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TEXAS BUSINESS REVIEW

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A Monthly Summary of Business and Economic Conditions in Texas
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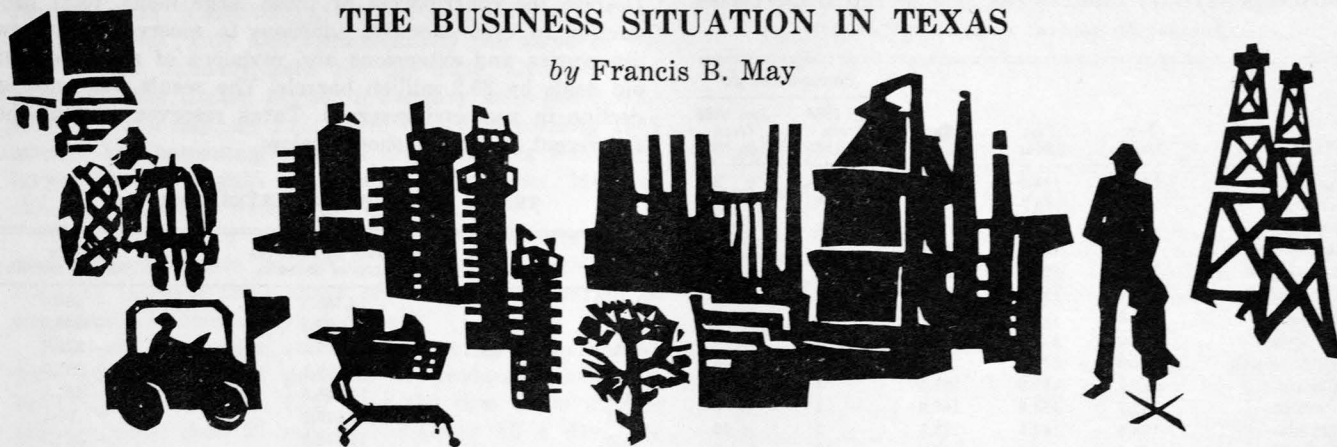
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THE BUSINESS SITUATION IN TEXAS

by Francis B. May



The January seasonally adjusted index of Texas business activity rose a fraction of a percentage point above December's high level. At 168.0% of average monthly activity during the 1957-59 base period, the index was 0.3% above its December value of 167.7%. It was 10% above January 1965. It was the highest January value in the history of the index.

Inspection of the seasonally adjusted indexes of business activity for twenty Texas cities shows that seven experienced increased activity in January. Of these seven, Lubbock, with an 18% gain over December, had the largest month-to-month increase. Wichita Falls was second with a 9% increase over December. Austin and Galveston, each with a 4% rise, were tied for third place. Laredo, Dallas, and Corsicana, with rises of 3%, 2%, and 1%, respectively, were the remaining cities with January increases. Amarillo, Beaumont, Texarkana, and Waco indexes of business activity were virtually un-

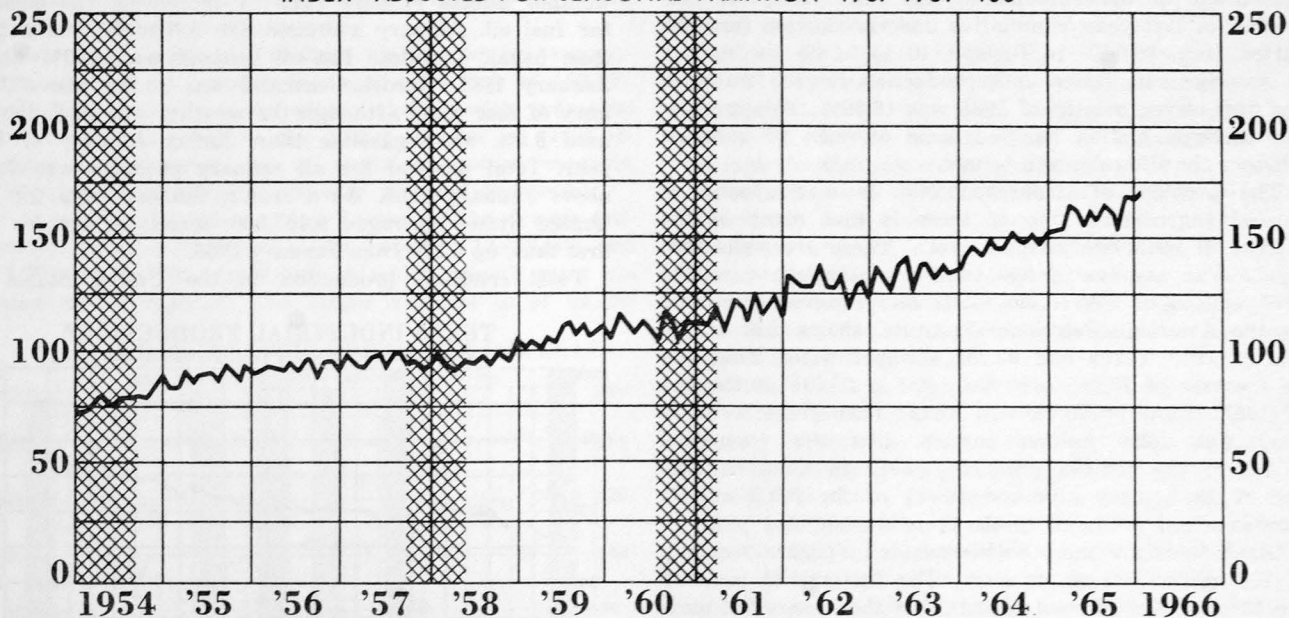
changed from December. The remaining nine cities had losses in January business activity, ranging from 11% for El Paso to 2% for Abilene, Houston, and San Angelo.

Comparison of January with January 1965 for the twenty cities shows nineteen increases and one decline. Dallas led with a 26% increase. Wichita Falls was in second place with a 16% rise. Austin and Beaumont were tied for third place with a 14% gain. San Angelo was fourth with a 13% rise. Of the state's larger cities, Dallas business activity was up 26% over January 1964, Fort Worth was up 9%, Houston was up 9%, and San Antonio was up 11%. This is a very auspicious beginning for 1966.

January crude-oil production in the state rose 2% after seasonal factors were taken into account. At 101.6% of average monthly production during the 1957-59 base period, the index was 6% above January 1965. This was the highest value of the index since May

TEXAS BUSINESS ACTIVITY

INDEX—ADJUSTED FOR SEASONAL VARIATION—1957-1959 = 100



NOTE: Shaded areas indicate periods of decline of total business activity in the United States.

SOURCE: Based on bank debits reported by the Federal Reserve Bank of Dallas and adjusted for seasonal variation and changes in the price level by the Bureau of Business Research.

BUSINESS ACTIVITY INDEXES FOR 20 SELECTED TEXAS CITIES

(Adjusted for seasonal variation—1957-59=100)

City	Jan 1966*	Dec 1965r	Jan 1965	Percent change	
				Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
Abilene	140.9	144.5	138.0	— 2	+ 2
Amarillo	169.5	170.3	162.7	**	+ 4
Austin	177.9	171.6	155.6	+ 4	+ 14
Beaumont	169.1	168.9	148.4	**	+ 14
Corpus Christi	130.3	138.4	120.2	— 6	+ 8
Corsicana	136.7	135.2	125.8	+ 1	+ 9
Dallas	181.2	177.6	143.9	+ 2	+ 26
El Paso	114.3	129.1	120.9	— 11	— 5
Fort Worth	127.0	132.6	116.4	— 4	+ 9
Galveston	115.9	111.0	107.1	+ 4	+ 8
Houston	181.7	184.9	167.3	— 2	+ 9
Laredo	168.4	164.1	153.3	+ 3	+ 10
Lubbock	188.5	160.2	183.3	+ 18	+ 3
Port Arthur	109.1	112.2	105.6	— 3	+ 3
San Angelo	149.3	152.1	131.6	— 2	+ 13
San Antonio	158.9	166.1	142.6	— 4	+ 11
Texarkana	174.9	174.7	165.0	**	+ 6
Tyler	141.3	147.0	137.9	— 4	+ 2
Waco	151.1	151.1	141.2	**	+ 7
Wichita Falls	150.4	138.4	129.9	+ 9	+ 16

**Change is less than one-half of 1%.

*Preliminary.

rRevised.

Source: Based on bank debits reported by the Federal Reserve Bank of Dallas and adjusted for seasonal variation and changes in the price level by the Bureau of Business Research.

1959. It is probable that the index will advance again in February because the Railroad Commission has set the February allowable at 32.7% of potential production, a slight increase over the 32.6% allowable for January. This is the highest allowable since the state switched to the percentage system of setting allowables in 1963. If the allowable is met, average daily production in February will be 3,157,864 barrels a day, a gain of 13,090 barrels a day over the allowable for January. The percentage of underproduction has risen lately. In November of last year, cumulative underproduction for 1965 varied from 30.04% in District 10 to 7.08% in District 2. Average cumulative underproduction for the state for the first eleven months of 1965 was 13.69%. This increasing underproduction has led some oil men to question whether the allowable will be met.

The problem of underproduction is a compound of several ingredients. One of these is that many of the state's oil wells are stripper wells. These are wells that produce an average of less than ten barrels a day. The 1965 edition of *Petroleum Facts and Figures*, published by the American Petroleum Institute, shows that at the end of 1963 Texas had 92,258 stripper wells. This was an increase of 27,245 over the total of 65,013 at the end of 1957. Total production in Texas from these wells in 1963 was 160.0 million barrels. Strippers comprised 47.4% of the 194,469 producing wells in Texas at the end of 1963. They produced 16.4% of the 977.8 million barrels of oil produced in the state during that year.

Giant fields are those with estimated ultimate recovery of 100 million barrels or more. The January 31 issue of the *Oil and Gas Journal* reports that there were 251 such fields in the United States at the end of 1965. Texas had 97 of these fields. They produced 720.7 million barrels of oil or 74.1% of the state's total 1965 production of crude.

Despite the contribution of these large fields, total production in 1965 exceeded additions to reserves from new discoveries and extensions and revisions of estimates for old fields by 88.2 million barrels. The result was another decline in year-end reserves. Texas reserves at year-end for recent years are shown below.

TEXAS CRUDE-OIL RESERVES, 1956-1964

Year	December 31 reserves (millions of barrels)	Change (millions of barrels)
1956	14,783.1	— 150.4
1957	14,555.1	— 228.0
1958	14,322.2	— 232.9
1959	14,859.7	+ 537.5
1960	14,758.5	— 101.2
1961	14,849.6	+ 91.1
1962	14,648.3	— 201.2
1963	14,573.1	— 75.2
1964	14,299.8	— 273.3

Source: American Petroleum Institute, *Proved Reserves of Crude Oil, Natural Gas Liquids, and Natural Gas*.

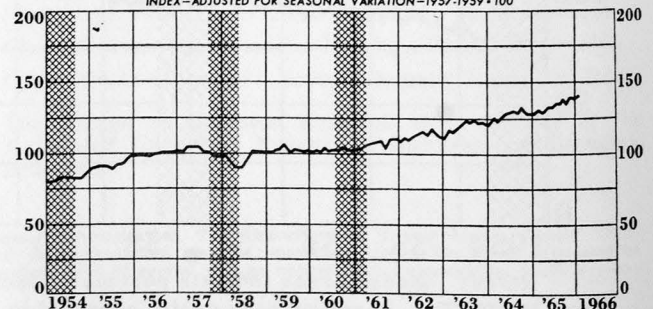
From 1956 to 1965 production exceeded additions to reserves in all but two years, with resulting declines in reserves. An important reason for the decline in reserves is that fewer wells have been drilled. Drilling in the nation reached a total of 58,160 wells in 1956. The 1965 total was 41,423. For Texas the figures were 21,460 in 1956 and 9,729 in 1965. Although a total of only 9,630 wells is expected to be drilled in the state in 1966, the number of wildcat wells will increase 213 to 3,225. In view of the low success ratio for wildcat wells, incentives to drill this kind of well should be increased. These are the wells that find new oil fields.

The seasonally adjusted index of crude-oil runs to stills declined 1% in January. At 117.2% of average monthly runs to stills during the 1957-59 base period, the index was 5% above January 1965. It was the highest January value of the index on record. Unusually cold winter weather affects refinery runs by increasing the demand for fuel oil. January averaged 8% colder for the nation than usual. Distillate fuel-oil demand was 10.6% above January 1965. Kerosine demand was 13.2% above January of last year. Although the weather was bad, drivers used 8.5% more gasoline than during January of last year. Total demand for all refinery products was 7.6% above January 1965. As a result, refinery runs for the United States averaged 9,407,000 barrels a day for the first time, up 5.2% from January 1965.

Total crude-oil production in the United States in

TEXAS INDUSTRIAL PRODUCTION*

INDEX—ADJUSTED FOR SEASONAL VARIATION—1957-1959=100



* Manufactures and minerals (including crude-oil and natural-gas production).

NOTE: Shaded areas indicate periods of decline of total business activity in the United States.

January was 8,235,000 barrels a day, up 5.9% from January 1965. This was approximately the same as the year-to-year January gain for the state. Crude-oil imports into the United States in January averaged 1,315,000 barrels a day, up 9.2% from the corresponding 1965 month. The percentage gain in crude imports was much larger than the gain in domestic production. Most of this rise in imports went to the West Coast.

Total imports of crude oil during 1965 rose 3.5% over 1964. Domestic production rose 2.2%. Imports continue to increase their share of the domestic market at the expense of domestic production.

New oil discoveries and refinery construction abroad have greatly changed patterns of production and consumption of crude oil. Last year the free world utilized slightly more than 27 million barrels of oil a day. The United States constituted approximately 42% of this enormous market. The other nations of the free world comprised the other 58% of the market. A decade ago, the positions were reversed. Oil markets abroad are growing much faster than the domestic market.

Sour gas, which is natural gas containing hydrogen sulfide, was once the bane of oil and gas producers. It corroded pipelines, well casing, and other equipment. Removing it from gas and oil was expensive. The discovery of methods of producing elemental sulfur from this undesired co-product has changed all this. There is a world-wide shortage of sulfur. Prices are high. One result is renewed interest in oil and gas leases in areas around offshore Texas salt domes. These are considered to be the best prospects for wells which will produce elemental sulfur by the Frasch process. If no sulfur is found in this area, there is still plenty of natural gas which may contain sulfur.

