	43,625
Coleman	221,650	17,100	26,000
Corpus Christi	751,842	1,079,612	543,169
Corsicana	13,600	20,555	40,295
Dallas	3,143,356	5,166,228	5,554,210
Denison	44,808	55,181	100,912
Denton	189,500	144,057	111,950
Edinburg	39,775	42,600	21,350
El Paso	1,070,890	417,095	909,466
Fort Worth	2,300,088	1,766,348	2,781,073
Gainesville	33,860	41,575	18,960
Galveston	231,515	129,775	84,819
Gladewater	2,375	3,100	64,300
Harlingen	207,925	157,115	95,668
Houston	5,249,821	4,459,386	3,516,258
Jacksonville	40,300	43,400	41,450
Kenedy	145	6,800	3,050
Kerrville	61,960	98,100	61,174
Longview	164,980	95,975	67,675
Lubbock	1,154,487	583,555	237,771
McAllen	48,698	110,110	54,311
Marshall	89,494	67,843	68,475
Midland	166,600	123,000	340,225
New Braunfels	57,590	87,674	58,452
Palestine	32,874	20,913	39,900
Pampa	75,800	44,250	50,350
Paris	28,375	50,565	65,525
Plainview	69,750	76,200	253,125
Seguin	102,986	44,745	25,735
Sherman	92,342	60,921	49,688
Sweetwater	43,700	93,760	51,000
Texas City	338,290	75,650	71,940
Tyler	217,067	339,240	336,417
Victoria	32,575	31,475	37,400
Waco	563,325	465,134	459,786
Wichita Falls	114,655	115,790	96,545

May, followed by Dallas with \$3,143,356; Fort Worth with \$2,300,088; Austin with \$1,413,750; Lubbock with \$1,154,487; and El Paso with \$1,070,890. In the April-May comparison this year, 25 of the 46 reporting cities contributed to the over-all decline, while in the 12-month comparison 26 cities showed gains contributing to the 4.3% yearly gain.

Business analysts generally felt the recession in the construction industry to be one of the most significant features of the current business situation. The postwar demand for housing and industrial and commercial buildings was immense at prewar, or wartime prices, but it was predicted that the steady rise in building costs might dull the edge of the building boom just as it has in Texas and the rest of the country. Families and business concerns alike have withdrawn from a market that was drastically inflated despite the fact that the need for construction is almost as great today as it was a year and a half ago.

Whether governmental controls have helped or hindered construction since V-J Day will probably remain a matter for political debate. Certainly the policy of the federal government was not clear-cut. Now that controls on construction have been virtually abandoned, it is expected that construction will be stimulated, although few expect a return to boom conditions with prices at current levels.

The distortion of building costs is plainly shown in the wholesale prices of building materials and lumber (page 26). Building materials in April were 78.8% above the 1926 average, and lumber was up 173.5%.

Both number and amount of *loans* made during May by the 119 insured savings and loan associations in Texas were below the previous monthly figures by 2.7% and 4.4%, respectively. Losses in number and amount of loans were also registered over the May 1946 figures by 15.3% and 13.5%, respectively. In the number of loans made, purchase, refinance, and other loans showed decreases over the April 1947 figures, whereas only purchase loans showed a loss in the yearly comparison. All types of loans except purchase loans showed noticeable gains in value over previous monthly and yearly figures.

LOANS MADE BY SAVINGS AND LOAN ASSOCIATIONS*

Source: Federal Home Loan Bank of Little Rock

Type	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
NUMBER, TOTAL	1,984	2,040	2,342	-15.3	- 2.7
Construction	578	510	474	+21.9	+13.3
Purchase	851	941	1,405	-39.4	- 9.6
Refinance	166	178	162	+ 2.5	- 6.7
Recondition	220	194	141	+56.0	+13.4
Other	169	217	160	+ 5.6	-22.1
AMOUNT, TOTAL	\$7,405,365	\$7,743,839	\$8,562,501	-13.5	- 4.4
Construction	2,529,103	2,423,942	1,939,112	+30.4	+ 4.3
Purchase	3,331,334	3,844,767	5,597,220	-40.5	-13.4
Refinance	605,462	522,429	558,117	+ 8.5	+15.9
Recondition	245,383	241,490	174,115	+40.9	+ 1.6
Other	694,083	711,211	293,937	+136.1	- 2.4

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

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.)

Electric power consumption in Texas for May 1947 showed a decrease of 0.2% under that for the preceding month, but was 4.6% above the figure for a year ago. Industrial power consumption was down slightly in May 1947, while commercial and residential power consumption showed respective gains of 7.3% and 0.4%

over April 1947. After seasonal adjustment, the Bureau's *index of total electric power consumption* fell 5.2% from April to May to bring the index figure to 256.0% of its 1935-39 average. *Industrial electric power consumption* also fell 5.2% from April to May and brought the index to 239.1% of its 1935-39 average.

ELECTRIC POWER CONSUMPTION*

(in thousands of kilowatt hours)

Use	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	469,066	470,035	448,631	+ 4.6	- 0.2
Commercial	101,826	94,900	89,165	+14.2	+ 7.3
Industrial	227,325	230,040	222,474	+ 2.2	- 1.2
Residential	76,359	76,052	65,884	+15.9	+ 0.4
Other	63,556	69,043	71,108	-10.6	- 7.9

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

Production of *electric energy* in Texas for public use dropped 2.4% from March to April 1947, totaling 615,024,000 k.w.h. in the latter month. In comparison with April 1946, output this year was up 8.7%, however.

Natural Resources

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

Daily average production of *crude petroleum* in Texas for May 1947 was 3.0% above that for the preceding month and 5.3% above the May 1946 output. The index of production in Texas for May 1947 was 176.8, based on the prewar years 1935-39.

Total *well completions* in Texas for January-May of 1947 were slightly above the total for these months in 1946. Total well completions in Texas for May 1947 were 786, of which 513 were oil wells, 225 were dry wells, and 48 were gas wells. North Central Texas led in completions in May 1947 as well as in dry wells. West Texas, second in number of wells drilled, led in number of oil wells brought in, and Eastern Texas led in number of gas wells.

WELL COMPLETIONS

Source: *The Oil and Gas Journal*

District	May 1947*				Jan.-May (all wells)	
	Total	Oil	Gas	Dry	1947	1946
TEXAS	786	513	48	225	3,436	3,327
North Central Texas	228	130	8	90	1,059	1,183
West Texas	196	156	5	35	820	686
Panhandle	38	28	6	4	174	148
Eastern Texas	46	24	13	9	201	314
Texas Gulf Coast	139	90	8	41	642	754
Southwest Texas	139	85	8	46	540	242

*For 5 weeks ending May 31, 1947.

AGRICULTURE

Income

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

The total *farm cash income* of Texas farmers for May was \$93,618,000 according to the estimate made by the Bureau of Business Research. With the start of the harvest of the State's major crops, May income exceeded the April total of \$81,469,000 by 14.9% and was 18.3% greater than the income received in May of last year. During the first 5 months of 1947 Texas farmers have taken in \$370,895,000 as compared with \$329,266,000 during the same months of 1946. This is a cumulative gain in income of 12.6%. Leading the income parade in increases thus far this year are the Northern High Plains (up 82.4%), the Western Cross Timbers (up 57.2%), and the East Texas Timbered Plains (50.3%).

The Bureau's seasonally-adjusted *index of farm cash income* dropped 9.6% between April and May of this year, half of the crop-reporting districts showing gains and half, losses. Measured by prewar (1935-39) standards, Texas farm income last month was up 167.5%.

Brightest spot in the income picture at the present time is the wheat harvest which is expected to bring \$275,000,000 to farmers in Texas at present prices. South of Abilene dry conditions cut yields but to the north growing conditions were ideal. The West Texas oat crop, despite destructive hail storms in some areas, is expected to add another \$2,000,000 to the income of farmers in that region and \$20,000,000 will come from the grain sorghum crop in the Coastal Bend area. Now is the time for farmers to get out of debt before going into the market to purchase items for home consumption at inflated prices.

FARM CASH INCOME

District	Indexes, 1935-39=100, adjusted for seasonal variation			Amount, Jan.-May (in thousands of dollars)	
	May 1947	Apr. 1947	May 1946	1947	1946
TEXAS	267.5	295.0	226.2	370,895	329,266
1-N	306.8	493.0	226.8	56,125	30,762
1-S	400.4	400.4	308.1	29,861	24,086
2	284.5	292.9	226.9	31,729	24,964
3	280.9	375.8	167.3	20,925	13,308
4	185.1	169.6	185.4	37,635	34,131
5	343.4	253.6	185.9	15,986	10,638
6	195.4	188.9	295.2	12,142	20,690
7	228.6	355.3	192.3	30,737	30,034
8	279.7	325.5	236.7	32,432	30,435
9	290.9	269.8	199.3	23,168	17,484
10	332.6	234.6	131.3	26,202	19,781
10-A	606.2	590.1	764.4	53,953	72,953

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.)

The month of May produced favorable crop conditions for the farmers in most parts of the State. Dry conditions in the West, Central, and Trans-Pecos counties were ended by rains in the middle of the month, while in the North and Northwestern counties there was almost too much rain. On June 1 the official estimate of the Texas wheat crop was raised to 142,405,000 bushels, about 75% above the 1944 record crop. Harvest conditions were ideal and there were few complaints of rust. Cold weather slowed the growth of onions in South Texas and the crop was short. The tomato crop in East Texas and the Valley was below expectations and cannery output was down. The potato crop was also off, but watermelons appeared in record quantities. Valley cantaloupes were a disappointment and the prospects for the West Texas peach crop were not good.

SHIPMENTS OF LIVESTOCK (in carloads)*

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

Classification	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL SHIPMENTS	12,403	11,730	12,041	+ 3.0	+ 5.7
Cattle	8,460	9,707	7,806	+ 8.4	- 12.8
Calves	983	741	1,023	- 3.9	+ 32.7
Hogs	702	794	570	+ 23.2	- 11.6
Sheep	2,258	488	2,642	- 14.5	+362.7
INTERSTATE PLUS FORT WORTH	11,230	10,709	10,962	+ 2.4	+ 4.9
Cattle	7,482	8,879	6,944	+ 7.7	- 15.7
Calves	858	579	899	- 4.6	+ 48.2
Hogs	693	773	566	+ 22.4	- 10.4
Sheep	2,197	478	2,553	- 13.9	+359.6
INTRASTATE MINUS FORT WORTH†	1,173	1,021	1,079	+ 8.7	+ 14.9
Cattle	978	828	862	+ 13.5	+ 18.1
Calves	125	162	124	+ 0.8	- 22.8
Hogs	9	21	4	+125.0	- 57.1
Sheep	61	10	89	- 31.5	+510.0

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

†Intrastate truck shipments are not included. Fort Worth shipments are combined with interstate forwardings in order that the bulk of market disappearance for the month may be shown.

RAIL SHIPMENTS OF POULTRY AND EGGS FROM TEXAS STATIONS (in carloads)

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

Classification	May 1947	Apr. 1947	May 1946
Chickens	9	8	33
Turkeys	19	9	36
Eggs—shell equivalent*	461	347	1,028
Shell	11	3	42
Frozen	65	60	81
Dried	40	28	103

*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.

Shipments of poultry and eggs were generally greater in May than in April of this year but were uniformly below last year's level. The rise in intrastate egg shipments last month was sufficient to offset the decline in interstate shipments. Prospects were for a short supply of eggs in the fall and higher egg prices.

Interstate receipts of eggs jumped from 5 to 9 carloads between April and May of this year but remained well below the 33 carloads received last May.

INTERSTATE RECEIPTS OF EGGS BY RAIL AT TEXAS STATIONS (in carloads)

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

Type	May 1947	Apr. 1947	May 1946
TOTAL RECEIPTS—SHELL EQUIVALENT*	9	5	33
Shell	5	3	13
Frozen	2	1	2
Dried	0	0	2

*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.

As the citrus and vegetable season in the Valley drew to a close rail shipments of fruits and vegetables rose slightly (1.0%) but the May 1947 total was 2.7% less than the total shipments in May 1946. Detailed statistics on shipments appear in the accompanying table.

RAIL SHIPMENTS OF FRUITS AND VEGETABLES* (in carloads)

Item	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	13,311	13,184	13,681	- 2.7	+ 1.0
Cabbage	92	1,509	3	—	- 93.9
Carrots	599	1,107	284	+110.9	- 45.9
Corn	1,102	7	1,189	- 7.3	—
Cucumbers	268	0	282	- 5.0	—
Grapefruit	2,024	3,381	1,508	+ 34.2	- 40.1
Onions	3,801	2,625	2,363	+ 60.9	+ 44.8
Oranges	261	511	80	+226.3	- 48.9
Tomatoes	4,169	235	7,111	- 41.4	—
Mixed vegetables	371	1,494	252	+ 47.2	- 75.2
Sweet potatoes	320	10	5	—	—
Other fruits and vegetables	304	2,305	604	- 49.7	- 86.8

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

Prices

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

Declines outnumbered advances in prices received by farmers for 31 farm products surveyed by the United States Department of Agriculture at mid-May compared

with a month earlier. Of the total, 14 items brought lower prices, 9 were higher, and 8 remained unchanged from the preceding month. Prices of grains held steady in general, wheat, oats, and barley sliding off a few cents per bushel. Livestock had mixed tendencies; hogs dropped again by 80 cents a cwt. and lambs fell slightly, but beef cattle, veal calves, and milk cows rose somewhat. With the exception of chickens, which went up a fraction of a cent per pound, poultry and egg products were off moderately to substantially.

PRICES OF TEXAS FARM PRODUCTS

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

Commodity	Unit	May 15 1947	Apr. 15 1947	May 15 1946
Wheat	bu.	\$ 2.40	\$ 2.43	\$ 1.67
Corn	bu.	1.67	1.67	1.46
Oats	bu.	.95	.98	.87
Barley	bu.	1.31	1.34	1.23
Grain sorghum	cwt.	2.70	2.70	2.60
Rice	bu.	2.29	2.29	1.85
Potatoes	bu.	2.35	2.20	1.32
Sweet potatoes	bu.	2.55	2.55	2.85
Cotton lint	lb.	.334	.32	.244
Cottonseed	ton	88.00	98.00	55.00
Cowpeas	bu.	4.50	4.00	3.60
Peanuts	lb.	.093	.09	.086
Hogs	cwt.	22.60	23.40	14.10
Beef cattle	cwt.	16.50	16.40	12.10
Veal calves	cwt.	18.50	18.00	14.00
Sheep	cwt.	9.70	9.70	7.70
Lambs	cwt.	16.00	16.10	11.80
Milk cows	head	109.00	107.00	91.00
Horses	head	54.00	54.00	52.00
Mules	head	84.00	84.00	83.00
Chickens	lb.	.263	.256	.242
Turkeys	lb.	.235	.259	.267
Eggs	doz.	.368	.38	.310
Butter	lb.	.62	.67	.52
Butterfat	lb.	.57	.64	.49
Milk, wholesale	cwt.	5.05	5.25*	3.50
Wool	lb.	.40	.40	.44
All hay, loose	ton	17.10	19.50	18.00
Alfalfa hay, loose	ton	26.50	29.00	24.40
Oranges†	box	2.60	2.52	2.64
Grapefruit†	box	.63	.68	1.12

*Revised.

†On-tree equivalent price.

Cold Storage

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

Holdings of dairy and poultry products at cold storage places in Texas increased substantially between April 1 and May 1 and were for the most part greater than a year earlier. Stocks of fluid cream and creamery butter more than doubled, and shell egg stocks were almost 4 times as big as on April 1. Only item for which a decline was registered was plastic cream, inventories of which were off 23.9%. In comparison with

a year ago, there were bigger stocks of all dairy and poultry products except shell and frozen eggs, off 70.0% and 14.9%, respectively.

COLD STORAGE HOLDINGS

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

Item	Unit (000's)	May 1 1947	Apr. 1 1947	May 1 1946	Percent change	
					May 1 1947	May 1 1947
					from 1946	from Apr. 1 1947
Cream:						
Fluid	lbs.	215	103	126	+ 70.6	+108.7
Plastic	lbs.	331	435	295	+ 12.2	- 23.9
Creamery butter	lbs.	330	160	256	+ 28.9	+106.3
American cheese	lbs.	4,266	3,647	2,600	+ 64.1	+ 17.0
Shell eggs	cases	57	15	190	- 70.0	+280.0
Frozen eggs	lbs.	11,742	7,148	13,793	- 14.9	+ 64.3
Poultry	lbs.	4,066	4,014	3,018	+ 34.7	+ 1.3

In private warehouses and meat-packing establishments, the occupancy rate dropped considerably from April 1 to May 1, whereas the reverse was true for public cold storage warehouses. Freezer space in meat-packing establishments was in low demand with only 55% of capacity space in use; 80% of cooler space in the same plants was filled. In public warehouses 71% of cooler space and 87% of freezer space were being utilized on May 1.

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		
		May 1 1947	Apr. 1 1947	May 1 1946
Public cold storage warehouses:				
Cooler	4,553	71	67	87
Freezer	3,965	87	85	82
Private and semiprivate warehouses:				
Cooler	312	82	86	93
Freezer	71	---	100	83
Meat-packing establishments:				
Cooler	2,453	80	91	98
Freezer	1,039	55	83	94

*Space survey October 1, 1945.

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 for the United States indicated a supply of 4,702,000 bales of cotton on June 1, the lowest figure for many years. World consumption of cotton is now running well above production. It is estimated by the United States Department of Agriculture that world cotton consumption during the current season will be about 27,500,000 bales and that the 1947 crop will be less than 21,500,000 bales.

On June 2 the Agriculture Department announced interim cotton loan rates averaging 24.75 cents a pound for the 1947 crop, middling $\frac{7}{8}$ inch cotton. This price

LOCAL BUSINESS

ABILENE

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores.....		+ 27.4	- 8.0
Postal receipts\$	30,359	+ 10.7	- 7.4
Building permits\$	249,335	+ 14.8	- 80.1
Air express shipments	151	+ 29.1	+ 2.7
Bank debits to individual accounts (thousands)\$	26,519	+ 14.4	- 2.4
Placements in employment	557	- 4.9	- 22.9
Unemployment	1,450	- 22.6	+ 3.6

AMARILLO

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores.....		+ 14.1	+ 0.6
Postal receipts\$	56,853	- 1.3	- 10.8
Building permits\$	646,055	- 6.2	- 15.7
Air express shipments	416	- 17.1	- 1.7
Bank debits to individual accounts (thousands)\$	69,432	+ 25.8	- 3.5
Placements in employment	614	- 17.8	+ 8.7
Unemployment	1,700	+ 70.0	0.0

AUSTIN

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores.....		+ 23.1	+ 6.5
Postal receipts\$	123,996	+ 4.3	+ 8.3
Building permits\$	1,413,750	- 6.7	- 38.0
Air express shipments	531	- 5.5	+ 5.6
Bank debits to individual accounts (thousands)\$	89,362	+ 8.6	- 6.5
Placements in employment	885	- 5.3	+ 2.7
Unemployment	2,111	- 30.0	- 1.1

BEAUMONT

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores.....		+ 21.9	+ 9.2
Postal receipts\$	45,632	- 1.9	- 12.5
Building permits\$	447,706	+109.8	+ 21.5
Export and coastal cars unloaded	548	- 18.0	- 39.8
Air express shipments	265	- 5.0	+ 19.4
Bank debits to individual accounts (thousands)\$	70,746	+ 23.4	- 2.2
Placements in employment (area)	1,799	- 5.7
Unemployment (area)	6,255	- 5.9

BROWNSVILLE

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Postal receipts\$	11,313	+ 11.6	- 10.6
Building permits\$	85,730	+ 26.7	- 29.4
Air express shipments	2,055	- 24.1	+ 1.8
Placements in employment	152	- 68.1	- 46.7
Unemployment	1,700	- 5.8	+ 1.5

BROWNWOOD

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Postal receipts\$	10,577	- 11.5	- 0.9
Building permits\$	247,372	+2206.5	+289.3
Placements in employment	352	+ 18.1	+ 18.9
Unemployment	790	- 58.4	+ 1.7

CORPUS CHRISTI

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores.....		+ 30.5	+ 11.2
Postal receipts\$	64,295	+ 0.9	- 6.0
Building permits\$	751,842	+ 38.4	- 30.4
Air express shipments	630	+ 16.5	+ 12.7
Bank debits to individual accounts (thousands)\$	66,938	+ 4.9	+ 1.8
Placements in employment	783	+ 11.2	- 8.2
Unemployment	2,400	- 27.3	- 4.0