Seasonally adjusted total electric power use in January rose 24% to an all-time high of 222.5% of average monthly consumption in the 1957-59 base period. It was 36% above January 1965 consumption. This increase emphasizes the fact that the electric utilities are one of the state's fastest growing industries.

Seasonally adjusted industrial electric power consumption rose 5% in January to an all-time high of 169.4%. Industrial power use correlates closely with industrial production but tends to rise faster because of rapid increase in industrial use of electrical motors, controls, computers, and other electrically powered equipment.

A recent publication of the Bureau of the Census estimates Texas population to be between 13,482,000 and 14,759,000 in 1985, depending on which growth rates are more nearly realized. The larger estimate is of an in-

SELECTED BAROMETERS OF TEXAS BUSINESS

(Indexes—Adjusted for seasonal variation—1957-59=100)

Index	Percent change				
	Jan 1966	Dec 1965	Jan 1966 from Dec 1965	Jan 1966 from Jan 1965	Jan 1966 from Jan 1965
Texas business activity.....	168.0	167.7r	152.2r	**	+ 10
Crude oil production.....	101.6*	100.0*	95.8r	+ 2	+ 6
Crude oil runs to stills.....	117.2	118.8	112.1	— 1	+ 5
Total electric power use.....	222.5*	179.1*	163.7r	+ 24	+ 36
Industrial electric power use.....	169.4*	161.5*	152.7r	+ 5	+ 11
Bank debits.....	175.7	174.6	153.7r	+ 1	+ 14
Miscellaneous freight carloadings in S.W. district.....	79.7	79.2	77.4	+ 1	+ 3
Ordinary life insurance sales.....	176.7	142.9
Total retail sales.....	128.2*	141.6r	...	— 9	+ 2
Durable-goods sales.....	140.5*	166.5r	...	— 16	— 1
Nondurable-goods sales.....	121.8*	128.8r	...	— 5	+ 3
Building construction authorized.....	130.5	167.5	113.0	— 22	+ 15
New residential.....	113.0	125.2	106.2	— 10	+ 6
New nonresidential.....	162.8	249.7	113.3	— 35	+ 44
Total industrial production.....	142.0*	141.2*	129.4r	+ 1	+ 10
Total nonfarm employment†.....	120.8*	119.4*	115.7r	+ 1	+ 4
Manufacturing employment†.....	121.7*	121.3*	114.6r	**	+ 6
Total unemployment†.....	81.0	87.1r	100.5r	— 7	— 19
Insured unemployment†.....	60.3	70.7	89.1	— 15	— 32
Average weekly earnings—manufacturing†.....	123.1*	123.8*	119.1r	— 1	+ 3
Average weekly hours—manufacturing†.....	101.9*	102.1*	101.4r	**	**

*Preliminary.

rRevised.

**Change is less than one-half of 1%.

†Wage and salary workers only.

crease of 39.9% over the July 1, 1965, population of 10,552,000. The smaller estimates a 27.8% increase. Either estimate means good news for retailers and homebuilders. Markets in the state will continue to grow. If the higher rate of growth occurs, Texas will have 5.6% of the nation's population in 1985. Under the lower estimate, the state's percentage of national population will be 5.5. On July 1, 1965, Texas had 5.4% of total United States population.

Under the higher estimate, the Texas population aged 5 to 17 years will be 57.8% larger in 1985 than it was on April 1, 1960. The lower estimate places this figure at 30.5%. Either means that demand for education through the high school will increase.

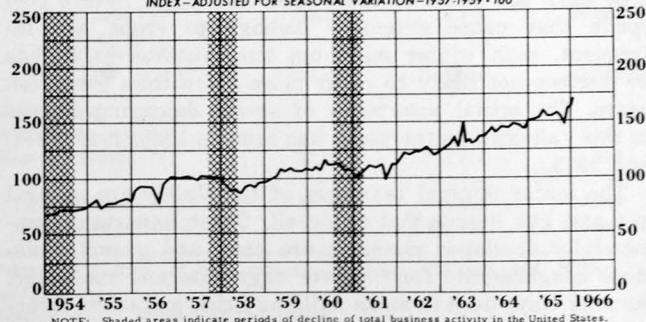
The college-age group (18-24 years) will increase in size 91.6% over April 1, 1960, in Texas by 1985 under the higher estimate and 82.1% under the lower. The demand for higher education in the state will continue to increase under both estimates. This is a demand that must be satisfied. Educated young people are the state's most important resource.

March will be the sixty-first month of the current business cycle upswing. It is the longest upswing since December 1854 with the exception of the eighty-month upswing during World War II. Prosperity in Texas has paralleled national prosperity and will continue to do so.

Business Cycle Developments, a publication of the Bureau of the Census, contains a number of economic time series which tend to turn down in a business cycle before the general downturn occurs. Currently twenty-one of the series are moving upward, four are on a plateau, and only five point downward. All portents indicate continued prosperity.

INDUSTRIAL ELECTRIC POWER USE IN TEXAS

INDEX—ADJUSTED FOR SEASONAL VARIATION—1957-59=100

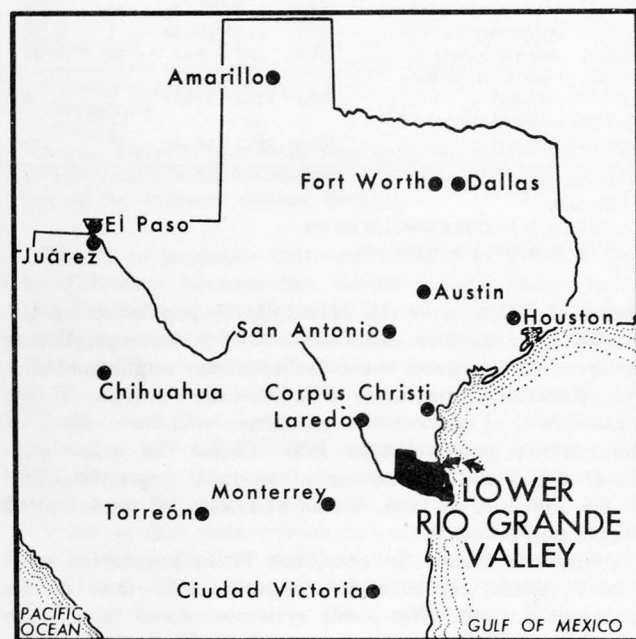


THE LOWER RIO GRANDE VALLEY

An Economic Profile

Robert B. Williamson

At one time, the Lower Rio Grande Valley probably was regarded by most Texans as either an out-of-the-way agricultural area where large irrigated plantations employed many Mexican braceros and produced grapefruit, oranges, vegetables, and cotton, or as a recreational area with a semitropical climate adjacent to Mexico and the Gulf that might be fun to visit someday. Such images are incomplete. Today, more and more Texans and others are visiting the "Valley" and discovering its colorful history, the diversity of its economy, and the recreational and business opportunities it offers.



The Valley, located in the southernmost tip of the state, comprises a clearly identifiable economic region. Not only is there a great similarity in the resources, economic activities, and population characteristics of its component parts, but there is also a common pattern of historical development and a traditional feeling of unity within the area. The boundaries of the region often are drawn to include all or part of four counties—Cameron, Hidalgo, Willacy, and Starr. Only the first three counties—Cameron, Hidalgo, and Willacy—are used to represent the region in this report, but these three counties account for the bulk of the population and economic activity.

The Valley, which is not a valley but a fertile plain sloping away in delta-fashion from the Rio Grande, has a long history of development by Europeans and their descendants. The area was important in the 18th century as an outpost of the Spanish colonizers. In the 19th century, the development of the area was sustained by its advantageous position on the route to northern Mexico.

However, the principal foundations of the Valley's present economic structure were not laid until the 20th century. The region's population, which had been only about 20,000 in 1900, increased rapidly to over 350,000 by 1960.

Completion of railroad connections to the north, construction of large irrigation facilities, and the development of refrigeration cars for the shipment of fresh produce were the bases for the Valley's rapid growth after the beginning of the present century. The economic growth of the Valley was given a boost also by the discovery of oil and gas in the area during the 1930's. Among the other important economic developments in the region during the past 30 years have been the increase in manufacturing, the establishment (and closing) of military bases in the area, the rise in the number of winter visitors, and the expansion of trade with Mexico.

Resources and Special Facilities

Water supplies, along with fertile soils, are among the most important of the region's natural resources. Surface water provides the major supply of water. The basic source of the surface supply is the U. S. share of the water flow in the Rio Grande. This share has been estimated at a long-run average annual rate of about 1.7 million acre-feet at the Falcon Dam site. Past variations in the yearly flow have ranged from over two times to less than one-third the historical average. The international Falcon Reservoir, completed in 1953, has a controlled capacity for water conservation and flood control of about 3.9 million acre-feet, with the conservation part being somewhat more than 2.1 million acre-feet. The Texas share of these reservoir supplies is 58.6%.

The Valley's climate—its long growing season and mild temperatures—is another vital ingredient in the region's agricultural success, and a key factor in its growing tourist business as well. The climate varies from semi-arid in the western part of the region to semitropical in the southeast. Temperatures throughout the year average 74 degrees, with a range in the central portions from a January average minimum of about 51 degrees to an August average maximum of around 97 degrees. Near the coast, the summer maximums are 3 to 4 degrees cooler. The growing season (average number of frost-free days per year) is more than 300 days. Severe cold spells that cause extensive damage to crops are infrequent, with winter minimum temperatures as low as 20 degrees not likely to occur more often than every ten years. The actual occurrence of severe damaging freezes in the Valley in recent years has been in 1930, 1949, 1951, and 1962.

The major mineral resources of the Valley are natural gas and gas liquids and crude oil. Other important commercially developed minerals are sand and gravel, limestone conglomerate for concrete aggregate and roadstone, burning clays used to make building brick and other struc-

tural clay products, and pumicite (in Starr County) used to make pozzolan cement and insecticide diluent. Additional minerals found in the region include salt in surface saline deposits and caliche (crusts of calcium carbonate).

Marketed natural-gas production in Cameron, Hidalgo, and Willacy counties has been in excess of 200 billion cubic feet per year in recent years, and another 80 billion cubic feet or more per year have been produced in Starr County. Recent levels of crude-oil production have exceeded two million barrels per year in the three-county area and five million barrels in Starr County.

The human resources of the three-county Valley region, as of the 1960 census, included a local labor force of nearly 120,000 workers drawn from the total population of about 352,000 persons. Migration to the Valley has been an especially important source of population and labor force growth. A large share of the immigrants have come from across the Mexican border. Over two-thirds of the region's population in 1960 had Spanish surnames and 44% of the total population was of foreign stock (that is, foreign born or children of a foreign-born parent). The foreign born accounted for 15% of the total population.

The educational levels of the region's population are comparatively low. In 1960, the median number of school years completed by persons 25 years of age and older

ranged from six years in Hidalgo and Willacy counties to eight years in Cameron County. The state average was more than ten years. However, educational levels in the Valley in 1960 were higher than they had been a decade earlier. Also, the increasing proportion of the school-age population enrolled in school indicates that further progress is being made in raising educational levels.

The general kinds of job skills presently held by the Valley's labor force are suggested by the 1960 occupational and industrial employment patterns for the region. Farm occupations were reported by over one-fifth of those employed in 1960. The "operatives and kindred workers" occupational group, which embraces a wide range of semiskilled industrial and other nonfarm occupations ranging from truck drivers to building-trades apprentices and machine operators in manufacturing, accounted for 17% of the region's workers. Sales, clerical, and kindred workers were 15% of the total. Professionals (excluding elementary- and secondary-school teachers), technical workers, craftsmen, foremen, and other similarly skilled workers accounted for 14% of the total. In the state as a whole, these latter professional and skilled worker groups accounted for 21% of all workers.

Wage costs in the region are comparatively low. According to the 1960 census, the median earnings of male operatives and kindred workers were around \$1,800 per year, or only about 50% of the state median earnings for this group. Earning levels in the region relative to the state for some other groups were: 63% of the state level for craftsmen, foremen, and kindred workers; around 76% of the Texas median for hired farm laborers; slightly less than 80% of the state level for female clerks and other similar female occupations; and 82% of the Texas median for male professional, managerial, and kindred workers.

Among the region's facilities that are of special importance are its transportation facilities. These include three U. S. highways, rail connections by two American railroad companies, four ports for water transportation, and three major airports. Also, natural-gas pipelines of six major companies, which are in addition to the local gas utility, connect the general area of the Valley with other areas, including the markets of Chicago and New York. Besides the three U. S. highways connecting the region with other parts of the United States, there are two principal highway routes from the Valley to the interior of Mexico.

Ports at Brownsville and Port Isabel handle both deep-water and barge shipping, while ports at Harlingen and Port Mansfield handle barges. The dominant port in the region is Port Brownsville, which was opened in 1936 and which is operated by the Brownsville Navigation District, an independent public body. The port's turning basin is four miles east of Brownsville and 17 miles from the Gulf of Mexico via deepwater channel. Not all regions have ready access to water transportation, and the presence of a healthy water transportation industry and adequate port facilities provides conditions favorable both to the expansion of local industry and to the attraction of new industries to the Valley.

The Valley possesses a number of natural and man-made tourist attractions. Among the region's natural resources that attract winter visitors and other tourists are its

Table 1

POPULATION, CITIES AND COUNTIES, LOWER RIO GRANDE VALLEY, 1940, 1950, AND 1960

Cities and counties	1940	1950	1960
Cameron County			
Brownsville	22,083	36,066	48,040
Harlingen	13,306	23,229	41,207
San Benito	9,501	13,271	16,422
Rest of county	38,312	52,604	45,429
County total	83,202	125,170	151,098
Hidalgo County			
Donna	4,712	7,171	7,522
Edinburg	8,718	12,383	18,706
McAllen	11,877	20,067	32,728
Mercedes	7,624	10,081	10,943
Mission	5,982	10,765	14,081
Pharr	4,784	8,690	14,106
Weslaco	6,883	7,514	15,649
Rest of county	55,479	83,775	67,169
County total	106,059	160,446	180,904
Willacy County			
Raymondville	4,050	9,136	9,385
Rest of county	9,180	11,784	10,699
County total	13,230	20,920	20,084
LOWER RIO GRANDE VALLEY TOTAL*	202,491	306,536	352,086
Starr County			
Rio Grande City	—	3,992	5,835
Rest of county	13,312	9,956	11,302
County total	13,312	13,948	17,137
Four-county total	215,803	320,484	369,223

*Study definition of the region: Cameron, Hidalgo and Willacy Counties.

Source: U. S. Bureau of the Census.

mild climate; its reservoirs and coastal areas which provide fishing, boating, swimming, and other types of recreational opportunities; its wild game, found mainly in the brush country on the western and northern fringes and in the coastal areas; and its location with respect to northern Mexico.

There is an increasing number of man-made facilities in the Valley to attract and to accommodate visitors. Included are developed recreation areas. An example of one such area is Cameron County's 100-acre Isla Blanca Park, located on the southern tip of Padre Island and accessible by causeway from Port Isabel. The park has bathhouses, picnic shelters, cabanas, a pavilion, and a restaurant. Adjoining the park area are motels and other privately owned facilities.

A new seaside park that is expected to attract large numbers of visitors to the region is the Padre Island National Seashore. The park was authorized by Congress in 1962 and is currently in the early stages of development, with land for the park still being acquired from private owners. The park is to be about 80 miles long, extending from the northern boundary of Cameron County north to within a few miles of Corpus Christi. Island property will be left in the hands of private property owners at both the north and south ends for commercial development. The Padre Island National Seashore will be the largest of the nation's six national seashores and will be the nearest one for the large population between the Mississippi River and the Rocky Mountains.

Convention business is actively promoted by Valley business groups. Each of the largest cities has sizeable auditoriums for convention use, and there are many smaller public and private places available throughout the region. The Valley also is becoming increasingly well supplied with good lodging and eating places to accommodate visitors.

Other area facilities of special significance for the region's future economic development are its educational facilities. Outstanding in this regard is the Pan American College at Edinburg, which provides a four-year co-educational college program with major degrees in teacher education, liberal arts, and business administration. The college is accredited by the appropriate accrediting associations and was accepted as a part of Texas' state-supported college system effective September 1965. Another college is located at Brownsville. Texas Southmost College, at the Old Fort Brown site, is a two-year junior college providing courses in liberal arts, business administration, and other fields.

There are several special educational programs for the educationally retarded and economically underprivileged in the region, and currently this type of educational activity is undergoing a tremendous expansion as a result of the financial assistance available under new federal government programs. The growing attention and effort being directed toward meeting educational needs at all levels in the Valley are very encouraging with respect to the prospects for future economic development of the region.

Improvements in the amount and quality of area facilities and the general economic development of a region can be influenced to a significant degree by the extent to which the region has that rare human resource, leadership. The Valley has demonstrated an unusual amount of

active leadership in several fields. Local civic groups and governmental organizations have done much to promote facilities and general development in the fields of water supply, transportation, industrial and commercial sites, tourist and convention business, and education. Various other Valley groups also are engaged in promoting general business and industrial development, agriculture, and general urban and regional planning.

Basic Industries and Markets¹

More than 100,000 residents were employed within the region in 1964. A division of the employment into industry groups, or sectors, provides one measure of the direct importance of different kinds of economic activities, and it shows the present high importance of agriculture in the Valley. Farming activities, and the closely related agricultural services and trade groups which specialize in supplying farm needs or in marketing raw farm products, directly account for approximately one-fourth of all employment in the region. If food processing (the manufacture of food and kindred products) is included, the agricultural group employs as much as one-third of the total.

General trade and service-type industries are the next largest groups in terms of employment and together they account for over 35% of the total, or slightly more than the combined agricultural and food-processing groups. Each of the remaining industry groups employs no more than 10% of the total.

Estimates of the total volume of monetary transactions in the region in 1963 provide another means of measuring the overall size of the region's economy and the relative size of agriculture and the other industry groups. Estimated total transactions by local groups during 1963 amounted to nearly \$1.5 billion. Approximately one-half billion dollars of transactions, or more than one-third the total, represented "external sales"—that is, sales to nonlocal sectors or for local investment purposes.

The individual local group with the largest amount of sales to external markets is food processing. This group also has the greatest relative amount of external sales, exporting out of the area nearly 90% of its total production. The three farming groups, taken together, have an even larger total amount of external sales.

A breakdown of the region's external sales by type of market shows that the greatest amount of external sales by Valley producers, totaling more than \$300 million in 1963, is in the form of exports to private businesses and individuals in other parts of the United States. The next largest share of external revenues, amounting to over \$100 million in 1963, is received from state and federal government agencies. One reason for the present, and potentially greater, importance of this second type of income is the significant number of retirees who move to the Valley, bringing in additional amounts of social security and government retirement revenues. Tourists and other visitors to the region and Mexican shoppers from neighboring border areas who cross the

¹The following 1964 employment and 1963 sales estimates and the related multipliers are based on a special "input-output" study done by the Bureau of Business Research. For a more complete report of the study, see Robert B. Williamson, *The Lower Rio Grande Valley of Texas: Economic Resources and Growth Prospects to 1933-1934* (Austin: Bureau of Business Research, The University of Texas, 1966).

Table 2
ESTIMATED EMPLOYMENT AND SALES, BY LOCAL INDUSTRY GROUPS, LOWER RIO GRANDE VALLEY

Local industry group	Employment March 1964 (thousands)	Sales, 1963* (millions of dollars)	
		Total	External
1. Fruit and vegetable farming.....	20.1	79.4	56.2
2. Cotton farming	5.9	73.9	45.7
3. Other farming	1.6	47.8	23.8
4. Minerals	1.2	39.0	31.6
5. Food processing	6.6	108.1	96.9
6. Other manufacturing	4.2	56.2	40.4
7. Trade	17.5	402.6	52.2
8. Hotels, eating, and amusements....	4.3	29.3	10.7
9. Other services and miscellaneous ..	19.4	199.3	31.0
10. Contract construction	5.2	32.1	20.6
11. Local government	10.2	66.0	21.8
12. Households**	8.0	350.0	91.5
Total	104.3	1,483.8	522.4

*"Sales" figures include other kinds of revenues besides sales revenues.

**Employment data include only private household workers and non-local government employees; "sales" figures include all personal income payments received by local households.

Note: Detail may not add to totals because of rounding.

bridges to buy in Valley stores also comprise a significant and expanding source of external revenues. Altogether, visitors and Mexican shoppers provided an estimated \$46 million in sales revenues in 1963. Another source of external revenues is foreign export shipments. The total of these export shipments by local businesses was about \$26 million in 1963. According to the classifications used in the study, sales for local net investment requirements are also classed as a kind of external sales.

The discussion of industries and major external markets up to this point has considered only the direct contributions of the individual industries and markets to the Valley economy. The overall (direct and indirect) importance of the various industries and types of external

markets to the Valley's economy has been calculated also, based on the theoretical abstraction that all of the region's sales and employment are, directly or indirectly, dependent upon external sales. Based on this theoretical model, the external sales of an industry will directly account for given amounts of the region's total sales and employment. But this is not the end of the effects. The industry in question will have to make purchases from local (and external) sources as a consequence of its external sales. And, in addition to these direct purchases by the industry, its local suppliers consequently will make purchases from other local industries and they in turn from others and so on until the total local sales resulting from the external sales may be several times the amount of the external sales. Through such sales-supply relationships, based on the pattern of local purchases in the region in 1963, the total amounts of local sector sales and employment can be traced and related to the external sales of one sector or another.

Such an analysis shows that the external sales of cotton farming and the external revenues of local governments have the largest multiplier effects on the region's total sales for each dollar of external sales or revenues. Each dollar of external sales by the cotton industry, for example, generates an estimated \$3.41 of total sales in the Valley. The average for all local industries is \$2.85 total sales generated per dollar of external sales. In terms of the total amount of Valley employment supported per unit of external sales, fruit and vegetable farming ranks first, with 404 employees in all local industries supported by each \$1 million of external sales by the fruit and vegetable farming industry.

Another type of employment multiplier, showing total regional employment supported per worker producing for external sales in a given local industry, is the type of multiplier usually presented in typical "economic base" studies. The size of this type of multiplier is affected by the productivity of the workers producing for export

Table 3
CONTRIBUTIONS TO THE TOTAL ECONOMY BY EACH LOCAL INDUSTRY'S EXTERNAL SALES,*
LOWER RIO GRANDE VALLEY, 1963

Local industry	Contributions per unit of external sales				
	Sales	Employment		Relative total contribution to	
		Per \$1 million external sales	Per industry worker producing for external sales	Total sales	Total employment
	Per dollar of external sales (dollars)	(employment)	(employment)	(percent)	(percent)
1. Fruit and vegetable farming.....	3.15	404	1.77	13.1	24.0
2. Cotton farming	3.41	227	2.84	10.3	9.8
3. Other farming	3.06	141	4.13	4.8	3.1
4. Minerals	2.13	90	2.85	4.5	2.7
5. Food processing	3.07	181	2.98	19.9	16.7
6. Other manufacturing	2.13	134	1.77	5.7	5.1
7. Trade	2.15	107	2.46	7.4	5.3
8. Hotels, eating, and amusements....	2.83	249	1.68	2.0	2.5
9. Other services and miscellaneous	2.85	197	2.03	5.8	5.8
10. Contract construction	3.14	269	1.66	4.3	5.2
11. Local government	3.24	271	1.76	4.7	5.5
12. Households	2.90	134**	—	17.5	14.3***
Total local industry.....	2.85	200	2.34	100.0	100.0

*Based on estimated normal crop conditions for the region.

**Assumes no direct employment producing for external "sales," e.g., as would be true in case of external retirement income.

***Includes state and federal government direct employment, which accounts for 2.7 percent of total.

sales. The "other farming" group supports the largest number of Valley employees for each of its workers producing for external sales (or 4.13 employees) partly because of the high productivity levels of "other farming" workers. For the entire economy of the region there is an average of 2.34 workers supported per worker producing for external sales.

The preceding multipliers show the total economic effects of each unit of external sales or "external employment" of the various local industries. To determine the actual total contribution of each industry's external sales, the size of the industry's external sales has to be taken into account as well as the multiplier effects of each unit of its external sales. On this basis, food processing, with its large volume of external sales and its fairly high multiplier effect per dollar, makes the largest total contribution to the region's total sales. In terms of total employment supported, fruit and vegetable farming makes the largest contribution. All types of farming and food processing taken together support approximately one-half of all sales and employment in the Valley.

Although Valley agriculture continues to make a major contribution to the economy of the region, there has been a decrease in the size of its relative contribution in recent years. Sales by Valley farmers rose fairly rapidly after the national depression of the 1930's until around 1950. Since then, the region's farm sales have tended to level off, and Valley farm employment has shown a decline. There also have been major changes in the composition of Valley agriculture during the past 25 years. In 1939, citrus fruits and vegetables represented over one-half the region's farm sales, with citrus accounting for more than 35% of the farm sales total. Cotton sales were about one-third of the total. By 1959, cotton sales had risen to over 60% of the total, while fruit and vegetable sales had decreased to less than one-fifth. A significant increase in cotton prices during World War II and the postwar continuation of government support of cotton prices, plus severe freeze damage to citrus trees in 1949 and 1951 and shortages of hand labor and irrigation water, helped to bring about this shift. Since the 1959 census year, vegetable production has risen in importance again, but citrus production was curtailed further by the 1962 freeze. Cattle and grain sorghum production have shown notable increases in the Valley over the past 10 to 15 years.

The Lower Rio Grande Valley presently grows about one-third of the vegetables harvested in Texas and is one of the leading vegetable-producing areas of the nation. The farm value of the region's vegetable sales was more than \$25 million by 1963. The major vegetables in terms of cash receipts are onions, carrots, tomatoes, peppers, lettuce, and cabbage.

Grapefruit and oranges historically have been important farm products in the Valley, with the region ranking third in the nation after Florida and California as a citrus-producing area. Valley citrus production reached a peak of over 28 million boxes during the years 1946-1948, with grapefruit accounting for more than 80% of the total during this period. After the 1949 and 1951 freezes, production dropped to 500,000 boxes, but output had recovered to more than 10 million boxes (with grapefruit being two-thirds of the total) before the January 1962 freeze. Production was reduced by the latest freeze

to as low as 110,000 boxes in the 1962-1963 crop year, but there has been a recovery to nearly three million boxes in the 1964-1965 year.

Cotton plantings in the Valley in recent years have amounted to about 400,000 acres, or around one-half the cultivated cropland of the region. Approximately 60% of this cotton acreage has been on irrigated land. Both Hidalgo and Cameron counties ranked among the first ten counties in the nation in cotton acreage and among the first 15 in cotton production in 1959.

The peak in Valley cotton production was the more than 600,000 bales produced in 1951. Much of this cotton was grown on land from which citrus trees had been removed following the January 1951 freeze. The largest crop after the 1951 peak was the nearly 450,000 bales harvested in 1959. Production in the 1962-1963 crop year was the smallest since 1947, less than 270,000 bales, partly as a result of adverse weather, water, and insect conditions. However, acreage allotments for Valley cotton production under the government's acreage control program have trended downward in recent years and have been an important limiting factor.

The principal products in the "other farming" category are beef cattle and calves, accounting for over 50% of the group's sales, and grain sorghum, providing nearly 25% of sales. Other important items are dairy products and other miscellaneous livestock and poultry products.

The Lower Rio Grande Valley is not a major mineral-producing area. The mineral industry accounts for less than 5% of total sales in the region and for less than 3% of the region's employment, considering both direct and indirect effects. However, in other ways the industry is more important to the Valley than is indicated by its apparent contribution to sales and employment. The availability of adequate local supplies of fuel contributes to the potential economic growth of the region.

The oil and natural-gas production of the Valley has shown mixed trends over the last several years. The production trend for oil has been fairly persistently downward for a number of years. On the other hand, the region's production of natural gas has increased at a rate of about 5% per year during the past decade.