CORSICANA

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Postal receipts\$	8,653	+ 4.6	- 13.5
Building permits\$	13,600	- 66.2	- 33.8
Bank debits to individual accounts (thousands)\$	8,186	+ 2.9	- 0.7

DALLAS

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores.....		+ 15.0	+ 6.0
Apparel stores		+ 1.1	- 0.4
Automotive stores		+ 74.3	+ 5.5
Department stores		+ 17.0	+10.4
Drug stores		- 1.2	- 0.7
Filling stations		+ 7.9	+ 0.9
Florists		- 14.0	- 7.7
Food stores		+ 8.9	+ 1.1
Furniture and household stores.....		+ 17.6	+25.6
Jewelry stores		- 19.4	+ 7.1
Lumber, building material, and hardware stores		+ 17.4	+ 6.0
Eating and drinking places		- 0.4	+ 4.5
All other stores		- 2.6	- 2.0
Postal receipts\$	677,612	+ 4.6	- 2.7
Building permits\$	3,143,356	- 43.4	- 39.2
Air express shipments	7,855	+ 11.2	+ 12.6
Bank debits to individual accounts (thousands)\$	820,408	+ 20.1	+ 4.4
Placements in employment	3,525	- 11.1	+ 2.5
Unemployment	10,300	- 45.8	- 5.5

EL PASO

	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores.....		+ 12.8	+ 7.7
Postal receipts\$	79,979	- 16.3	- 12.9
Building permits\$	1,070,890	+ 17.7	+156.7
Air express shipments	1,348	+ 4.9	+ 25.6
Bank debits to individual accounts (thousands)\$	97,400	+ 11.1	+ 1.0
Placements in employment	697	+ 47.0	+ 22.7
Unemployment	3,000	- 11.0	0.0

CONDITIONS

FORT WORTH	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores..		+ 16.9	+ 6.1
Apparel stores		- 3.4	- 2.8
Automotive stores		+ 44.3	+ 5.4
Department stores		+ 8.1	+ 4.7
Drug stores		+ 7.3	+ 7.7
Filling stations		+ 6.4	+ 1.3
Florists		- 13.1	- 15.7
Food stores		+ 29.1	+ 6.0
Furniture and household stores		+ 44.5	+ 28.3
General merchandise stores		+ 14.6	+ 21.3
Jewelry stores		+ 2.6	+ 39.8
Lumber, building material, and hardware stores		+ 30.4	+ 1.1
Eating and drinking places		+ 6.0	+ 0.5
All other stores		- 0.4	- 0.9
Postal receipts	\$ 296,766	+ 7.8	+ 12.9
Building permits	\$2,300,088	- 17.3	+ 30.2
Air express shipments	1,706	- 35.1	+ 19.9
Bank debits to individual accounts (thousands)	\$ 278,422	+ 24.6	- 0.2
Placements in employment	3,609	+ 15.9	+ 14.0
Unemployment	10,000	- 14.5	+ 19.0

GALVESTON	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores..		+ 40.7	+ 20.3
Postal receipts	\$ 48,109	- 8.8	- 3.3
Building permits	\$ 231,515	+173.0	+ 78.4
Export and coastal cars unloaded	11,085	+115.1	- 1.6
Air express shipments	445	+ 36.9	- 6.9
Bank debits to individual accounts (thousands)	\$ 60,595	+ 13.8	+ 5.0
Placements in employment (area)	1,122	- 11.0	- 17.6
Unemployment (area)	2,200	- 21.4	+ 22.2

HOUSTON	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores..		+ 16.5	+ 6.2
Apparel stores		+ 2.6	+ 3.3
Automotive stores		+ 45.6	+ 6.9
Department stores		+ 8.5	+ 4.6
Drug stores		- 0.3	+ 1.6
Filling stations		+ 6.8	- 3.4
Florists		- 1.6	- 10.9
Food stores		+ 10.5	+ 10.2
Furniture and household stores		+ 12.6	+ 15.5
General merchandise stores		+ 15.5	+ 14.9
Jewelry stores		+ 16.0	+ 3.5
Lumber, building material, and hardware stores		+ 27.1	+ 14.2
Eating and drinking places		+ 13.8	- 0.2
All other stores		+ 23.8	+ 13.1
Postal receipts	\$ 468,688	+ 10.3	- 0.1
Building permits	\$5,249,821	+ 49.3	+ 17.7
Export and coastal cars unloaded	4,739	+ 69.3	- 19.6
Air express shipments	4,948	+ 32.3	+ 4.3
Bank debits to individual accounts (thousands)	\$ 787,727	+ 20.1	+ 4.7
Placements in employment (area)	4,794	+ 4.3	- 4.7
Unemployment (area)	11,000	- 47.6	- 15.4

LAMESA	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores..		+ 11.5	+ 5.0
Postal receipts	\$ 5,065	+ 9.2	+ 7.2
Air express shipments	19	-	- 5.0
Bank debits to individual accounts (thousands)	\$ 5,540	- 0.6	- 3.4

LUBBOCK	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores..		+ 27.8	+ 0.1
Postal receipts	\$ 44,058	+ 36.8	+ 4.8
Building permits	\$1,154,487	+385.5	+ 97.8
Air express shipments	269	+ 30.0	+ 22.8
Bank debits to individual accounts (thousands)	\$ 48,587	+ 31.8	+ 3.6
Placements in employment	575	+ 12.1	+ 7.9
Unemployment	900	- 35.7	+ 12.5

TEMPLE	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores..		+ 9.2	+ 1.2
Postal receipts	\$ 11,735	- 6.4	- 18.3
Air express shipments	62	-	- 7.5
Bank debits to individual accounts (thousands)	\$ 5,279	- 3.5	+ 2.8

PLAINVIEW	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores..		- 0.7	- 5.4
Building permits	\$ 69,750	- 72.4	- 8.5
Bank debits to individual accounts (thousands)	\$ 11,258	+ 52.1	+ 4.7

PORT ARTHUR	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Retail sales of independent stores..		+ 41.4	+ 13.6
Export and coastal cars unloaded	877	+ 75.4	- 10.7
Air express shipments	209	+ 86.6	+ 27.4
Bank debits to individual accounts (thousands)	\$ 31,996	+ 29.7	+ 10.4
Placements in employment (area)	1,799	-	- 5.7
Unemployment (area)	6,255	-	- 5.9

SAN ANGELO	May 1947	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Postal receipts	\$ 23,007	- 3.0	- 5.9
Air express shipments	327	+ 62.7	+ 22.9
Bank debits to individual accounts (thousands)	\$ 23,413	+ 2.6	+ 2.1

LOCAL BUSINESS CONDITIONS

(continued)

		Percent change	
SAN ANTONIO		May 1947	May 1947 from May 1946
Retail sales of independent stores..			+ 13.3
Apparel			+ 9.0
Automotive			+ 41.0
Department stores			+ 3.3
Drug stores			- 3.3
General merchandise			- 5.1
Filling stations			+ 4.0
Florists			- 24.6
Food			+ 5.7
Furniture and household			+ 18.6
Jewelry			- 6.8
Lumber, building material, and hardware			+ 7.4
Eating and drinking places			+ 0.1
All other stores			- 27.2
Postal receipts	\$ 257,530		0.0
Air express shipments	2,957		+ 53.6
Bank debits to individual accounts (thousands)	\$ 233,002		+ 13.4
Placements in employment	2,090		+ 15.3
Unemployment	11,200		- 37.8

		Percent change	
TEXAS CITY		May 1947	May 1947 from May 1946
Retail sales of independent stores..			+295.2
Postal receipts	\$ 7,633		+ 11.1
Building permits	\$ 338,290		+370.2
Bank debits to individual accounts (thousands)	\$ 16,374		+ 42.2
Placements in employment (area)	1,122		- 11.0
Unemployment (area)	2,200		- 21.4

		Percent change	
TEXARKANA		May 1947	May 1947 from May 1946
Air express shipments	83		- 18.6
Bank debits to individual accounts (thousands)	\$ 21,743		+ 9.3
Placements in employment	657		- 32.0
Unemployment	3,380		- 59.8

		Percent change	
TYLER		May 1947	May 1947 from May 1946
Retail sales of independent stores..			+ 18.4
Postal receipts	\$ 26,519		+ 3.9
Building permits	\$ 217,067		- 35.5
Air express shipments	371		+ 60.6
Bank debits to individual accounts (thousands)	\$ 35,515		+ 17.3

		Percent change	
WACO		May 1947	May 1947 from May 1946
Retail sales of independent stores..			+ 9.1
Postal receipts	\$ 64,729		+ 13.1
Building permits	\$ 553,325		+ 22.5
Air express shipments	178		- 28.2
Bank debits to individual accounts (thousands)	\$ 41,428		+ 9.5
Placements in employment	387		- 60.7
Unemployment	3,400		- 32.0

		Percent change	
WICHITA FALLS		May 1947	May 1947 from May 1946
Retail sales of independent stores..			+ 0.1
Postal receipts	\$ 39,534		- 6.5
Building permits	\$ 114,655		+ 18.8
Air express shipments	276		0.0
Bank debits to individual accounts (thousands)	\$ 44,122		+ 13.0
Placements in employment	413		- 12.0
Unemployment	1,816		+ 14.7

was about 10 cents below the going market price. Interim rates for 1946 cotton averaged 20.25 cents. The interim rates will hold until the regular loan program for this year's cotton is announced early in August.

In Texas the new cotton crop in the Valley was expected to begin rolling to market early in June. The 425,000 acres planted in that area were reported to be in good condition at the end of May.

COTTON BALANCE SHEET FOR THE UNITED STATES AS OF JUNE 1, 1947

(in thousands of running bales except as noted)

Year	Carryover Aug. 1	Imports to June 1	Final ginnings	Total	Consumption to June 1	Exports to June 1	Total	Balance June 1
1937-38	4,498	119	18,242	22,859	4,856	5,227	10,083	12,776
1938-39	11,533	122	11,621	23,276	5,759	3,107	8,866	14,410
1939-40	13,033	137	11,477	24,647	6,591	5,931	12,522	12,125
1940-41	10,596	150	12,287	23,033	7,619	976	8,595	14,438
1941-42	12,367	256	10,489	23,112	9,208	969	10,177	12,935
1942-43	10,590	173	12,437	23,200	9,342	900	10,242	12,958
1943-44	10,687	131	11,121	21,939	8,412	1,002	9,414	12,525
1944-45	10,727	160	11,806	22,693	8,109	1,319	9,428	13,265
1945-46	11,164	305	8,781	20,250	7,643	2,776	10,419	9,831
1946-47	7,522	203*	8,513	16,238	8,630	2,906*	11,536	4,702

*Figures to April 30.