The Valley's 6,600 workers in food processing as of March 1964 were 8% of Texas employment in this industry, or nearly two and one-half times the proportion which would have been expected based on the region's share of state population. In 1940 the region accounted for only 3% of the state's employment in food processing. The greatest relative growth in the Valley's food industry occurred prior to 1950, but the employment growth since 1950 has been at the fairly high rate of 4% to 5% per year. The corresponding growth rate for the industry statewide has been about 2% per year, while national employment in food processing has shown an actual decline since 1950.

Among the region's major food-processing establishments, the largest group comprises plants which are mainly engaged in processing vegetables and citrus fruit. These plants are scattered throughout the Valley. Their activities include the canning of tomatoes (and tomato juice) and other vegetables, preserving, and the canning and freezing of citrus juices and segments. The next largest group are the establishments primarily engaged

Table 4
EMPLOYMENT TRENDS, BY LOCAL INDUSTRY GROUPS AND SELECTED COMPONENTS,
LOWER RIO GRANDE VALLEY, 1940, 1950, 1960, AND 1964

Industry group	1940 (March)	1950 (April)	1960 (April)	Percent increase, 1960 over 1940	1964e (March)
Farming and agricultural services.....	27,310	33,493	25,882	— 6	23,700
Minerals	497	918	1,233	148	1,200
Food processing	1,515	3,547	5,459	260	6,600
Other manufacturing	1,351	3,352	4,075	202	4,200
Apparel and other finished textile products.....	47	72	767	1,532	1,000
Chemicals and allied products.....	128	583	682	433	500
Transportation equipment, except motor vehicle.....	25	92	150	500	300
All other	1,151	2,605	2,476	115	2,400
Trade (not elsewhere classified).....	12,067	18,009	22,886	90	21,500
Wholesale	5,355	6,206	7,993	49	6,600
Retail	6,712	11,803	14,893	122	14,900
Hotels, eating, and amusements.....	2,590	4,257	4,591e	77	4,300
Hotels and other lodging places.....	564	722	945e	68	1,000
Eating and drinking places.....	1,578	2,766	2,840	80	2,400
Amusement and recreation services.....	448	769	806	80	900
Other services and miscellaneous.....	10,401	17,147	23,000e	121	19,400
Transportation	2,219	3,488	3,020	36	2,900
Communication and utilities*.....	909	2,860	3,354	269	1,900
Finance, insurance, and real estate	983	1,956	2,607	165	2,500
Selected services	5,319	7,044	10,582e	99	11,500
Fisheries	275	469	721	162	600
Industry not reported.....	696	1,330	2,716	290	—
Contract construction	2,914	6,434	5,715	96	5,200
Government (total).....	(n.a.)	(6,837)	(16,310)	n.a.	(13,100)
Government not elsewhere classified*.....	2,142	5,021	13,063	510	13,100
Local government	n.a.	n.a.	n.a.	n.a.	10,200
State and federal government.....	n.a.	n.a.	n.a.	n.a.	2,900
Households (private household workers only).....	3,654	4,239	4,977	36	5,100
Total	64,441	96,417	110,881	72	104,300

eEstimated.

n.a.: Not available.

*Government employees in utilities and other industry-type operations are included with the nongovernment industry groups in 1940, 1950, and 1960 but are assigned to the government group in 1964.

Note: The industry groups shown above are not strictly comparable with those presented in the other tables.

Source: U. S. Bureau of the Census, for 1940, 1950, and 1960. Estimated, with the assistance of the Texas Employment Commission, for 1964.

in the processing of seafood, mainly freezing or otherwise preparing and packaging shrimp caught in the Gulf of Mexico and unloaded at Port Brownsville and Port Isabel.

Valley employment in nonfood manufacturing in 1964 was about two-thirds as great as the employment in food processing, and the 1963 sales of the nonfood group were roughly one-half as large as the food group. Approximately 1,000 workers, or nearly one-fourth of the approximately 4,200 workers in nonfood manufacturing, were in the apparel industry as of early 1964. The chemical industry accounts for 10% to 15% of total employment in the nonfood manufacturing category. Transportation equipment, exclusive of automotive, accounts for less than 10% but is expected to grow in importance. Recent reports indicate that employment in each of these three major industries has expanded since the spring of 1964. The increase in apparel manufacturing has been especially significant.

Tourists and Mexican shoppers in the Valley are important and growing sources of income. According to survey estimates, sales to tourists and other visitors, such as convention delegates, totaled about \$32 million, while retail store sales to foreigners were about \$14 million.

The largest share of revenues from tourists and other visitors goes to general trades and to the hotels, eating, and amusements sector. The remainder goes to transportation and miscellaneous services, for the most part. The bulk of Mexican shopper sales revenues is received by the general trade industry.

Tourists and other visitors to the Valley can be classified in three distinct categories. First, there are the winter residents who spend up to six months in the region during the wintertime. Winter residents probably account for the greatest amount of tourist revenues. Second, there are the ordinary tourists who may spend a week or two or only a few days in the region. Often these visitors are en route to Mexico. Third, there are the convention delegates and other traveling businessmen. Local sources estimate that several thousand convention delegates a year come to the Valley, with Brownsville and McAllen attracting especially large numbers.

Retail sales to Mexican shoppers and tourist visits by Mexicans are promoted by Valley merchants with advertising and by "friendship caravans" into the interior of Mexico. Perhaps the major factors increasing Mexican shopper business in the region have been the more limited shopping facilities in the Mexican border towns and the

fairly high general economic growth of the border areas.

Most of the industries in the "other services and miscellaneous" group are considered service-type industries, and their general growth and external sales will depend to a major degree upon the growth of other industries in the region. Included among these service-type industries are: transportation; communications and utilities; finance, insurance, and real estate; and miscellaneous personal, business, and professional services.

Fishing was classified with the preceding miscellaneous group of industries in this study, but it is not a service industry in the same sense that the other industries are. Fishing became important to the region with the development of deepwater trawling in the late 1940's. The Brownsville and Port Isabel area has been the major area for Texas shrimp landings for a number of years and currently accounts for more than one-third of the total shrimp landed at Texas ports. Furthermore, Texas has been a leading state in the production of shrimp. Today, total fish unloaded annually at Valley ports is around 24 million pounds, valued at about \$10 million. There are several associated industries in the region depending to a significant extent on the fishing industry. These include the businesses serving the fishing harbors (such as boat repair establishments, ice manufacturers, and others), the seafood processors referred to earlier, and some large seafood wholesalers headquartered in the Valley.

There are many separate local governmental units within the Lower Rio Grande Valley, including municipalities, the county governments, school districts, and special districts (including water, navigation, and road districts, as well as others). These local governments have growing responsibilities, and both their expenditures and numbers of employees have shown rapid increases for several years. Currently, the local governmental units of the region together employ more than 10,000 workers directly.

Good governmental administration in the region can do much to facilitate general economic development. Effective municipal government administration can have an especially beneficial influence on the development of the region's cities, and the major cities of the Valley appear to have efficiently organized and administered municipal governments. Several of the larger cities in the region have had formal city planning studies and their city governments have systematic programs for the provision of necessary public facilities that will be needed in the future.

Included in this study as a part of the external revenues received by local households were the wages and salaries paid to state and federal government employees who reside in the area. There were nearly 3,000 such employees in the region in 1964, with the federal government accounting for the largest share. Local households also receive external revenues from nonlocal governments in the form of transfer payments, such as social security benefits and various types of welfare payments.

Approximately 30 percent of the external revenue received by local households presently comes from other than state and federal government sources. Included are income received from private investments, retirement income received from private industry, various business transfers and miscellaneous payments to local households,

and wages and salaries earned from private business establishments in other regions. Both household income from nonlocal industry and government transfer payments are expected to show sizable expansion, due partly to an expected increase in the number of retirees coming to the Valley.

Problems and Prospects

Some of the major problems confronting Valley agriculture include periodic irrigation water shortages, poor drainage and high soil salinity in some areas, a diminishing and an often inadequately trained farm-labor supply, the risks of damaging freezes, and insects and plant diseases. Successful marketing of agricultural products presents a continuous challenge, but the region has reasonably good access to major markets for its principal products, and increasing attention is being given by producer and shipper groups to good marketing requirements.

Problems related to the potential growth of manufacturing and other nonfarm activities in the region include inadequate water supplies for particular types of industry, inadequately trained labor, low income and the small size of local markets, the remoteness of major outside markets, and the need for continued improvement of transportation facilities.

The future economic development of the region will have to adjust to some extent to the more intractable of these problems. Limited water supplies, a diminishing supply of farm workers, and long distances to major outside markets will be important in shaping the character of the region's economic development. On the other hand, steps can be taken, and are being taken, to remove or reduce the seriousness of these and other restraints to growth.

Water supplies constitute an especially vital problem for the Valley. The great importance of water supplies stems from such facts as the following: much of the region's past growth has been based on irrigated farming; the region has a semiarid climate and must depend upon the development of river flow or groundwater supplies for most of its water requirements; and any significant expansion of water supplies would require a costly and concerted effort. An analysis of expected total water requirements compared with supplies indicates that average water supplies from existing sources probably will be adequate over the next two decades. However, the continued growth of the region will generate increasing pressures to find ways to expand effective water supplies.

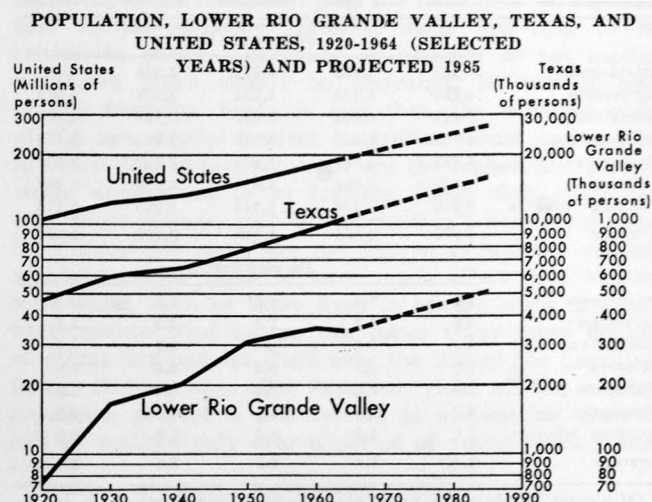
Tight farm-labor supplies relative to the high seasonal demands, particularly for vegetable harvesting, is another especially critical restraint on the expansion of Valley agriculture. The expiration of the bracero law apparently did not have as great an immediate effect on Valley farmers as it did on farmers in southern California. However, California and other areas are bidding for the resident farm workers of this region and increasing numbers of those who "follow the crops north" are failing to return. Increasing mechanization and better-quality workers will be necessary, if the region is to maintain its position as a vegetable producer in the face of potential competition from Mexico and other low-wage areas.

Outside of agriculture and the closely related food-processing industry, the Valley's supplies of the various productive factors suggest that the region is best suited

for labor-intensive industries willing to train workers, especially those industries which can use seasonal agricultural labor supplies. Furthermore, the region is better suited for industries not requiring large amounts of freshwater. Also, the location of the area indicates that transportation requirements and costs have an important influence on the types of industries best suited for the region. From this standpoint, it appears that there would be an advantage for industries which could rely on local supplies and markets, which have lightweight supplies and products, or which could make use of the slower but cheaper water transportation. The characteristics of local productive factor supplies and distances to outside supplies and markets indicate that manufacturing industries such as the following might be among those with the best potential in the Valley: apparel manufacturing, aircraft modification, container manufacturing for local agricultural food processing, and simple hand assembly operations in the manufacture of lightweight products. Because of the region's locational advantages for attracting tourists, Mexican shoppers, and retirees, those trade and service industries which cater to the needs of these groups also should fare especially well.

Specifically, industry groups in the Valley expected to show the greatest relative gains in revenues and employment over the next decade or two are the hotels, eating, and amusements group; local government; general trades; and nonfood manufacturing, such as apparel manufacturing. The growth in external revenues of households is also expected to be rapid, and this reflects increases in such items as state and federal government payments and private retirement income. Each of the farming groups and the mineral industry probably will experience declines in employment, despite some projected growth in their sales.

Population and other overall economic projections for the region over a twenty-year period have been derived based on forecasts of employment and sales for the separate industry groups. The projected overall growth rates for the Valley show improvement from the rates experienced since 1950 and compare favorably with the state and national projections.



Sources: U. S. Bureau of the Census; Population Research Center, The University of Texas; and Bureau of Business Research.

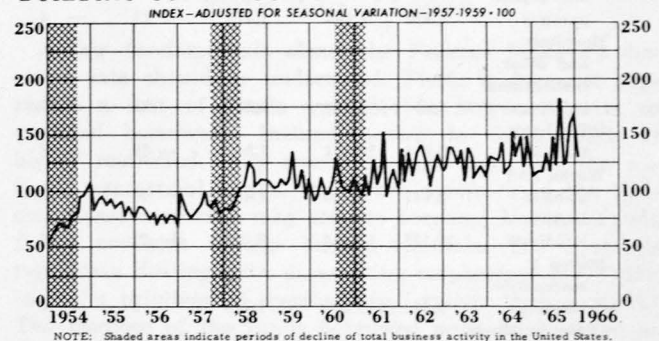
TEXAS BUILDING CONSTRUCTION AUTHORIZED IN JANUARY

by Robert B. Williamson

The value of building permits issued in Texas declined during January in contrast to the seasonal increase normally recorded for the month. As a consequence, the seasonally adjusted index of Texas construction authorizations showed an especially large drop in January. The index fell to 130.5% of the 1957-59 average, or 22% below the December level and 4% below the 1965 average. Both residential and nonresidential building shared in the seasonally adjusted decline from December.

Texas building permits for January reflected strong growth trends when compared with a year earlier, however. The value of all January permits was up 16% from January 1965, with residential up 6% and nonresidential building showing a sharp increase of 44%. Because of the somewhat erratic nature of the monthly changes in those series, the year-to-year growth rates

BUILDING CONSTRUCTION AUTHORIZED IN TEXAS



probably are more significant as a measure of current trends than is the change from just one preceding month. Calculations of moving averages for the indexes of Texas construction authorizations over three- to six-months time spans provides additional evidence on the basic trends in Texas building. This evidence, up to the latest period for which data are available, also supports the view that the basic trend in Texas building is continuing to point upward.

Industrial buildings and educational buildings provided the largest dollar increases in nonresidential building permits in January, compared with a year ago. Among the largest single industrial building permits issued during the month were: a \$3-million permit issued at Plano in the Dallas area to the Atlantic Refining Company; a \$2-million permit issued at Houston to the Cleco Company, a manufacturer of metalworking machinery; and a \$1.8-million permit at Richardson in the Dallas area to the Collins Radio Company.

The 6% year-to-year gain in the dollar value of Texas residential building permits during January was led by a 60% increase for two-family dwellings and a 10% gain for single-family homes. Apartment authorizations, consistent with recent trends, showed a decline from a year ago. The total number of new dwelling units in Texas residential permits during January registered a 1% decline from January 1965, in contrast to the gain in

ESTIMATED VALUES OF BUILDING AUTHORIZED IN TEXAS

Type of construction	Jan 1966	Dec 1965 (thousands of dollars)	Jan 1966	Percent change	
				Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
ALL PERMITS	133,237	142,372	115,158	- 6	+ 16
New construction	121,591	132,617	100,825	- 8	+ 21
Residential					
(housekeeping)	66,273	56,537	62,318	+ 17	+ 6
One-family dwellings	52,809	37,007	48,141	+ 43	+ 10
Multiple-family dwellings	13,464	19,530	14,177	- 31	- 5
Nonresidential					
buildings	55,318	76,080	38,507	- 27	+ 44
Nonhousekeeping buildings (residential)	752	2,065	1,418	- 64	- 47
Amusement buildings	447	2,049	1,817	- 78	- 75
Churches	1,974	2,197	2,209	- 10	- 11
Industrial buildings	13,256	8,749	4,522	+ 52	+193
Garages (commercial and private)	1,270	261	801	+387	+ 59
Service stations and repair garages	1,316	1,067	1,372	+ 23	- 4
Hospitals and other institutional buildings	2,606	2,964	1,577	- 12	+ 65
Office-bank buildings	3,848	18,014	7,347	- 79	- 48
Works and utilities	2,547	4,730	1,481	- 46	+ 72
Educational buildings	14,179	18,013	7,256	- 21	+ 95
Stores & mercantile buildings	9,331	9,038	7,745	+ 3	+ 20
Other buildings & structures	3,792	6,933	962	- 45	+294
Additions, alterations, and repairs	11,646	9,755	14,333	+ 19	- 19
METROPOLITAN vs. NONMETROPOLITAN†					
Total					
metropolitan	113,751	123,130	93,978	- 8	+ 21
Central cities	82,220	98,023	71,833	- 16	+ 14
Outside central cities	31,531	25,107	22,145	+ 26	+ 42
Total nonmetropolitan	19,486	19,242	21,180	+ 1	- 8
10,000 to 50,000 population	8,460	10,637	11,809	- 20	- 28
Less than 10,000 population	11,026	8,605	9,371	+ 28	+ 18

†As defined in 1965 by the Bureau of the Census.

total value. Nationally, the seasonally adjusted number of new dwelling unit authorizations in January reflected a 5% decline from a year ago. These declines in numbers of units authorized for construction are a reversal of recent improvements in both the state and national trends.

Building costs appear to have risen at an accelerated pace during the past few months. Indicative of a faster rise in homebuilding costs in Texas, the average permit value of single-family dwellings authorized in Texas increased 5.4% in 1965, compared with an increase of 3.7% in 1964. In the three-month period ended January 1966,

the average value showed an increase of 9.8% over the corresponding period a year ago. Some of the increase in average value is undoubtedly the result of increases in average home size and in the number of home features, but most of the recent acceleration of the uptrend in average value probably reflects a faster rise in building costs.

National construction cost indexes published by the U. S. Department of Commerce show that both overall construction costs and residential building costs increased at annual rates of about 3% in 1964 and 1965. However, in the final quarter of 1965 the cost indexes rose nearly 4% over the year-earlier period. Construction materials showing the sharpest cost increases during the latest period included selected hardwood lumber and non-ferrous metal products.

Union wage rates of building trades workers throughout the nation reflected an average year-to-year increase of nearly 5% in the final quarter of 1965. This compares with annual rates of increase of about 4% as of both mid-1964 and mid-1965. Texas building trades wages do not appear to be rising at such a rapid rate. Available data on union wage scales and fringe benefits in the building trades in major Texas cities show an average annual increase of only about 3.5% in the latter part of 1965.

Interest rates on new home loans continue to increase. According to estimates of the Federal Housing Administration, the average interest rate on conventional first-mortgage new-home loans in the Southwest on February 1, 1966, was 6.00%, compared with 5.85% on December 1, 1965 (before Federal Reserve banks raised discount rates), and 5.75% a year earlier. On February 7, 1966, the Federal Housing Administration, which provided mortgage insurance on an estimated 15% to 20% of the private nonfarm housing starts in Texas in 1965, increased the top interest rate permitted on the new-home loans it insures to 5½% from 5¼%.

UNION WAGE SCALES FOR BUILDING TRADES IN SELECTED TEXAS CITIES: LEVELS AS OF OCTOBER 1, 1965 AND PERCENT CHANGES FROM OCTOBER 1, 1964

Building trade	Dallas	El Paso	Houston	San Antonio	Average
Dollars per hour*					
Bricklayers	4.525	4.300	4.675	4.250	4.438
Carpenters	4.150	3.950	4.220	3.875	4.049
Electricians	4.443	4.444	4.884	4.166	4.484
Painters	4.013	3.350	4.110	3.625	3.775
Plasterers	4.488	4.300	4.470	4.250	4.377
Plumbers	4.620	4.200	4.675	4.450	4.486
Building laborers	2,250	2,300	2,645	1,900	2,274
Average	4.070	3.835	4.240	3.788	3.983
Percent changes					
Bricklayers	3.4	3.0	6.3	1.9	3.7
Carpenters	3.8	4.8	2.4	3.3	3.4
Electricians	3.6	2.3	3.3	3.1	3.1
Painters	3.2	3.7	3.8	3.6	3.6
Plasterers	2.3	3.0	2.3	0.0	1.9
Plumbers	6.2	2.4	5.1	3.5	4.3
Building laborers	7.1	5.7	4.5	0.0	4.5
Average	4.0	3.4	3.9	2.3	3.4

*Minimum hourly wage rates plus employer contributions to insurance and pension funds and for vacation payments.

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

THE FEDERAL RESERVE DISCOUNT RATE

Relation to Market Rates and Purposes of Recent Changes

James R. Kay*

The recent increase in the Federal Reserve's discount rate, announced last December 5, sparked an unusual amount of controversy, including the sharpest clash in evidence in some years between views of the executive branch of the federal government and the Federal Reserve's Board of Governors. Other, less-publicized views ranged from condemnation to praise of the Board's action. Thus Senator Paul Douglas, a member of the Joint Economic Committee of the Congress which held immediate hearings on the policies of the Federal Reserve following the rate increase, is quoted as saying the Board's action was "as cruel as it was impolite."¹ On the other hand, the official statement of the American Bankers Association congratulated the Federal Reserve Governors for "facing up squarely to their statutory responsibilities."² Another view, however, reported to be held by most economic forecasters, considered the rate increase "pretty much as a molehill."³ These diverse views indicate that discount-rate changes are widely but not universally believed to have great economic import. The matter of concern is, of course, the level of economic activity. The processes by which a nonmarket rate, which applies directly to only rather limited borrowing, affects general economic conditions are certainly not obvious. The link to market rates of interest is assumed, but vaguely understood. The link between interest-rate levels and economic activity is a matter on which opinions differ widely, even among professional economists.

This article makes no attempt to settle the issue of how market rates of interest influence economic activity. Let it suffice here to state a sequence of changes that many economists would agree upon. Capital expansion is viewed as the dynamic force changing the total level of expenditure in the economy. Interest costs are held to be critical in business decisions on whether or not capital expansion plans should be activated. If interest cost of the financing funds is less than the expected yield of the new capital project, activation would seem to be in order. But if interest costs are the higher, the project would appear not to be feasible. Rates that apply for only short periods, such a businessman's borrowing from his commercial bank, are not viewed as weighty enough among business costs to have much effect. But longer-term rates, such as those fixed in coupon rates attached to corporate bond issues, can mean many more dollars of outlay for interest costs over the life of the financing issue. Furthermore, the expected yield of the capital expansion project is less certain to materialize when it can be realized only over a period of many years. Thus,

higher long-term rates of interest are held to be depressing to capital expansion plans, and through them to total expenditures in the economy and to economic activity in general.

The purpose of this article is two-fold: (1) to clarify the relationship between the Federal Reserve's discount rate and market rates of interest in a period of business expansion, and (2) to set forth the major purposes sought by the Federal Reserve by changes in the discount rate in recent years.

Federal Reserve Discount Rate and Market Rates of Interest

A few fundamentals about the Federal Reserve's discount rate should be understood. First, it does not represent a cost of funds available in large amounts to qualified borrowers. Instead, access to these funds is highly restricted. Only somewhat less than half the nation's commercial banks, which are members of the Federal Reserve system, may seek to borrow.⁴ Nor are funds freely available to this limited clientele. The System's regulation dealing with discounting emphasizes borrowing to be "a privilege of membership," rather than a right.⁵ The purpose of the funds borrowed must be justified as "beyond those which can reasonably be met by the bank's own resources."⁶ While loans may run up to ninety days, or to nine months if related to the borrower bank's agricultural lending, the loan period is usually for only a few days in practice. The System forewarns that "continuous use of Federal Reserve credit by a member bank over a considerable period of time is not regarded as appropriate."⁷ The rather forbidding nature of the "discount window" finds expression in certain phrases often encountered in financial literature: "a safety valve for member banks," "paper technically eligible, but unacceptable for discount," "lender of last resort," "reluctance to be indebted to the Federal Reserve."

In view of what has just been said, the question may well be asked: "What benefit, if any, do the discount operations of the Federal Reserve Bank offer to the Texas businessman, farmer, or rancher?" The answer must be that the benefit is great. In fact, the major reason for the establishment of the Federal Reserve System was to alleviate credit shortages that periodically—especially in the fall of the year—afflicted producers all over the country. For example, a business firm is likely to

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¹*Banking*, January 1966, pp. 43, 99.

²*Ibid.*, p. 31.

³*New York Times*, December 15, 1965, p. 67.

⁴*Regulation A*, Board of Governors of the Federal Reserve System. Actually, the Federal Reserve has more than one discount rate, applicable to other borrowings. Only the discount rate applied to member bank borrowings is at all active as a loan rate.

⁵*Ibid.*

⁶*Ibid.*

⁷*Ibid.*

need a bank loan each year, as it moves into its season of peak sales volume, for financing a larger investment in inventories and receivables. Should the seasonal loan demands of the businesses of the commercial bank's service area be highly concentrated in a few months of the year, the aggregate demand might exceed its normal lending capacity. The Federal Reserve Bank stands ready to help with temporary loans to the commercial bank. In periods of general economic prosperity, when growing production is associated with mounting credit demands, any commercial bank that aggressively serves such needs is likely to experience a need to borrow itself, on a temporary basis, occasionally. Here, also, the Federal Reserve Bank stands ready to lend.

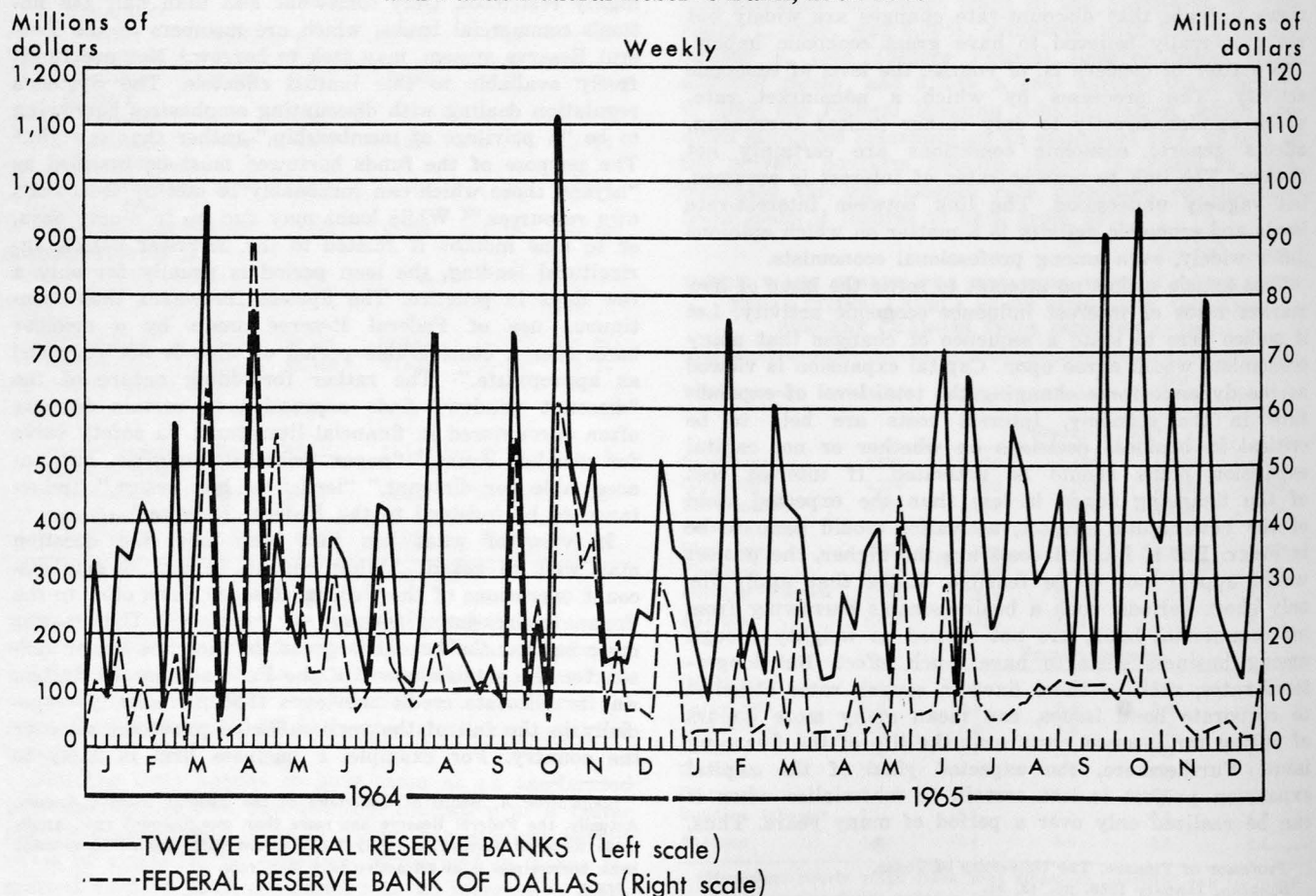
Commercial banks serving agricultural areas experience strong seasonal swings in demands for loans. Seed and fertilizer loans and other needs connected with the planting and growing and, later, the harvesting of crops represent credit needs extending over several months. Commercial banks in such areas may borrow from the Federal Reserve Bank prior to their lending season and repay after crops have been marketed. Ranching activities, likewise, represent credit needs extending over periods of months. Therefore, Federal Reserve Banks loan to member commercial banks for periods up to nine months when the commercial bank's need stems from its own

lending in support of agricultural and ranching pursuits.