FINANCE

Bank Credit

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

Loans of weekly reporting member banks in the Dallas Federal Reserve District showed no net changes during May and at the end of the month total loans of \$736 million were about 8% above those on the corresponding date a year earlier. Holdings of U.S. Government securities rose slightly during the month and stood at \$1,024 million on May 28. Total holdings rose \$23 million during the month, \$18 million of which occurred in Treasury bill holdings. Changes in deposit accounts of these banks were also confined within relatively narrow limits. Total deposits, except interbank, amounted to \$1,894 million on May 28, an increase of \$16 million during the month but 8.6% below those on the corresponding date last year. There were small increases in demand deposits adjusted and in time deposits, offset in part by a further reduction in U.S. Government deposits.

Holdings of U.S. Government securities by the Federal Reserve Bank of Dallas remained relatively stable during May and at the end of the month amounted to \$886 million. Discounts and advances, which had risen to \$3,984,000 at the end of May 1946 declined to less than

a third of that amount at the end of May 1947. Federal Reserve notes of that Bank in actual circulation continued their moderate decline and stood at \$571 million on May 28.

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	May 28 1947	Apr. 30 1947	May 29 1946	Percent change	
				May 28 1947 from May 29 1946	May 28 1947 from Apr. 30 1947
ASSETS					
Gold certificate reserves	460,272	467,316	479,511	— 4.0	— 1.5
U.S. Government securities	885,794	889,089	893,252	— 0.8	— 0.4
Discounts and advances	1,219	1,306	3,984	—69.4	— 6.7
Other cash	10,932	12,093	7,891	+38.5	— 9.6
Other assets	95,543	93,448	90,265	+ 5.8	+ 2.2
TOTAL ASSETS	1,453,760	1,463,202	1,474,903	— 1.4	— 0.6
LIABILITIES					
Federal Reserve notes	571,468	573,314	591,358	— 3.4	— 0.3
Deposits	775,866	787,295	790,415	— 1.8	— 1.5
Other liabilities	82,098	78,434	71,307	+15.1	+ 4.7
TOTAL LIABILITIES	1,429,432	1,439,043	1,453,080	— 1.6	— 0.7
Capital paid in	7,088	7,081	6,589	+ 7.6	+ 0.1
Surplus	15,084	15,084	11,977	+25.9	0
Other capital accounts	2,156	1,994	3,257	—33.8	+ 8.1
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	1,453,760	1,463,202	1,474,903	— 1.4	— 0.6

CHANGES IN CONDITION OF WEEKLY REPORTING MEMBER BANKS*

Source: Board of Governors of the Federal Reserve System

Item	Percent change		
	May 28 1947	May 28 1947	May 29 1946
	from May 29 1946	from Apr. 30 1947	from May 1 1946
ASSETS			
Loans and investments	-11.6	+ 1.4	- 0.2
Loans	+ 7.9	0	- 0.3
Total U.S. Government securities	-23.8	+ 2.3	- 0.1
Treasury bills	- 9.4	+60.0	- 1.9
Treasury certificates of indebtedness	-48.7	- 0.5	+ 0.7
Treasury notes	-48.4	+ 0.9	+ 0.9
United States bonds	- 0.5	+ 0.8	- 0.8
Other securities	+32.8	+ 3.5	- 1.5
Reserve with Federal Reserve Banks	- 2.6	- 2.3	+ 0.8
Cash in vault	+ 8.0	+ 8.0	+ 8.7
Balances with domestic banks	+ 6.9	+ 2.7	+ 1.4
LIABILITIES			
Total deposits (except interbank)	- 8.6	+ 0.9	- 0.2
Demand deposits adjusted	+ 7.3	+ 1.3	+ 0.9
Time deposits	+ 9.5	+ 1.5	+ 1.3
United States Government deposits	-90.9	-22.5	- 6.0
Interbank deposits:			
Domestic banks	-13.4	+ 2.2	+ 1.5
Foreign banks	+50.0	0	0
CAPITAL ACCOUNTS	+ 7.6	+ 0.6	+ 0.7

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

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.)

In contrast with the usual seasonal decline, bank debits in 24 leading Texas cities rose to \$2,911 million during May, an increase of 18% over the same month last year. All reporting cities of the State participated in the gain except Temple and Lamesa, which reported declines of 3.5% and 0.6%, respectively. The largest relative gains were recorded in Lubbock, Port Arthur, and Amarillo where increases of more than 25% occurred. As a result of the increases, this Bureau's *index of bank debits in Texas* (which has been adjusted for seasonal variation) rose to a new peak of 371.1% of the 1935-1939 average. Bank debits during May were 2.7% above those in April 1947.

Dallas had the greatest volume of bank debits of any Texas city in May, with \$820,408,000, Houston running a close second with its debits totaling \$787,727,000. The only other cities with debits in excess of \$100 million were Fort Worth (\$278,422,000) and San Antonio (\$233,002,000).

BANK DEBITS*

(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

City	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	\$2,910,710	\$2,834,656	\$2,456,703	+18.5	+ 2.7
Abilene	26,519	27,158	23,171	+14.4	- 2.4
Amarillo	69,432	71,953	55,207	+25.8	- 3.5
Austin	89,362	95,572	82,249	+ 8.6	- 6.5
Beaumont	70,746	72,345	57,324	+23.4	- 2.2
Corpus Christi	66,938	65,772	63,809	+ 4.9	+ 1.8
Corsicana	8,186	8,245	7,958	+ 2.9	- 0.7
Dallas	820,408	786,088	683,332	+20.1	+ 4.4
El Paso	97,400	96,430	87,690	+11.1	+ 1.0
Fort Worth	278,422	278,844	223,844	+24.6	- 0.2
Galveston	60,595	57,697	53,235	+13.8	+ 5.0
Houston	787,727	752,618	656,098	+20.1	+ 4.7
Lamesa†	5,540	5,734	5,575	- 0.6	- 3.4
Laredo	16,678	16,807	16,379	+ 1.8	- 0.8
Lubbock	48,587	46,905	36,856	+31.8	+ 3.6
Plainview†	11,258	10,753	7,401	+52.1	+ 4.7
Port Arthur	31,996	28,993	24,671	+29.7	+10.4
San Angelo	23,413	22,928	22,812	+ 2.6	+ 2.1
San Antonio	233,002	227,911	205,475	+13.4	+ 2.2
Texarkana†	21,743	23,280	19,891	+ 9.3	- 6.6
Temple†	5,279	5,135	5,470	- 3.5	+ 2.8
Texas City†	16,374	13,996	11,513	+42.2	+17.0
Tyler	35,515	31,784	30,279	+17.3	+11.7
Waco	41,428	45,075	37,837	+ 9.5	- 8.1
Wichita Falls	44,122	42,633	39,043	+13.0	+ 3.5

*Debits to deposit accounts except interbank accounts.

†Includes two banks in Arkansas, Eighth District.

‡Source of data: Bureau of Business Research.

Corporation Charters

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

Information supplied by the Secretary of State of Texas indicates that 230 new corporation charters were issued in the State during May, as compared with 130 in April and 336 in May 1946. Although the number of firms receiving charters in May was considerably

CORPORATION CHARTERS ISSUED BY CLASSIFICATION

Source: Secretary of State

Classification	May 1947	Apr. 1947	May 1946
DOMESTIC CORPORATIONS			
Capitalization (1,000 dollars)	9,547	3,987	8,085
Number	230	130	336
Banking-finance	3	10	7
Construction	15	3	0
Manufacturing	22	16	49
Merchandising	48	27	94
Oil	14	8	21
Public service	9	0	2
Real estate	34	10	40
Transportation	4	4	13
All others	49	22	68
No capital stock	32	30	42
FOREIGN CORPORATIONS			
Number	7	19	50

smaller than the same month last year, capitalization of the new firms in May this year amounted to \$9,547,000 as compared with a total capitalization of \$8,085,000 for the larger number of firms chartered in May 1946. Among the new businesses chartered in May this year there were 48 merchandising firms, 34 real estate firms, and 22 manufacturing concerns. Continuing the pattern of other recent months, most of the new corporations were small firms but in May there were 26 new corporations with stated capitalization in excess of \$100,000 each, as compared with only 13 such firms in the same month last year.

The majority of the new corporations (125 of the 230) were in the size group with capitalization from \$5,000 to \$100,000, while 43 of the new companies formed in May were capitalized at less than \$5,000.

CORPORATION CHARTERS ISSUED BY CAPITALIZATION

Source: Secretary of State

Capitalization	May 1947	Apr. 1947	May 1946
Over \$100,000	26	11	13
\$5,000 to \$100,000	125	70	207
Less than \$5,000	43	19	65
Capitalization not specified	4	0	8
No capital stock	32	20	42

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.)

According to information furnished by Dun and Bradstreet, there were only 2 business failures in Texas during May and the total liabilities of these firms amounted to \$34,000. During the preceding month there were 5 business failures. There were no failures in May or April 1946.

BUSINESS FAILURES

Source: Dun and Bradstreet, Inc.

	May 1947	Apr. 1947	May 1946	Apr. 1946
Number	2	5	0	0
Liabilities*	34	892	0	0
Average liabilities per failure*	17	178	---	---

*In thousands.

Life Insurance Sales

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

Sales of ordinary life insurance in Texas during May amounted to \$62 million, a reduction of 22.8% from the amount sold in May 1946 and slightly below the volume sold in April this year. According to the Life Insurance Agency Management Association, the decline in Texas was somewhat greater than that for the United States, where sales during May were 15.3% below those in May last year.

TRANSPORTATION

Rail

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

The loading of *revenue freight* in the Southwestern District picked up 4.0% in May over April to reach a total of 282,876 carloads but was still under the 292,377 cars loaded in March. Last year revenue carloadings fell 4.8% between April and May. Loadings of revenue freight in May 1947 were 13.5% greater than May 1946 loadings. This gain for the district approximated the nationwide upswing.

Principal factors in the April-to-May increase this year were the heavier loadings of coal and miscellaneous freight which offset minor declines in other commodities. All commodities except l.c.l. merchandise were loaded in greater volume in May this year than a year ago.

The seasonally-adjusted *index of miscellaneous freight carloadings* for the Southwestern District dropped 1.6% in May compared with an April-to-May decrease of 9.1% last year. During the past 12 months the index has risen 6.4% to stand 43.0% above its prewar (1935-39) average.

REVENUE FREIGHT LOADED IN SOUTHWESTERN DISTRICT
(in carloads)

Source: Car Service Division, Association of American Railroads

Item	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	282,876	272,022	249,180	+ 13.5	+ 4.0
Grain and grain products	19,668	20,062	14,322	+ 37.3	- 2.0
Livestock	9,286	10,124	8,820	+ 5.3	- 8.3
Coal	22,588	18,229	10,396	+117.3	+23.9
Coke	676	624	650	+ 4.0	+ 8.3
Forest products	23,748	23,417	18,585	+ 27.8	+ 1.4
Ore	3,274	3,439	1,869	+ 75.2	- 4.8
Merchandise (l.c.l.)	30,136	30,871	31,647	- 4.8	- 2.4
Miscellaneous	173,500	165,256	162,891	+ 6.5	+ 5.0

The April upturn in *export and coastal cars unloaded* at Texas ports came to an end in May with a 12.8% drop from 19,771 cars to 17,249 cars. However, the May 1947 total was still 81.6% above May 1946. Galveston unloadings more than doubled in the 12-month interval to account in large measure for the increase. Last year between April and May unloadings gained 6.1%, the Houston increase offsetting the Galveston decline. Coastal car unloadings at Port Arthur showed little change for the month or year.

There were several significant developments in Texas rail transportation during the month. Of greatest immediate importance was the boxcar problem associated

EXPORT AND COASTAL CARS UNLOADED*

Source: Car Service Division, Association of American Railroads

Port	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	17,249	19,771	9,500	+ 81.6	- 12.8
Beaumont	548	910	668	- 18.0	- 39.8
Galveston	11,085	11,266	5,154	+115.1	- 1.6
Houston	4,739	5,892	2,800	+ 69.3	- 19.6
Port Arthur	877	982	500	+ 75.4	- 10.7
Texas City	0	721†	378	—	—

*Excluding coal.

†Complete to and including April 16. No report since because of explosion.

with the opening of the wheat harvest in late May. The official May 1 estimate placed the Texas crop at 112,425,000 bushels, but predictions of railway officials ran up to 125,000,000, 140,000,000, and even 146,000,000 bushels. A crop of this size will require from 7,000 to 8,500 boxcars, approximately twice as many cars as in any previous year. The heavy movement of wheat to Texas ports in recent months for export, however, left a good supply of boxcars in the area. Reports from the various roads indicated 8,300 to 8,800 boxcars ready for service at the start of the harvest—a much better situation than last year. Another favorable factor was the emptiness of the nearby elevators in Fort Worth, Plainview, Lubbock, Wichita Falls, Amarillo, and other grain centers with a 45,000,000 bushel capacity.

Despite these factors a car shortage developed in June. The harvest proceeded with unusual speed due to the favorable weather (14 consecutive days of sunshine) and the widespread use of combines, 1,500 of which were brought into the State for the harvest season. Shipments to distant mills were also heavier and turn-arounds were reduced. Farmers were forced in many sections to store their grain on the ground until cars were available. Although no quick improvement was expected, the railroads generally were now adding freight cars more rapidly than they were retiring them from service. Relief from the national boxcar shortage, however, was still months ahead.

A second development of importance was the 7 to 2 decision of the Supreme Court upholding the Interstate Commerce Commission's order for a 10% increase in class rates in the Northeast (or "official territory") and a 10% decrease in class rates in the South and West. Since these rates on manufactured goods apply to only 4% of the rail freight traffic, and since only 10% of the final price to the consumer represents transportation costs on the average, no great changes in the economies of South and West may be expected in the near future as a result of the Supreme Court action. However, a first step toward lifting a handicap to industrialization in these areas has been taken and the final results may not be inconsiderable.

Improvements in schedules and rolling stock continue to be reported by the railroads serving Texas.

Air Express

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

Air express shipments in Texas rose sharply (10.5%) in May over April, although the gain was not as large as last year (18.3%). April 1947 shipments, however, were 9.8% greater than shipments in April 1946. Increases for the month for the larger cities of the State in terms of the number of shipments were as follows: Dallas, 878; Fort Worth, 283; El Paso, 275; Houston, 204; and San Antonio, 192.

Air freight activity continued to increase with shipments of livestock from Houston to Guatemala, tomatoes from the Valley to the Midwest, and imports from Mexico. The 25% reduction in air freight rates announced for July 15 by American Airlines was followed by a similar announcement from Braniff International Airways. The Railway Express Agency also published lower rates on domestic air express during May.

Improvements in schedules and other services in Texas were inaugurated by American, Braniff, Val-Air, and Pioneer Air Lines this past month. Intrastate passenger traffic continued to increase. Acquisition of a wartime army field was reported by the cities of Mission, Edinburg, and McAllen, and a new airport was dedicated at Memphis.

AIR EXPRESS SHIPMENTS
(in number of shipments)
Source: Railway Express Agency

City	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	25,917	23,445	23,608	+ 9.8	+ 10.5
Abilene	151	147	117	+ 29.1	+ 2.7
Amarillo	416	423	502	- 17.1	- 1.7
Austin	531	503	562	- 5.5	+ 5.6
Beaumont	265	222	279	- 5.0	+ 19.4
Big Spring	68	60	52	+ 30.8	+ 13.3
Brownsville	2,055	2,018	2,709	- 24.1	+ 1.8
Bryan	32	16	*		+100.0
Corpus Christi	630	559	541	+ 16.5	+ 12.7
Dallas	7,855	6,977	7,062	+ 11.2	+ 12.6
El Paso	1,348	1,073	1,285	+ 4.9	+ 25.6
Fort Worth	1,706	1,423	2,628	- 35.1	+ 19.9
Galveston	445	478	325	+ 36.9	- 6.9
Houston	4,948	4,744	3,739	+ 32.3	+ 4.3
Lamesa	19	20	*		- 5.0
Laredo	324	356	348	- 6.9	- 9.0
Lubbock	269	219	207	+ 30.0	+ 22.8
Midland	135	105	157	- 14.0	+ 28.6
Mineral Wells	47	21	*		+123.8
Odessa	159	121	*		+ 31.4
Port Arthur	209	164	112	+ 86.6	+ 27.4
San Angelo	327	266	201	+ 62.7	+ 22.9
San Antonio	2,957	2,765	1,925	+ 53.6	+ 6.9
Sweetwater	51	28	*		+ 82.1
Texarkana	83	71	102	- 18.6	+ 16.9
Temple	62	67	*		- 7.5
Tyler	371	170	231	+ 60.6	+118.2
Waco	178	190	248	- 28.2	- 6.3
Wichita Falls	276	239	276	0	+ 15.5

*First reported in February, 1947.

LABOR

Employment

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

Employment in Texas remained steady from April to May, registering a very slight decline of 0.4% according to reports collected from 1,310 establishments.

Compared with May 1946, employment in May 1947 was up 10.6%. All nonmanufacturing groups showed increases in May 1947 over May 1946 except the laundry industry which indicated a decrease of 12.2%.

Of the 8 nonmanufacturing groups 4 showed increases in May 1947 over April 1947, ranging from 0.7% in the insurance industry to 2.2% in the crude petroleum industry. The other 4 nonmanufacturing groups showed decreases for May 1947 under April 1947, ranging from a decrease of 0.6% in the wholesale trade industry to a decrease of 2.0% in the dyeing and cleaning industry.

Estimated total *manufacturing employment* in Texas in May 1947 was 324,800, a decrease of 1,100 or 0.3% from April 1947. The decrease exactly offset the increase made from March 1947 to April 1947. Compared with a year ago, manufacturing employment increased 8.4% in May 1947. All manufacturing groups showed increases except the paper industry which revealed a decrease of 7.9% for May 1947 under May 1946. Transportation equipment indicated the largest increase (22.6%).

Increases in manufacturing employment for May 1947 over April 1947 ranged from 1.0% for nonferrous

ESTIMATES OF TOTAL MANUFACTURING EMPLOYMENT
(in thousands)

Industry	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	324.8	325.9	299.7	+ 8.4	- 0.3
DURABLE GOODS, TOTAL	138.5	137.9	127.1	+ 9.0	+ 0.4
Iron and steel	17.3	17.3	16.3	+ 6.1	0.0
Machinery (except electrical)	30.0	29.1	29.1	+ 3.1	+ 3.1
Transportation equipment	27.1	27.5	22.1	+22.6	- 1.5
Nonferrous metals	9.8	9.7	9.3	+ 5.4	+ 1.0
Lumber and timber	29.7	29.1	26.6	+11.7	+ 2.1
Furniture and finished lumber	11.3	11.7	11.0	+ 2.7	- 3.4
Stone, clay, and glass	9.8	9.8	9.7	+ 1.0	0.0
Other durable goods	3.5	3.7	3.0	+16.7	- 5.4
NONDURABLE GOODS, TOTAL	186.3	188.0	172.6	+ 7.9	- 0.9
Textiles	8.6	8.9	8.6	0.0	- 3.4
Apparel	25.1	26.2	21.7	+15.7	- 4.2
Food	64.7	64.0	58.2	+11.2	+ 1.1
Paper	3.5	3.5	3.8	- 7.9	0.0
Printing and publishing	19.4	19.4	17.3	+12.1	0.0
Chemicals	18.0	18.8	17.5	+ 2.9	- 4.3
Petroleum	38.6	38.8	38.2	+ 1.0	- 0.5
Other nondurable goods	8.4	8.4	7.3	+15.1	0.0

metals to 3.1% in machinery (except electrical). Decreases for May 1947 under April 1947 ranged from 0.5% for the petroleum industry to 5.4% for other durable goods industries.