Chart 1 shows for 1964-65 the discount volume of the Federal Reserve Bank of Dallas, along with that for the entire System. The state of Texas constitutes a major portion of the Dallas Reserve Bank's area, but also included are northern Louisiana, a small section of Southeast Oklahoma, southern New Mexico, and a small section of Southeast Arizona. The dollar volume of discounts appears quite modest, but the true significance of the figures lies in the fact that they are marginal amounts that support productive loans that, in many cases, would not have been made.

In simple terms, the borrowing by a member bank at the Federal Reserve discount window has the same purpose as an individual's or business firm's borrowing from a commercial bank: to improve a cash condition. Nevertheless, the commercial bank's problem in maintaining adequate cash is unique in at least two respects. First, it *must* maintain a certain level of cash funds, for law prescribes minimum reserve requirements to be held behind the bank's deposits. Second, others *order* it to pay out cash without forewarning, i.e., its depositors write checks at their pleasure against their deposits kept with the commercial bank. Thus, the "safety valve" aspect of the Federal Reserve discount window is of great importance to banks. The commercial banker's vulner-

Chart 1: Discounts and Advances, Federal Reserve System and Dallas Federal Reserve Bank, 1964-1965



Source: Federal Reserve System.

ability as a holder of the public's deposits to cash losses is, of course, of his own choosing. In fact, his own lending and investing operations cause deposit liabilities to grow, as shown in Table 1. In every period of business expansion, such as the present one, deposit liabilities of commercial banks, as a system, increase rather rapidly. While individual banks may scale down their investments in securities as they grant additional loans, the growth of loans always exceeds the contraction of investments for commercial banks, taken in the aggregate. More cash reserves are called for to support this expansion. And, in general, the Federal Reserve System is a rather

Table 1
LOANS, INVESTMENTS, AND DEPOSITS OF COMMERCIAL
BANKS, 1961-1965
(Billions of dollars)

End of	Total loans and investments	Total deposits
1961	215.4	248.7
1962	235.8	262.1
1963	254.2	275.1
1964	277.4	307.2
1965 (Nov.)*	297.0	314.5

*Preliminary figure.

Source: *Federal Reserve Bulletin*.

willing supplier of more cash. In fact, this additional cash is supplied, for the most part, on the Federal Reserve's own volition. By merely purchasing United States Government securities in the open market, it pays out cash funds to the market and these funds quickly flow to commercial banks as deposits. But this flow does not match precisely with individual bank needs for cash. Therefore, they may borrow additional cash directly at the discount window.

In a period of general economic expansion most commercial banks, sooner or later, begin to experience a chronic shortage of cash. Loan demand is intense, and the proceeds of loans granted tend to be checked out and to become cash losses. It might appear that cash losses would cancel out for the banking system and that no shortage would develop. While in most cases cash funds checked out from one bank become deposits in others, there are two quarters from which a general shortage begins to develop: (1) the growth of deposits against which cash must be held, and (2) the net withdrawal of cash from banks by individuals and business firms which feel a greater need for pocket money and till cash because of the same rising tempo of economic activity.

When a member bank experiences a need for additional cash, it may obtain it in the generally preferred way by selling off investments in the securities markets. Banks hold substantial amounts of highly liquid, easily marketable securities, known as secondary reserves, for backstopping their cash positions. The major component of banks' secondary reserves is United States Government securities with only short periods to run until maturity, especially Treasury bills which are issued weekly to run for 91 days. Trading markets are active for these and other secondary-reserve-type instruments.

An alternative open to the member commercial bank in need of cash is to borrow it at the Federal Reserve discount window. Here the cost of borrowed funds is

fixed by the official discount rate. In deciding whether or not to incur this cost, a comparison is inevitably drawn to short-term market rates on instruments composing the bank's secondary reserves. For example, the "key" short-term market rate on Treasury bills is a per annum rate which will determine, along with the number of days the bill has left to run, a deduction for discount from the bill's maturity value if sold. If held to maturity, on the other hand, this discount is gained by the holder in the form of the proceeds from the matured bill. In this manner, action by banks to gain cash tends to follow the least-cost route.

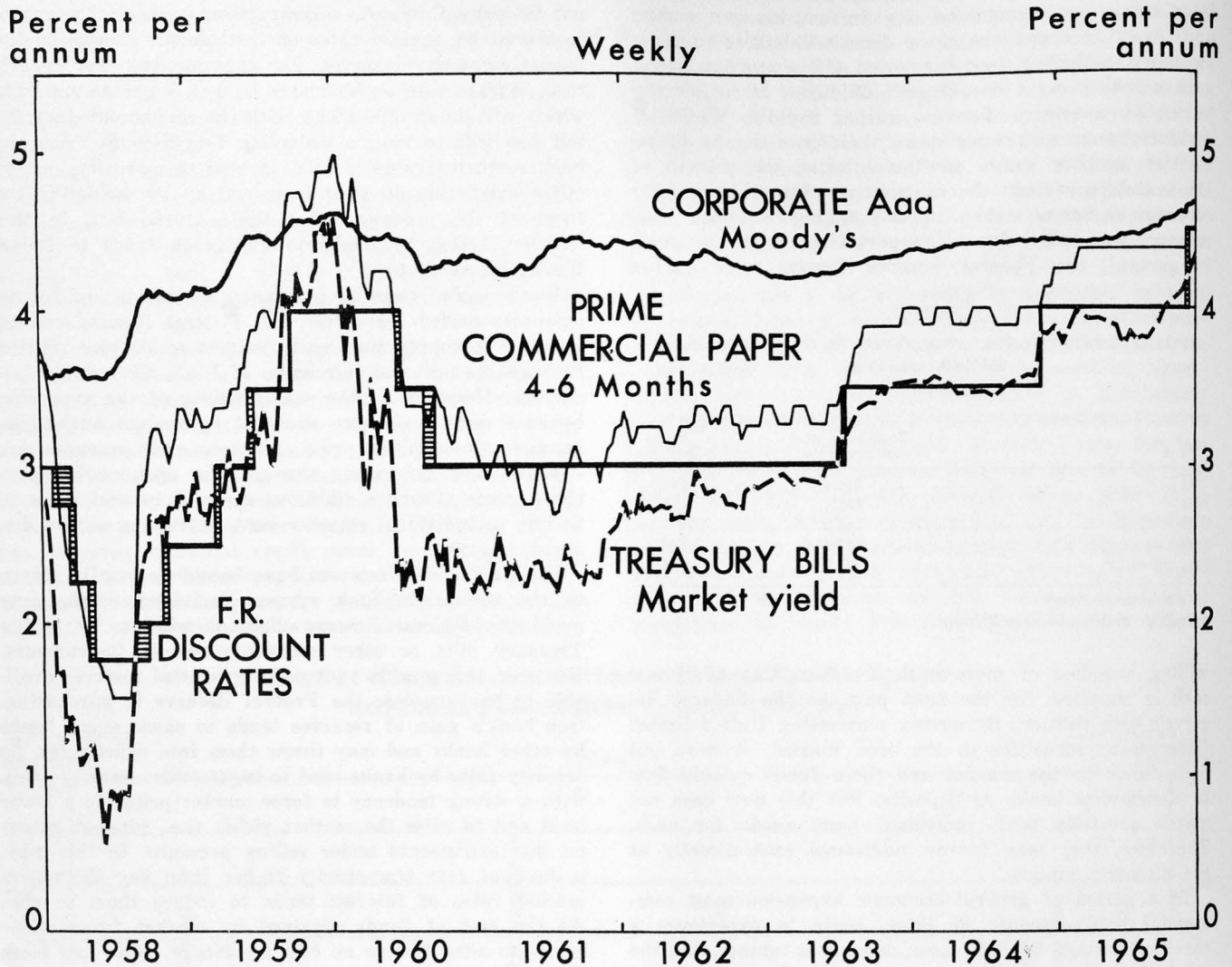
In the early stages of a business expansion and for an indefinite period thereafter, the Federal Reserve can be expected to supply more cash reserves on its own volition through open-market purchases of U. S. Government securities. However, as the sustainability of the expansion becomes more and more doubtful to System authorities because of incipient price inflation, cash reserves are supplied less generously through the open-market purchase route. Further additions come more and more to be due to individual member bank borrowing at the discount window.

Even after cash reserves have become generally scarce in the commercial-bank system, individual banks may avoid the Federal Reserve discount window by selling Treasury bills or other secondary-reserve instruments. However, this process adds nothing to total reserves available to banks unless the Federal Reserve is purchasing. One bank's gain of reserves tends to cause equal losses by other banks and may throw them into deficiencies. So security sales by banks tend to beget other security sales, with a strong tendency to force market prices to a lower level and to raise the market yields (i.e., interest rates) on the instruments under selling pressure. In this way, a discount rate temporarily higher than key short-term market rates of interest tends to induce them to rise. As the cost of funds obtained by market transactions comes to offer less or no cost advantage, more and more banks choose to borrow at the discount window and their aggregate borrowings rise. The borrowing by individual banks is temporary, but their repayments to the Federal Reserve are in cash funds which are gained at the expense of other commercial banks, which in turn may feel the necessity to borrow. Thus two effects may be expected to follow: (1) short-term market rates of interest move up, and (2) commercial banks become more restrictive in their own lending operations.

Inevitably, upward pressure on short-term rates of interest spreads to intermediate-term and long-term credit markets. To a certain extent, investor interest shifts toward shorter-term instruments as their yield rates rise. This alone tends to spread the rate increases beyond short-term markets. More important, undoubtedly, is that *expectations* will point to higher rates generally, so that users of intermediate-term and long-term credit are likely to advance the time schedule of their demands for funds and normal suppliers are apt to withhold funds in anticipation of higher investment yields.

The recent changes in discount rates are shown in Chart 2, along with the market rates on Treasury bills and corporate bonds rated Aaa by Moody's Investor Service. It will be noted that the discount rate was well above the Treasury bill rate from mid-1960 to late 1961.

Chart 2: Long-and Short-Term Interest Rates



Source: Board of Governors of the Federal Reserve System.

This gap closed to zero in the summer of 1963. The tendency of the higher discount rate of July 1963 and those instituted in November 1964 and December 1965 to induce higher rates in both the short-term and long-term (see "Corporate Aaa" rates) credit markets is clearly discernible.

Purposes of Discount Rate Changes Since Mid-1960

The above discussion has been confined to discount-rate changes in periods of rising business activity. When business begins to recede, the Federal Reserve System is usually quick to reduce the discount rate and initiate other credit-easing actions. Open-market purchases of U. S. Government securities supply additional cash reserves on the System's own initiative. Few banks are likely to find it necessary to borrow at the discount window at this juncture, as shown in Table 2. Therefore, the lower discount rates are largely symbolic of the System's policy of credit ease.

In the 1953-54 recession, the discount rate was reduced in two stages from 2% to 1½%. In the recession that began in 1957, discount-rate action was even more aggressive: four reductions between mid-November 1957 and May 1958 brought the rate down from 3½% to 1½%. In both recessions, open-market purchases of U. S. Government securities were made in large volume and short-term market rates of interest fell sharply.

Discount-rate policy in the recession of 1960-61 stands in sharp contrast to that used in the previous two recessions. The reductions of June and August 1960 were explained in terms of bringing the discount rate into better alignment with lower short-term market rates of interest.⁸ The Board of Governors seems not to have concluded that the trend was recessionary until about two months after these reductions.⁹ There followed a period of almost three years without a rate change, even

⁸Board of Governors of the Federal Reserve System, *Annual Report*, 1960, pp. 81, 86.

⁹*Ibid.*, pp. 65-66.

Table 2

MEMBER BANK BORROWINGS AT FEDERAL RESERVE BANKS
(Millions of dollars)

Year	Month	Amount
1959	Dec.	906
1960	June	425
1960	Dec.	87
1961	June	63
1961	Dec.	149
1962	June	100
1962	Dec.	304
1963	June	236
1963	Dec.	327
1964	June	270
1964	Dec.	243
1965	June	528
1965	Nov.	452
1965	Dec.	534
	1	478
	8	486
	15	218
	22	546
	29	562
1966	Jan.	590
	12	

Source: *Federal Reserve Bulletin*. Figures are averages of daily figures.

though it might appear from Chart 2 that a better alignment with short-term market rates would have been achieved with reductions.

Between the recession of 1957-58 and that of 1960-61, the position of the Federal Reserve System changed drastically. United States international-payments deficits, about which so much has been heard in recent years, were the immediate cause of the change. These deficits took on a different meaning in the years 1958 to 1960, in two important respects: (1) they became larger and apparently intractable, and (2) they were settled, to a much larger extent, by gold export which cut deeply into the gold-certificate reserves of the Federal Reserve banks, as shown in Table 3.

Table 3

U. S. GOLD STOCK, FEDERAL RESERVE GOLD CERTIFICATE RESERVES, AND U. S. SHORT-TERM LIABILITIES TO FOREIGNERS
(Billions of dollars)

End of	U.S. gold stock	F.R. gold ctf. reserve	U.S. short-term liabilities to foreigners
1957	22.8	22.1	15.2
1958	20.5	20.0	16.2
1959	19.5	19.2	19.4
1960	17.8	17.5	21.3
1961	16.9	16.6	22.5
1962	16.0	15.7	25.0
1963	15.5	15.2	26.0
1964	15.4	15.1	28.8
1965	13.7	13.4	29.1 (Oct.)*

*Preliminary figure.

Source: *Annual Reports of Board of Governors of the Federal Reserve System*; *Federal Reserve Bulletin*.

At the inception of the 1960-61 recession, the Federal Reserve found itself in a unique situation. For the first time in its history it was short of adequate means for waging a truly all-out battle against declining economic activity. United States balance-of-payments deficits had

reduced its gold-certificate reserves, as a larger proportion of the country's deficits was settled in gold exports, as shown in Table 3. Moreover, *potential* claims on the remaining gold stock, our short-term liabilities to the rest of the world, became much larger. There was a clear threat to the remaining gold reserves of the country and the gold-certificate reserves of the Federal Reserve banks. So as the 1960-61 recession developed, the System, in its own words, faced a dilemma.

"On the one hand, rising unemployment and declining output called for credit ease and lower interest rates. On the other hand, the continued adverse balance of payments, together with increased outflow of gold gave rise to concern about the interest rate differentials between the United States and the rest of the world that, along with other factors, were inducing capital to leave this country."¹⁰

In brief, relatively higher short-term rates were indicated by the international position.

Since 1960, the Federal Reserve has generally kept its discount rate above the Treasury bill rate and rather quickly raised it after the two rates equalized (Chart 2). The purpose has been to keep short-term interest rates rising enough to be competitive internationally. The processes by which market rates are induced to rise have been set forth above. In explaining the July 1963 increase, the Board said it was "influenced primarily by a desire to minimize short-term capital outflows, which had been encouraged by higher rates of interest prevalent in other countries."¹¹ The November 1964 increase was "aimed at preserving the strength of the dollar internationally."¹²

By way of contrast, the December 1965 discount rate increase was motivated primarily by a threat of price inflation; at least, the first of three reasons given for the increase was to "prevent inflationary excesses from damaging" the economy.¹³ A few days after the increase, Chairman Martin of the Federal Reserve Board further explained:

"As long as unemployment of manpower and plant capacity was greater than could be considered acceptable or normal, we had every reason to lean on the side of monetary stimulus. . . .

Recent developments in our economy—mounting danger of price pressures, rapidly climbing bank credit, and continuing deficit in our payments balance—have been warning signals. And they have indicated that prevailing market rates of interest were beginning to distort the flow of funds through the economy. Our recent action has been designed to insure that the demands for credit do not reach inflationary dimensions. . . ."¹⁴

Reasons two and three, however, once again emphasized the need for competitive rates internationally "to overcome persistent deficits in the U. S. balance of payments" and "to maintain the international strength of the dollar."¹⁵

¹⁰Board of Governors of the Federal Reserve System, *Annual Report*, 1960, p. 2.

¹¹*Ibid.*, 1963, p. 39.

¹²*Ibid.*, 1964, p. 45.

¹³*Federal Reserve Bulletin*, December 1965, p. 1668.

¹⁴*Ibid.*, pp. 1669-74.

¹⁵*Ibid.*, p. 1668.

TEXAS RETAIL SALES IN JANUARY

by Robert H. Drenner

Total retail sales in Texas in January dropped about 28% from their record December level. The January decline was somewhat greater than could have been seasonally anticipated; the index of total retail sales, adjusted for normal seasonal variation, fell from 142% to 128% of the 1957-59 monthly average. The explanation for the greater-than-seasonal decline in January retail volume is largely the greater-than-seasonal rise in December sales. It was generally expected that sales during the Christmas shopping season would be the highest ever, and those expectations were more than fulfilled. It is scarcely surprising that consumers, after spending so freely for Christmas, cut back on their purchases a bit more than usual in January.

ESTIMATES OF TOTAL RETAIL SALES IN TEXAS

(Millions of dollars)

Type of store	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
Total	\$1,080.3	- 28	+ 2
Durable goods*	408.5	- 18	- 1
Nondurable goods	671.8	- 33	+ 3

*Contains automotive stores, furniture stores, and lumber, building material, and hardware stores.

Given the uniform greater-than-seasonal sales declines in January, it is encouraging that Texas retail stores nevertheless generally posted gains from January a year ago. Total sales were up 2%. Nondurable-goods stores recorded a 3% January-to-January improvement. Durable-goods stores showed a 1% decline, but the decline is deceptive; consumer demand for durables actually remained surprisingly strong in January. The durables category is dominated by sales of new motor vehicles, and Texans purchased the 1966 models in the last months of 1965 at a pace never before equalled. The small de-

cline in new car sales this January from the same month a year ago was a decline from a month when the 1965 models were just becoming available in quantity after the strikes at Ford and General Motors the preceding fall. January 1965, that is, was a month when sales of new cars were at an extremely high level.

The immediate retail sales outlook is extremely promising—and for virtually every type of merchandise. Business activity in Texas is still headed strongly upward. Employment is at an all-time high, and the percentage of the labor force looking for jobs is at a record low. General prosperity is also reflected in the unusually large gain—estimated at about 7%—in Texas personal income last year. Though birth rates are slowing markedly over the entire nation, the Texas population continues to grow somewhat faster than the U. S. population. Consumer surveys indicate that consumer confidence in continued prosperity is high and that plans to purchase new homes, new cars, new household furniture and appliances, and similar items in the year ahead are extremely optimistic, with most consumers anticipating further gains in income commensurate with those that have been experienced in the recent past. All these factors will operate to keep Texas retail buying moving strongly upward.

There is another side of the coin, however. One factor acting at present and as early as January was the discovery by most taxpayers that the amount of income tax withheld from their salaries last year was substantially less than they will be required to pay when they file their final returns on 1965 income. Another is the increase, which was effective January 1, in social security taxes. And there is the prospect of other tax increases if the war in Viet Nam becomes a severe strain on the productive capacity of the nation's economy. These increases will be designed to decrease domestic demand for goods and services by absorbing a portion of consumer disposable income.

But much the worse threat to the physical volume of retail trade this year will be the upward pressure on retail prices. The real gains in retail volume last year were, for most types of merchandise, significantly lower than the gains in dollar volume—in some cases, increases in prices offset virtually all of the gains in dollar volume. Food is the outstanding example: from January to December last year, food prices rose approximately 4% and were on the average 2.2% higher than in 1964. There were also persistent increases last year in the prices of most types of apparel; the average increase from January to December was about 2.5%. Consumer prices as a whole rose approximately 2% over the year. After a long period of relative stability, wholesale prices rose sharply this January, suggesting that retail prices may soon show an even sharper movement upward. Further price increases will cut into the gains in real personal income and will also hold down increases in unit retail sales volume.

The accompanying table on per capita retail sales in Texas for 1958 and 1963 contrasts per capita sales for the state as a whole with per capita sales in the state's individual metropolitan areas, in the metropolitan areas taken as a whole, and in the nonmetropolitan portion of the state. The table has two sources. The first is the 1963 *Census of Business*, which gives dollar retail sales totals for each Texas county and SMSA and for the state for

RETAIL SALES TRENDS BY KINDS OF BUSINESS

Kinds of business	Number of reporting establish- ments	Percent change		
		Normal seasonal ^a	Actual	
		Jan from Dec	Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
DURABLE GOODS				
Automotive stores	391	— 1	— 15	**
Furniture & household appliance stores	172	— 15	— 34	+ 3
Lumber, building material, and hardware stores.....	244	+ 1	— 18	— 7
NONDURABLE GOODS				
Apparel stores	294	— 46	— 51	+ 4
Drugstores	177	— 23	— 27	+ 4
Eating and drinking places.....	167	— 2	— 11	— 3
Food stores	351	— 13	— 15	+ 3
Gasoline and service stations	108	— 3	— 7	+ 2
General merchandise stores	306	— 53	— 59	+ 5
Other retail stores.....	292	— 33	— 32	+ 4

*Average seasonal change from preceding month to current month.

**Change is less than one-half of 1%.

PER CAPITA RETAIL SALES, TEXAS SMSA'S, 1958-1963

(In order of 1963 per capita sales)

SMSA	Per capita retail sales			Total retail sales, 1958-1963, percent change	Population, 1958-1963, percent change
	1958	1963	Percent change		
Lubbock	\$1,437	\$1,691	+ 18	+ 35	+ 15
Amarillo	1,496	1,602	+ 7	+ 26	+ 18
Odessa	1,383	1,566	+ 13	+ 6	- 7
Houston ¹	1,374	1,530	+ 11	+ 26	+ 14
Dallas	1,436	1,514	+ 5	+ 23	+ 17
Midland	1,226	1,454	+ 19	+ 21	+ 2
Fort Worth	1,327	1,439	+ 8	+ 14	+ 6
San Angelo	1,320	1,371	+ 4	+ 17	+ 13
Abilene	1,244	1,323	+ 6	+ 16	+ 9
Tyler	1,181	1,293	+ 10	+ 22	+ 11
Texarkana ²	1,075	1,262	+ 17	+ 19	**
Wichita Falls	1,322	1,232	- 7	+ 6	+ 14
Waco	1,133	1,230	+ 9	+ 12	+ 4
Beaumont-Port Arthur-Orange	1,171	1,221	+ 4	+ 11	+ 7
Austin	1,087	1,215	+ 12	+ 30	+ 17
Laredo	943	1,196	+ 27	+ 35	+ 6
Corpus Christi ³	1,091	1,137	+ 4	+ 4	- 1
El Paso	1,074	1,126	+ 5	+ 18	+ 12
Galveston-Texas City	1,120	1,102	- 2	+ 7	+ 9
San Antonio	1,026	1,043	+ 2	+ 15	+ 13
Brownsville-Harlingen-San Benito	797	892	+ 12	+ 6	- 6
TEXAS, SMSA's	1,254	1,353	+ 8	+ 20	+ 11
TEXAS, NON-SMSA's	998	1,076	+ 8	+ 14	+ 6
TEXAS	1,164	1,258	+ 8	+ 18	+ 9

^{*}Change is less than one-half of 1%.

¹Including Brazoria, Fort Bend, Liberty, and Montgomery counties.

²Including Miller County, Arkansas.

³Including San Patricio County.

both 1958 and 1963. The second source is the estimated 1963 population of each Texas county and SMSA, and the estimated change in each population since 1960, by the Population Research Center of The University of Texas. Since there are no reliable estimates available of the comparable 1958 populations, such estimates were calculated from the enumerated 1960 populations on the assumption that the population trends which characterized the state and its individual counties during the 1960-1963 period were also characteristic during 1958-1960. The Population Research Center's latest estimates (elsewhere in this issue) of population changes in the state since 1960 show substantial differences for some counties in the average annual percent change from that indicated in the 1963 estimates, but it seemed appropriate to take as a basis for the table the average annual percent changes shown in the earlier estimates. All the Population Research Center's estimates are based on the scholastic census for the appropriate years, and the Center notes that the reliability of the scholastic census has apparently declined since 1960. An accurate population count for 1958 and 1963 would therefore probably have given significantly different per capita retail sales figures for several of the areas listed. Nevertheless, in most instances the errors in the estimates should be minor and the calculated per capita figures not much different from their actual values.

A different kind of distortion in the data on the individual SMSA's should be noted. Probably in no instance is a given SMSA exactly coterminous with its regional trade territory, and the variation is sometimes considerable. San Antonio, for example, is the principal trading center for an area large enough to include Del Rio and Eagle Pass, El Paso draws shoppers from as far away as Alpine, Amarillo from Tucumcari, New Mexico,

and Lubbock from Denver City and Seminole. Since each SMSA contains a central city (or cities) that functions as the principal trading center for the area around it, the proportion of total retail volume in the SMSA due to purchases by individuals living outside the SMSA proportionately inflates per capita retail sales for the SMSA. The amount of distortion is a function primarily of the proportion between the population of the SMSA and the larger population that regularly buys at retail in the SMSA, and in some cases the distortion may be significant. There is of course a certain amount of spending outside each SMSA by its residents, but the amount is probably much smaller in every instance than that done in the SMSA by nonresident shoppers.

As interesting as are the differences shown in the table between the various areas, the most significant are those in the percent change between 1958 and 1963 in total and per capita retail sales and in population. In general, but with some notable exceptions, those areas which grew the fastest in general business and economic activity in the 1958-1963 period were those areas with the largest population gains. These areas, but again with some exceptions, also had the largest increases in total retail spending. On the average, the state's metropolitan areas grew faster in both respects than did either the non-metropolitan areas or the state as a whole. But much their faster rate of growth was in population—twice that of the nonmetropolitan portion and nearly a quarter greater than that of the state during the five-year period. In contrast, the SMSA's only barely exceeded the state as a whole in the rate of growth of total retail sales. In spite of its much lower population gain, nonmetropolitan Texas showed a percentage retail sales gain from 1958 to 1963 that was not proportionately lower than the state's gain nor than that shown by the SMSA's.

POPULATION ESTIMATES FOR TEXAS COUNTIES, APRIL 1, 1965*

Prepared by Population Research Center,
Department of Sociology, The University of Texas

Every year since 1960 the Population Research Center has prepared population estimates for each of the 254 Texas counties.¹ With the exception of 1963, these yearly estimates have been based almost exclusively on the scholastic census. For 1963 three methods were used in preparing the estimates. Method I was based on the scholastic census, Method II was based on vital statistics, and Method III was based on passenger car registrations.²

Previous research has indicated that Method I generally produces far more reliable estimates than either of the other two methods. However, its reliability undoubtedly varies considerably from one county to the next, depending upon the reliability of the scholastic census. Therefore, for some counties Method II or Method III may produce a more accurate estimate of the "true" population than Method I. The problem, then, is to decide which estimate is the most accurate for each individual county.³

One solution is to use the method that produces the most reliable estimate for the largest number of counties. This was the procedure followed in 1961, 1962, and 1964, when Method I was used for all but a very few of the counties. In 1963 all three estimates were reported, and the choice of the most accurate estimate was left to the reader. Another possibility is to take the average of the three estimates and use it as the most probable estimate. This is not an ideal solution, since one very extreme estimate will distort the average substantially. A better solution is to choose the intermediate estimate for each county. This was the procedure used in preparing the 1965 estimates. The primary advantage of this procedure is that it does not use Method I in those cases where that estimate is greater than or less than both of the other two estimates. These are the cases where Method I is probably the least reliable.