CHANGES IN EMPLOYMENT AND PAY ROLLS IN SPECIFIED NONMANUFACTURING INDUSTRIES†

Industry	Number of reporting establishments	Employment		Pay Rolls	
		May 1947 from May 1946	May 1947 from Apr. 1947	May 1947 from May 1946	May 1947 from Apr. 1947
Crude petroleum‡	44	+ 6.9	+ 2.2	+ 8.8	+ 1.7
Dyeing and cleaning‡	6	+ 4.3	- 2.0	+10.4	- 1.9
Hotels	17	+ 4.8	+ 1.3	+ 8.7*	+ 0.6*
Insurance	117	+ 4.3	+ 0.7	+13.5	+ 0.3
Laundries‡	11	-12.2	+ 1.7	- 6.9	+ 3.0
Quarrying‡	13	+10.8	- 0.2	+21.4	+ 3.6
Retail trade	368	+ 3.8	- 1.2	+13.6	+ 0.8
Wholesale trade	152	+ 0.4	- 0.6	+ 4.4	- 2.0

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

†Figures do not cover proprietors, firm members, officers of corporations, or other principal executives.

‡Figures cover production workers only.

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.)

Reports from 728 establishments indicate that *pay rolls* in Texas in the nonmanufacturing industries showed an increase for May 1947 over April 1947 with the exception of the dyeing and cleaning industry (1.9% less) and the wholesale trade industry (2.0% less). Nonmanufacturing industries in May 1947 as compared with May 1946 showed an increase in all groups except hotels (8.7% less) and laundries (6.9% less). The increases ranged from 4.4% in wholesale trade to 21.4% in quarrying.

Reports from 582 manufacturing establishments indicate the largest percentage decrease in production

worker pay rolls from April 1947 to May 1947 to be 12.8% in the chemical industry, followed closely by the textile industry with May 1947 dropping 9.2% under April 1947.

The largest increase in pay rolls from April 1947 to May 1947 came in the food industry (6.8%), crowded by the lumber and timber industry with an increase of 6.6%.

Manufacturing industries increased pay rolls in all groups between May 1946 and May 1947 and gains ranged from 2.0% in the paper industry to 58.0% in the lumber and timber industry.

Hours and Earnings

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

For the month of May 1947, 5 of the industrial groups of the manufacturing industries reported a work week of less than 42 hours, while the other 10 groups reported average work weeks of 42 hours or more.

Of the 15 industries in the manufacturing group, 7 reported percentage increases in average weekly hours in May 1947 as compared to May 1946. These increases ranged from 0.2% (machinery, except electrical, industry) to 12.6% (lumber and timber industry). One industry, food, reported no change while the other 7 manufacturing industries reported decreases for the same 12-month period, ranging from 0.8% (other durable goods industries) to 10.5% (other nondurable goods industries).

Only 2 of the 7 nonmanufacturing industries reported average work weeks of less than 42 hours for May 1947, these being crude petroleum production and retail trade. In May 1947 compared to May 1946, 3 of the nonmanufacturing industries reported increases in weekly hours, as shown on the accompanying table. The decreases reported by the other 4 industries for the same 12-month period ranged from 1.2% (wholesale trade and laundries) to 4.2% (dyeing and cleaning).

Hourly earnings were greater in May 1947 than in May 1946 in every manufacturing industry, without exception; and only 2 of the nonmanufacturing industries reported declines—hotels (—5.3%) and dyeing and cleaning (—6.5%). *Weekly take-home pay* was greater in May 1947 than in May 1946 in all manufacturing industries except other nondurable goods industries group—which reported a percentage decrease of 2.0%. In the nonmanufacturing group a similar increase was shown, with only the dyeing and cleaning industry reporting a decline of 10.4%.

The amount of weekly take-home pay again varied greatly between the industries reporting. Those industries reporting average pay of more than \$55 a week were: crude petroleum production industry (\$61.76) and petroleum refining industry (\$61.47). Hotels (\$18.31) and laundries (\$22.41) continued to be the only 2 industries reporting average weekly pay under \$25.00.

CHANGES IN PRODUCTION WORKER PAY ROLLS IN SPECIFIED MANUFACTURING INDUSTRIES

Industry	Number of reporting establish- ments	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
Durable goods:			
Iron and steel	34	+24.6	+ 3.4
Machinery (except electrical)	48	+ 5.7	+ 4.6
Nonferrous metals	11	+21.9	+ 0.9
Lumber and timber	16	+58.0	+ 6.6
Furniture and finished lumber	32	+23.5	- 0.4
Stone, clay, and glass	41	+20.9	- 0.9
Other durable goods	9	+52.6	- 0.6
Nondurable goods:			
Textiles	16	+12.6	- 9.2
Apparel	37	+28.5	- 1.2
Food	166	+29.8	+ 6.8
Paper	17	+ 2.0	+ 3.9
Printing and publishing	40	+30.9	+ 2.9
Chemicals	67	+15.0	-12.8
Petroleum refining	40	+14.0	+ 1.3
Other nondurable goods	8	+23.6	- 2.5

HOURS AND EARNINGS*

Source: Bureau of Business Research in co-operation 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 May 1947 from May 1946		
	May 1947	May 1946	May 1947	May 1946	May 1947	May 1946	Weekly hours	Hourly earnings	Weekly earnings
MANUFACTURING									
Durable goods:									
Iron and steel	42.7	43.2	107.5	102.9	45.90	44.45	- 1.2	+ 4.5	+ 3.3
Machinery (except electrical)	44.5	44.4	109.3	109.1	48.64	48.44	+ 0.2	+ 0.2	+ 0.4
Nonferrous metals	44.4	41.5	122.8	115.5	54.52	47.93	+ 7.0	+ 6.3	+ 13.7
Lumber and timber	48.1	42.7	88.2	73.4	42.42	31.34	+ 12.6	+ 20.2	+ 35.4
Furniture and finished lumber	44.5	43.9	81.4	69.4	36.22	30.47	+ 1.4	+ 17.3	+ 18.9
Stone, clay, and glass	43.9	42.5	88.0	78.5	38.63	33.36	+ 3.3	+ 12.1	+ 15.8
Other durable goods	38.5	38.8	123.5	118.9	47.55	46.13	- 0.8	+ 3.9	+ 3.1
Nondurable goods:									
Textiles	39.7	42.7	93.8	84.2	37.24	35.95	- 7.0	+ 11.4	+ 3.6
Apparel	36.1	39.2	75.1	65.1	27.11	25.52	- 7.9	+ 15.4	+ 6.2
Food	46.4	46.4	80.2	72.7	37.21	33.73	0.0	+ 10.3	+ 10.3
Paper	44.0	45.3	103.0	97.1	45.32	43.99	- 2.9	+ 6.1	+ 3.0
Printing and publishing	42.3	42.0	129.0	116.6	54.57	48.97	+ 0.7	+ 10.6	+ 11.4
Chemicals	42.5	46.4	118.8	105.8	50.49	49.09	- 8.4	+ 12.3	+ 2.9
Petroleum refining	40.9	39.4	150.3	138.6	61.47	54.61	+ 3.8	+ 8.4	+ 12.6
Other nondurable goods	41.9	46.8	93.4	85.3	39.13	39.92	- 10.5	+ 9.5	- 2.0
NONMANUFACTURING									
Crude petroleum production	40.9	40.8	151.0	129.0	61.76	52.63	+ 0.2	+ 17.1	+ 17.3
Dyeing and cleaning	48.3	50.4	67.8	72.5	32.75	36.54	- 4.2	- 6.5	- 10.4
Hotels	51.0	45.8	35.9	37.9	18.31	17.36	+ 11.4	- 5.3	+ 5.5
Laundries	48.3	48.9	46.4	42.7	22.41	20.88	- 1.2	+ 8.7	+ 7.3
Quarrying	42.4	40.2	123.8	119.0	52.49	47.84	+ 5.5	+ 4.0	+ 9.7
Retail trade	41.4	42.6	78.7	68.6	32.58	29.22	- 2.8	+ 14.7	+ 11.5
Wholesale trade	42.9	43.4	93.8	85.5	40.24	37.11	- 1.2	+ 9.7	+ 8.4

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

Man-hours

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

Total *man-hours worked* in 505 manufacturing establishments were up 20.5% in May 1947 over May 1946, and were also up 0.3% over April 1947. All durable and nondurable goods industries reported increases in May 1947 over May 1946, with the exception of the paper industry which reported a 1.5% decline. Activity was greatest in the "other durable goods" industries, the petroleum refining industry, and the lumber and timber industry.

Three of the durable goods industries reported percentage increases in comparing May 1947 to April 1947, ranging from 5.0% (machinery, except electrical, industry) down to 1.6% (iron and steel industry). The other industries in this group reported decreases for the same period ranging from 0.3% (nonferrous metals industry) to 3.2% (furniture and finished lumber industry).

Five of the 8 nondurable goods industries reported percentage increases in May 1947 over April 1947, ranging from 5.4% (paper industry) down to 1.4% (petroleum refining industry). The 3 industries of this group

reporting percentage decreases for the same period were: apparel industry (1.0% less); textiles industry (7.0% less); and chemicals industry (12.3% less).

MAN-HOURS WORKED IN IDENTICAL MANUFACTURING ESTABLISHMENTS

Industry	Number of reporting establishments	Percent change	
		May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	505	+20.5	+ 0.3
Durable goods:			
Iron and steel	32	+11.9	+ 1.6
Machinery (except electrical)	44	+ 3.4	+ 5.0
Nonferrous metals	10	+16.0	- 0.3
Lumber and timber	13	+28.4	+ 4.2
Furniture and finished lumber	23	+ 7.0	- 3.2
Stone, clay, and glass	35	+ 6.3	- 0.8
Other durable goods	8	+44.4	- 1.0
Nondurable goods:			
Textiles	16	+ 1.1	- 7.0
Apparel	29	+ 5.8	- 1.0
Food	148	+10.0	+ 4.6
Paper	8	- 1.5	+ 5.4
Printing and publishing	33	+11.8	+ 2.6
Chemicals	64	+ 4.3	-12.3
Petroleum refining	37	+37.6	+ 1.4
Other nondurable goods	5	+ 0.6	+ 4.9

Industrial Relations

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

Of major significance in the industrial relations news during May was the settlement, on May 17, of the 41-day telephone strike and the restoration of telephone service in Texas and the nation. The spectacular and costly strike which began April 6 ended with a flat \$4 across-the-board increase in weekly wages, plus an average of 42 cents in "fringe" items. The original nationwide union wage demand had been for a \$12 weekly raise. On the heels of the telephone strike came the re-establishment of picket lines of an affiliated union of maintenance and equipment workers at local exchanges (continuing a 6-weeks old strike), effectively precluding telephone employees from returning to their jobs for 4 more days. Company officials acted swiftly, however, in granting a 11½-cent hourly raise to the equipment workers in settlement.

Almost simultaneously with the termination of the telephone strike was the settlement of a 20-day strike against a petroleum company, involving several thousand employees, which had curtailed activities of numerous industries in the area of the strike. The bargaining agreement gave the workers maintenance of membership in their 2-year contract with a 3-day escape clause at the end of 1 year, and a raise of 5 cents an hour. Other terms of the new contract gave workers assurance of the regular cost-of-living bonus for 12 months, double pay for holidays, assurance that the time lost during the strike would not interrupt continuous service for policy benefits, insurance, etc., and that there would be no reprisals because of the strike.

Summarizing the labor disputes of the month, the Texas Employment Commission reported that 49 labor disputes were in existence in the State at one time or another during May, affecting 43 employers and 31,895 employees. Back on the job by month's end were 30,100 of the total employees, including 20,402 telephone workers, 5,614 refinery employees, 3,084 construction workers, 835 chemical employees, 94 flour mill workers, and 70 transportation employees. At the end of May, 26 labor disputes, affecting 1,795 employees were still unsettled. Major industries involved were refineries, construction, and shipyards.

Early in May a fifth strike-curbing bill was approved by the State Governor, reported to be one of the most far-reaching bills of the session, and aimed at disorderly strikes. The bill prohibits mass picketing (defined as the spacing of pickets closer than 50 feet apart, and picketing by more than 2 employees at the same gate) and overt acts by pickets.

At the nation level labor-management difficulties threatened to crop out in several major fields of industry. A strike is feared in the coal industry when the government restores the bituminous coal mines to private operators on July 1. The reticence of Southern coal operators to submit to industry-wide bargaining has delayed negotiations for a new contract. In the maritime, railroad, and local construction industries, labor difficulties also seemed ominous.

Labor Force

(Estimates of the nonagricultural civilian labor force are made currently for the State's 17 principal labor market areas by the Texas State Employment Service. 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.)

There was a very slight increase in the nonagricultural civilian labor force in the 16 labor market areas of the State between April and May 1947, as measured by the Texas Employment Commission. Among the areas covered, greatest variations were in the Brownsville area where a 5.5% increase (739 persons) was reported; in the Galveston-Texas City area, with a 2.0% gain (1,050 persons); and in the Longview area, where 2.8%, or 606 more persons, were estimated to be in the nonagricultural labor force. In the remaining areas fluctuations were minor.

NONAGRICULTURAL CIVILIAN LABOR FORCE

Source: Texas Employment Commission

Area	May 1947	Apr. 1947	Percent change
			May 1947 from Apr. 1947
TOTAL	1,226,863	1,222,641	+ 0.3
Abilene	19,262	19,449	- 1.0
Amarillo	29,400	29,250	+ 0.5
Austin	44,072	43,969	+ 0.2
Brownsville	14,200	13,461	+ 5.5
Corpus Christi	50,380	50,400	- 0.04
Dallas	219,490	219,192	+ 0.1
El Paso	50,250	49,750	+ 1.0
Fort Worth	130,887	129,361	+ 1.2
Galveston-Texas City	53,366	52,316	+ 2.0
Houston-Baytown	301,197	302,534	- 0.4
Longview	22,338	21,732	+ 2.8
Lubbock	25,900	25,800	+ 0.4
San Antonio	159,332	159,925	- 0.4
Texarkana	32,363	32,176	+ 0.6
Waco	45,995	45,243	+ 1.7
Wichita Falls	28,431	28,083	+ 1.2

Unemployment

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

Unemployment in 16 labor market areas in Texas was estimated at 68,356 for May 1947, having increased 1.2% over April 1947, according to figures furnished by the State Employment Service of the Texas Employment Commission. Compared to May 1946 there was 35.5% less unemployment in the labor market areas this May.

During May 1947 net unemployment compensation benefits paid totaled \$747,055 as compared to the \$763,483 paid to unemployed Texans in April. Contributions deposited during the month were \$2,902,273, which left \$165,201,490 in the Unemployment Trust Fund Account at the end of the month, available for benefit payments.

Unemployment among veterans also declined from April to May, according to the report on veteran claim actions and disbursements filed by the Texas Employment Commission. During May 1947, 3,915 applications were filed, compared to 5,385 filed in April; bringing the total applications for the year to 37,526.

UNEMPLOYMENT

Source: Texas Employment Commission

Area	May 1947	Apr. 1947	May 1946
TOTAL	68,356	67,576	106,046
Abilene	1,450	1,400	1,874
Amarillo	1,700	1,700	1,000
Austin	2,111	2,135	3,015
Brownsville	1,700	1,675	1,805
Corpus Christi	2,400	2,500	3,300
Dallas	10,300	10,900	19,000
El Paso	3,000	3,000	3,370
Fort Worth	10,000	8,400	11,700
Galveston-Texas City	2,200	1,800	2,800
Houston-Baytown	11,000	13,000	21,000
Longview	1,800	1,700	2,800
Lubbock	900	800	1,400
San Antonio	11,200	10,000	18,000
Texarkana	3,380	3,200	8,400
Waco	3,400	3,500	5,000
Wichita Falls	1,815	1,866	1,582

Placements

(The number of placements reported by the State Employment Service 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.)

Placements in employment in 16 labor market areas in Texas totaled 21,640 during the month of May 1947, a decrease of 0.9% from April 1947, and a decrease of 2.5% from May 1946.

PLACEMENTS IN EMPLOYMENT

Source: Texas Employment Commission

Area	May 1947	Apr. 1947	May 1946	Percent change	
				May 1947 from May 1946	May 1947 from Apr. 1947
TOTAL	21,640	21,845	22,205	- 2.5	- 0.9
Abilene	557	722	586	- 4.9	-22.9
Amarillo	614	565	747	-17.8	+ 8.7
Austin	885	862	935	- 5.3	+ 2.7
Brownsville	152	285	477	-68.1	-46.7
Corpus Christi	783	853	704	+11.2	- 8.2
Dallas	3,525	3,439	3,963	-11.1	+ 2.5
El Paso	697	568	474	+47.0	+22.7
Fort Worth	3,609	3,167	3,115	+15.9	+14.0
Galveston-Texas City	1,122	1,361	1,260	-11.0	-17.6
Houston-Baytown	4,794	5,028	4,597	+ 4.3	- 4.7
Longview	780	649	602	+29.6	+20.2
Lubbock	575	533	513	+12.1	+ 7.9
San Antonio	2,090	2,032	1,813	+15.3	+ 2.9
Texarkana	657	846	966	-32.0	-22.4
Waco	387	482	984	-60.7	-19.7
Wichita Falls	413	453	469	-12.0	- 8.8

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.)

During May the revenue receipts of the State Comptroller totaled \$41,440,730, compared with \$39,931,414 in March and \$27,913,535 in April. Thus far this fiscal year the State government has taken in \$284,448,678, or 24.5% more than in the same months of the fiscal year 1945-46.

Chiefly responsible for the May increase were the gains in contributions and aids and in license fees and maintenance taxes. In the fiscal year comparison receipts for all items except ad valorem, inheritance and poll taxes have risen. The approximate increases in the important receipt items during the first 9 months of the current fiscal year compared with the same months of the preceding fiscal period were as follows: contributions and aid, \$33 million (up 71.3%); occupation, gross receipts, and production taxes, \$13 million (up 36.3%); use and sales taxes, \$10 million (up 13.8%); and miscellaneous revenues, \$5 million (up 37.3%).

Expenditures in May of \$26,789,020 brought the total for the fiscal year to date to \$230,099,854, or \$54 million less than total receipts in the same period. Expenses for the month were approximately \$15 million below collections. At the end of May the State's cash balance was \$149,367,650 as against \$132,261,658 at the end of April.

In the face of the favorable developments the State Comptroller revised upward his estimates of revenue for the next biennium by \$32 million. This revision made it possible for the legislature to pass all of the major appropriations pending at the end of the session and to adjourn early in June "in the black." Additional revenues were anticipated by the State Comptroller from higher prices for crude oil and natural gas, as well as from their increased production and consumption.

REVENUE RECEIPTS OF STATE COMPTROLLER

Source: State Comptroller of Public Accounts

Item	May 1947	Sept. 1-May 31		Percent change
		1946-47	1945-46	
TOTAL REVENUE RECEIPTS	\$41,440,730	\$284,448,678	\$228,381,288	+24.5
Ad valorem, inheritance and poll taxes	387,629	18,248,467	29,490,999	-38.1
Occupation, gross receipts, and production taxes	8,540,476	59,597,162	43,715,874	+36.3
Use and sales tax	8,712,490	78,470,090	68,975,089	+13.8
License fees and maintenance taxes	3,372,180	10,207,806	9,077,191	+12.5
Income from public lands and buildings	1,035,039	12,370,770	10,549,031	+17.3
Interest	155,533	6,773,597	6,187,432	+ 9.5
Miscellaneous revenues	3,135,950	18,813,090	13,700,820	+37.3
Contributions and aid	16,101,433	79,972,696	46,684,852	+71.3

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 during May in Texas were \$62,651,199 or 20.1% more than the \$52,166,566 collected in May 1946. Income taxes yielded 20.0% more in May of this year than a year ago; employment taxes 54.7% more; and withholding taxes 27.9% more.

For the first 11 months of the federal fiscal year the national government has taken \$987,857,774 out of Texas compared with \$964,150,244 in the same months of the 1945-46 fiscal period, an increase of 2.5%. Gains in revenues from income and withholding taxes this year over last were 3.5% and 1.4%, respectively. Employment taxes picked up 20.0%.

First District (or South Texas) collections during May 1947 were 20.0% above May 1946 collections. Substantial advances were registered in the collections of income, employment, and withholding taxes. Since the beginning of the current fiscal year last September the First District has collected \$515,577,938, approximately the same amount as in the previous fiscal period. Employment tax collections were 12.9% ahead of the fiscal year 1945-46, income and withholding taxes showed slight gains, and other tax collections were down 10.3%.

Second District (or North Texas) collections in May of this year were 20.2% over collections in the same month a year ago. This sharp increase was traceable to the 22.8% rise in withholding tax collections and the 82.6% jump in the collections of employment taxes.

Sustainment of the President's veto of the Republican-sponsored tax reduction bill by the national House of Representatives in mid-June removes any possibility of a drop in tax revenue from changes in tax rates until 1948. It does not guarantee the country or the State against declining revenues resulting from a lower level of business activity.

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.)

Consumers' prices steadied in April throughout the nation following the sharp jump in March but continued to rise in Houston. Nationally the 0.8% fall in food prices was sufficient to offset the fractional advances in clothing, utilities, housefurnishings, and miscellaneous items. In Houston food prices rose 1.5% in April along with other prices to produce an over-all increase of 1.0%. During the 12-month period from April 1946 to April 1947 Houston consumers saw prices rise 23.9% compared to a national gain of 19.1%.

During May the merchants of Newburyport, Massachusetts, abandoned their plan for a blanket 10% price cut because the price reductions could not be rolled back to their suppliers. Nevertheless smart wholesalers were reported discarding OPA markup levels and returning to prewar competitive pricing policies in anticipation of a general price decline. Other rifts in the high-price front appeared in the lower prices posted in the mid-summer mail order catalogs, the price cuts announced by the manufacturers and dealers in passenger car tires, and the fall in the price of soap and shortening.

An ominous development was the sudden spurt in meat prices during the second week of June. Although official predictions all point to lower meat prices this fall, the average price of steers and yearlings in Chicago went to \$26.00, compared to \$25.40 last October following the removal of OPA ceilings. At least 4 factors contributed to the price advance—an amazing domestic demand, higher feed prices, heavy foreign buying, and a struggle between the big and the independent packers for a dominant position in the industry. Some modification of rent control by Congress to permit a 15% increase

FEDERAL INTERNAL REVENUE COLLECTIONS

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

District	May			July 1-May 31		
	1947	1946	Percent change	1946-47	1945-46	Percent change
TEXAS	\$ 62,651,199	\$ 52,166,566	+ 20.1	\$987,857,774	\$964,150,244	+ 2.5
Income	14,710,658	12,256,939	+ 20.0	566,746,639	547,775,968	+ 3.5
Employment	8,026,967	5,189,130	+ 54.7	50,867,143	42,404,952	+ 20.0
Withholding	28,664,798	22,414,491	+ 27.9	239,516,495	236,100,078	+ 1.4
Other	11,248,776	12,306,006	- 8.6	130,727,497	137,869,246	- 5.2
FIRST DISTRICT	32,774,504	27,313,515	+ 20.0	515,577,938	516,489,286	- 0.2
Income	6,881,849	5,142,788	+ 33.8	295,920,733	293,422,892	+ 0.9
Employment	3,250,052	2,573,709	+ 26.3	23,360,589	20,699,112	+ 12.9
Withholding	16,466,528	12,477,431	+ 32.0	129,729,315	128,176,587	+ 1.2
Other	6,176,075	7,119,587	- 13.3	66,567,301	74,190,695	- 10.3
SECOND DISTRICT	29,876,695	24,853,051	+ 20.2	472,279,836	447,660,958	+ 5.5
Income	7,828,809	7,114,151	+ 10.0	270,825,906	254,353,076	+ 6.5
Employment	4,776,915	2,615,421	+ 82.6	27,506,554	21,705,840	+ 26.7
Withholding	12,198,270	9,937,060	+ 22.8	109,787,180	107,923,491	+ 1.7
Other	5,072,701	5,186,419	- 2.2	64,160,196	63,678,551	+ 0.8

in rents also seemed imminent. American vacationers in Texas, Mexico, and other resort areas were likewise confronted with steeper prices for their annual vacations than ever before. The end of sugar rationing in June was accompanied by a continuance of price controls.

INDEXES OF CONSUMERS' PRICES IN HOUSTON

(1935-39=100)

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

Group	Apr. 1947	Mar. 1947	Apr. 1946	Percent change	
				Apr. 1947 from Apr. 1946	Apr. 1947 from Mar. 1947
ALL ITEMS	158.6	157.1	128.0	+23.6	+ 1.0
Food	199.2	196.3	139.7	+42.6	+ 1.5
Rent	110.7	—	—	—	— 0.5*
Clothing	188.0	185.4	145.9	+28.9	+ 1.4
Fuel, electricity and ice	94.3	94.3	88.7	+ 6.3	0.0
Housefurnishings	186.6	186.3	148.2	+25.9	+ 0.2
Miscellaneous	139.6	138.3	125.9	+10.9	+ 0.9

*Percent change from August 1946.

Wholesale Prices

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

Wholesale prices, commonly more sensitive to general business conditions than consumers' prices, dropped 1.2% between March and April to reverse an unbroken rise through the first quarter of 1947. Prices at wholesale, however, remained 34.0% higher than in April 1946 and 47.7% above the 1926 average. The distortions in the advance of wholesale prices is clear from an examination of the accompanying table. It is these distortions as much as the general high level of prices which is causing concern among businessmen and government officials.

During May and June the national index again showed upward tendencies, wholesale food prices rising steadily from mid-May to mid-June.

INDEXES OF WHOLESALE PRICES IN THE UNITED STATES

(1926=100)

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

Group	Apr. 1947	Mar. 1947	Apr. 1946	Percent change	
				Apr. 1947 from Apr. 1946	Apr. 1947 from Mar. 1947
ALL COMMODITIES	147.7	149.5*	110.2	+34.0	- 1.2
Farm products	177.0	182.6	135.4	+30.7	- 3.1
Foods	162.4	167.6	110.8	+46.6	- 3.1
Hides and leather products	166.4	174.6	119.8	+38.9	- 4.7
Textile products	139.2	139.6	107.9	+29.0	- 0.3
Building materials	178.8	177.5	126.5	+41.3	+ 0.7
Cement	114.0	112.3	102.4	+11.3	+ 1.5
Lumber	273.5	269.3	171.4	+ 59.6	+ 1.6
All commodities other than farm products	141.0	142.1*	104.5	+34.9	- 0.8
All commodities other than farm products and foods	131.8	131.1*	103.3	+27.6	+ 0.5

*Revised.

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FIGURES FOR THE YEAR TO DATE

	January-May		
	1947	1946	Percent change
TRADE			
Retail sales of reporting independent stores, total	\$309,012,372	\$266,205,085	+ 16.1
Apparel stores	\$ 55,635,990	\$ 57,035,369	— 2.5
Automotive dealers	\$ 65,472,632	\$ 36,436,240	+ 79.7
Country general stores	\$ 3,166,308	\$ 2,978,799	+ 6.3
Department stores	\$ 78,898,307	\$ 73,095,293	+ 7.9
Drug stores	\$ 8,611,111	\$ 8,503,918	+ 1.3
General merchandise stores	\$ 5,695,541	\$ 5,583,737	+ 2.0
Filling stations	\$ 3,590,600	\$ 3,755,211	— 4.4
Florists	\$ 1,684,275	\$ 1,626,195	+ 3.6
Food stores	\$ 19,324,191	\$ 17,483,636	+ 10.5
Furniture-household stores	\$ 18,182,948	\$ 16,138,155	+ 12.7
Jewelry stores	\$ 3,543,898	\$ 4,175,474	— 15.1
Lumber, building materials, and hardware stores	\$ 28,227,063	\$ 22,443,020	+ 25.8
Eating and drinking places	\$ 7,786,527	\$ 7,566,342	+ 2.9
Ratio of credit sales to net sales in department and apparel stores (monthly average)	55.2%	50.0%	+ 10.4
Ratio of collections to outstanding in department and apparel stores (monthly average)	58.7%	65.5%	— 10.4
Postal receipts in reporting cities	\$ 13,231,454	\$ 12,713,822	+ 4.1
PRODUCTION			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours)	1,141,035	1,043,709	+ 9.3
Man-hours worked in reporting manufacturing establishments	14,759,064	12,915,568	+ 14.3
Crude oil runs to stills (thousands of 42-gallon barrels)	199,445	207,326	— 3.8
Cotton consumption (running bales)	82,163	88,950	— 7.6
Cotton linters consumed (running bales)	7,328	12,354	— 40.7
Cottonseed crushed (tons)	202,318	241,514	— 16.2
Manufacture of dairy products (1,000 lbs. milk equivalent)	344,235	333,050	+ 3.4
Lumber production in southern pine mills (weekly per unit average in board feet)	215,325	187,122	+ 15.1
Construction contracts awarded	\$251,285,885	\$159,995,355	+ 57.1
Construction contracts awarded for residential building	\$ 93,802,622	\$ 47,773,977	+ 96.3
Building permits issued in reporting cities	\$106,278,824	\$134,069,161	— 20.7
Number of loans made by savings and loan associations	9,356	11,298	— 17.2
Amount of loans made by savings and loan associations	\$ 47,712,260	\$ 40,720,166	+ 17.2
Crude petroleum production (daily average in barrels)	2,101,420	2,013,490	+ 4.4
AGRICULTURE			
Farm cash income	\$370,895,000	\$329,266,000	+ 12.6
Shipments of livestock (carloads)	47,938	46,616	+ 2.8
Rail shipments of eggs (shell equivalent)	1,588	3,040	— 47.8
Interstate receipts of eggs at Texas stations (shell equivalent)	75	92	— 18.5
Rail shipments of poultry (carloads)	83	250	— 66.8
FINANCE			
Bank debits in 24 cities (thousands of dollars)	\$ 14,080,388	\$ 11,900,757	+ 18.3
Corporation charters issued (number)	869	1,371	— 36.6
Ordinary life insurance sales			
Business failures (number)	17	1	+1600.0
TRANSPORTATION			
Revenue freight loaded in Southwestern District (carloads)	1,381,935	1,289,735	+ 7.1
Export and coastal cars unloaded at Texas ports	90,385	55,827	+ 61.9
Miscellaneous freight carloadings in Southwestern District	812,093	776,203	+ 4.6
Air express shipments (number)	117,732	95,358	+ 23.5
LABOR			
Employment in manufacturing establishments, total (monthly average)	325,260	297,880	+ 9.2
Durable goods industries	136,540	126,660	+ 7.8
Nondurable goods industries	188,720	170,960	+ 10.4
GOVERNMENT			
Revenue receipts of State Comptroller*	\$284,448,678	\$228,381,288	+ 24.5
Federal internal revenue collections†	\$987,857,774	\$964,150,244	+ 2.5
PRICES			
Index of consumer prices in Houston (monthly average 1935-39=100)	156.2	127.5	+ 22.5
Index of food prices in Houston (monthly average 1935-39=100)	195.2	139.9	+ 39.5

*State fiscal year to date—September 1-May 31.

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

BAROMETERS OF TEXAS BUSINESS