For most counties Method I will produce the intermediate estimate, since earlier research has shown that Method II tends to underestimate and Method III tends to overestimate the population. The 1965 estimates confirm this pattern. Specifically, Method II produced the smallest estimate for 195 counties, Method III produced the largest estimate for 202 counties, and Method I produced the intermediate estimate for 179 counties. In addition to the 179 times that Method I produced the intermediate estimate, for 46 additional counties the average annual growth rate for the Method I estimate differed from the rate for the intermediate estimate by less than 1%. This means that for over 88% of the counties the Method I estimate was either the intermediate estimate or its growth rate differed only minimally from the intermediate growth rate. This is further evidence of Method I's generally greater reliability, but it also indicates that in a small proportion of the counties its reliability is probably less than one of the other methods. In these cases the use of one of the other methods is advisable.

DESCRIPTION OF METHODS

Method I. The Method I estimates in Tables 1 and 2 are based on the following formula: $M = L + [(H)(I)] + (J - K)$. Each variable in this formula is described below:

A = Number of potential scholastics for year X. For example, the potential scholastics for 1965 (year X in this case) are persons 1-12 enumerated in the 1960 federal census, and for 1967 it will be persons born during 1960, plus persons 0-10 enumerated in the 1960 federal census.

B = Number of potential scholastics dying between birth or 1960 and year X. If A_1 is a particular potential scholastic cohort, subtract the number of deaths of A_1 persons up to year X. For example, suppose A_1 is persons 2 years of age in the 1960 federal census and X is 1964. Then the deaths of A_1 are the number of persons two years of age who died in 1960, plus the number three years of age who died in 1961, plus four-year-olds who died during 1962, plus five-year-olds who died during 1963. B is thus the number in cohort A_1 dying between 1960 and 1963 (inclusive), plus the number in A_2 dying between 1960 and 1963, etc.

C = Number of persons 6-17 years of age enumerated in the 1960 federal census.

*Comments and inquiries regarding the estimates should be addressed to the Population Research Center, Department of Sociology, The University of Texas.

$$D = \frac{A - B}{C}$$

E = Number of persons enumerated in scholastic census for 1960.

F = $D \times E$, giving expected number of scholastics in year X with no net migration of scholastics.

G = Actual number of scholastics enumerated in scholastic census for year X.

H = $G - F$, the increase or decrease of scholastics attributable to migration.

I = Migration multiplier, which is taken as the ratio of the total population to the number of persons 6-17 years of age in 1960.

J = Number of resident births between 1960 and year X (e.g., when X is 1965, it is the number of births during 1960, 1961, 1962, 1963, and 1964).

K = Number of resident deaths between 1960 and year X.

L = Resident 1960 population according to the federal census of 1960.

M = Estimated population for year X.

The crucial factor in the estimation formula is the migration multiplier. The first step taken in the computation of a migration multiplier for each Texas county is to determine the 1960 potential number of persons 6-17 years of age (henceforth referred to as scholastics), given the age composition of the county's population in 1950 and the births and deaths in the county during the 1950-60 decade. In this instance the 1960 potential number of scholastics is all persons 0-7 years of age in 1950 plus all persons born between April 1, 1950 and April 1, 1964. Subtraction of the estimated number of deaths of potential scholastics from the total yields the expected number of scholastics in 1960. The difference between the number of expected scholastics in 1960 and the number of persons 6-17 years of age enumerated in the 1960 federal census is indicative of net migration. For example, if the 1960 expected number of scholastics in a county is 150, but the number of persons 6-17 years of age enumerated in the 1960 federal census is 200, then the estimate of net migration of scholastics over the decade 1950-60 is 50.

Since the total net migration over the years 1950-60 is known for each county, the division of total net migration by the estimate of scholastic net migration yields a migration multiplier for each county (referred to as the *obtained* migration multiplier). For example, if the 1950-60 total net migration is 500 and the estimated scholastic net migration is 125, then the *obtained* migration multiplier is 4.00 (i.e., a gain of one scholastic from migration represents a gain of four migrants of all ages). In most cases this operation yields a plausible multiplier. However, the problem case is the county with a very small migration. To illustrate, if a county gained only two scholastics from migration, it may have lost a few persons as far as total migration is concerned. In such a case, it is not possible to compute a migration multiplier. Then there may be cases when a county gained three scholastics from migration but gained 30 from total migration. In such a case, the *obtained* migration multiplier would be 10.00, but this extremely high value is likely to reflect nothing more than minor errors in the estimates of deaths of potential scholastics, inaccuracies in the 1950 federal census enumeration, and/or inaccuracies in the enumeration of the 1960 federal census.

Rather than use extremely high or extremely low *obtained* migration multipliers for some counties (most of which have a very small population), the decision was made to compute a state total (the sum of all counties) of estimated scholastic net migration and total net migration. The division of the latter by the former yields an *obtained* migration multiplier of 4.35. This migration multiplier of 4.35 for the state as a whole was found to correspond very closely to the 1960 ratio of the total population of the state to the number of persons 6-17 years of age, the ratio being 4.26. Further analysis of 1960 census figures revealed that the ratio of total intercounty migrants (persons who in 1960 did not reside in the same county as 1955) to intercounty migrants 6-17 years of age is 4.25.⁴

These comparisons suggest a fairly close relationship between the *obtained* migration multiplier and the ratio of the total population to persons 6-17 years of age. Further substantiation is found by inspection of the two figures for individual counties. Generally, counties with a high *obtained* migration multiplier also have a high age ratio, and

Table 1: 1965 POPULATION ESTIMATES FOR TEXAS COUNTIES, WITH AVERAGE ANNUAL GROWTH RATES, 1960-1965

Counties	Enumerated population, April 1, 1960	Estimated population, April 1, 1965	Difference, 1960-65	Average annual percent change, 1960-65	Counties	Enumerated population, April 1, 1960	Estimated population, April 1, 1965	Difference, 1960-65	Average annual percent change, 1960-65
Texas	9,579,677	10,336,141	756,464	1.5	Foard	3,125	3,223**	98	.6
Anderson	28,162	30,046	1,884	1.3	Fort Bend	40,527	46,341	5,814	2.7
Andrews	13,450	10,507	-2,943	-4.9	Franklin	5,101	5,454**	353	1.3
Angelina	39,814	42,815	3,001	1.5	Freestone	12,525	11,796	-729	-1.2
Aransas	7,006	8,055	1,049	2.8	Frio	10,112	11,295	1,183	2.2
Archer	6,110	6,157**	47	.2	Gaines	12,267	13,331*	1,064	1.7
Armstrong	1,966	2,132**	166	1.6	Galveston	140,364	153,993	13,629	1.9
Atascosa	18,828	19,394	566	.6	Garza	6,611	6,121	-490	-1.5
Austin	13,777	15,023*	1,246	1.7	Gillespie	10,048	11,319*	1,271	2.4
Bailey	9,090	10,335	1,245	2.6	Glasscock	1,118	1,282	164	2.7
Bandera	3,892	4,114**	222	1.1	Goliad	5,429	5,392	-37	-.1
Bastrop	16,925	17,266*	341	.4	Gonzales	17,845	18,758*	913	1.0
Baylor	5,893	5,824	-69	-.2	Gray	31,535	27,826	-3,709	-2.5
Bee	23,755	23,996	241	.2	Grayson	73,043	75,197	2,154	.6
Bell	94,097	120,083*	25,986	4.9	Gregg	69,436	73,791	4,355	1.2
Bexar	687,151	771,451	84,300	2.3	Grimes	12,709	12,214	-495	-.8
Blanco	3,657	3,940**	283	1.5	Guadalupe	29,017	29,517	500	.3
Borden	1,076	909	-167	-3.4	Hale	36,798	42,115	5,317	2.7
Bosque	10,809	10,787	-22	-.0	Hall	7,322	7,744	422	1.1
Bowie	59,971	66,743*	6,772	2.1	Hamilton	8,488	8,426**	-62	-.1
Brazoria	76,204	91,050	14,846	3.6	Hansford	6,208	6,932**	724	2.2
Brazos	44,895	46,485	1,590	.7	Hardeman	8,275	8,170	-105	-.3
Brewster	6,434	6,930	496	1.5	Hardin	24,629	28,194	3,565	2.7
Briscoe	3,577	3,791	214	1.2	Harris	1,243,158	1,408,456	165,298	2.5
Brooks	8,609	8,938	329	.8	Harrison	45,594	42,936	-2,658	-1.2
Brown	24,728	27,168	2,440	1.9	Hartley	2,171	3,093	922	7.0
Burleson	11,177	10,881	-296	-.5	Haskell	11,174	10,455	-719	-1.3
Burnet	9,265	9,550	285	.6	Hays	19,934	22,245**	2,311	2.2
Caldwell	17,222	16,058	-1,164	-1.4	Hemphill	3,185	3,282	97	.6
Calhoun	16,592	18,449	1,857	2.1	Henderson	21,786	26,586*	4,800	4.0
Callahan	7,929	9,142	1,213	2.8	Hidalgo	180,904	178,343	-2,561	-.3
Cameron	151,098	141,671	-9,427	-1.3	Hill	23,650	24,612**	962	.8
Camp	7,849	8,448	599	1.5	Hockley	22,340	23,464	1,124	1.0
Carson	7,781	7,885	104	.3	Hood	5,443	5,409*	-34	-.1
Cass	23,496	24,241	745	.6	Hopkins	18,594	20,194	1,600	1.6
Castro	8,923	11,132*	2,209	4.4	Houston	19,376	20,046	670	.7
Chambers	10,379	11,129	750	1.4	Howard	40,139	39,714	-425	-.2
Cherokee	33,120	33,660	540	.3	Hudspeth	3,343	3,387	44	.3
Childress	8,421	7,537	-884	-2.2	Hunt	39,399	41,677	2,278	1.1
Clay	8,351	7,810	-541	-1.3	Hutchinson	34,419	30,239	-4,180	-2.6
Cochran	6,417	7,557**	1,140	3.3	Irion	1,183	1,190**	7	.1
Coke	3,589	3,471*	-118	-.7	Jack	7,418	6,912	-506	-1.4
Coleman	12,458	12,019	-439	-.7	Jackson	14,040	14,272	232	.3
Collin	41,247	49,602	8,355	3.7	Jasper	22,100	24,868	2,768	2.4
Collingsworth	6,276	5,883	-393	-1.3	Jeff Davis	1,582	1,438	-144	-1.9
Colorado	18,463	18,748	285	.3	Jefferson	245,659	246,861	1,202	.1
Comal	19,844	21,791	1,947	1.9	Jim Hogg	5,022	4,886	-136	-.5
Comanche	11,865	12,919	1,054	1.7	Jim Wells	34,548	33,601	-947	-.6
Concho	3,672	3,833*	161	.9	Johnson	34,720	41,368	6,648	3.5
Cooke	22,560	23,389	829	.7	Jones	19,299	20,119	820	.8
Coryell	23,961	33,554*	9,593	6.7	Karnes	14,995	14,876	-119	-.2
Cottle	4,207	4,029	-178	-.9	Kaufman	29,931	31,270	1,339	.9
Crane	4,699	4,356	-343	-1.5	Kendall	5,889	6,561*	672	2.2
Crockett	4,209	3,893*	-316	-1.6	Kenedy	884	770	-114	-2.8
Crosby	10,347	11,810*	1,463	2.6	Kent	1,727	1,708	-19	-.2
Culberson	2,794	3,497	703	4.5	Kerr	16,800	20,205**	3,405	3.7
Dallam	6,302	6,031	-271	-.9	Kimble	3,943	4,133**	190	.9
Dallas	951,527	1,105,594	154,067	3.0	King	640	543	-97	-3.3
Dawson	19,185	20,430	1,245	1.3	Kinney	2,452	2,306*	-146	-1.2
Deaf Smith	13,187	18,866*	5,679	7.1	Kleberg	30,052	29,311	-741	-.5
Delta	5,860	6,270**	410	1.4	Knox	7,857	7,672	-185	-.5
Denton	47,432	62,329**	14,897	5.4	Lamar	34,234	35,629	1,395	.8
De Witt	20,683	19,675	-1,008	-1.0	Lamb	21,896	24,729	2,833	2.4
Dickens	4,963	4,955**	-8	-.0	Lampasas	9,418	9,488*	70	.1
Dimmit	10,095	9,665	-430	-.9	LaSalle	5,972	5,761	-211	-.7
Donley	4,449	4,594**	145	.6	Lavaca	20,174	19,696	-478	-.5
Duval	13,398	13,673**	275	.4	Lee	8,949	8,721	-228	-.5
Eastland	19,526	18,798	-728	-.8	Leon	9,951	10,468**	517	1.0
Ector	90,995	85,727	-5,268	-1.2	Liberty	31,595	33,622	2,027	1.2
Edwards	2,317	2,496**	179	1.5	Limestone	20,413	21,483**	1,070	1.0
Ellis	43,395	44,262*	867	.4	Lipscomb	3,406	3,595	189	1.1
El Paso	314,070	339,949	25,879	1.6	Live Oak	7,846	7,883*	37	.1
Erath	16,236	17,942**	1,706	2.0	Llano	5,240	5,620*	380	1.4
Falls	21,263	19,224	-2,039	-2.0	Loving	226	119	-107	-12.4
Fannin	23,880	23,764	-116	-.1	Lubbock	156,271	177,140	20,869	2.5
Fayette	20,384	19,323	-1,061	-1.1	Lynn	10,914	11,072	158	.3
Fisher	7,865	8,100	235	.6	McCulloch	8,815	9,008*	193	.4
Floyd	12,369	14,537	2,168	3.2	McLennan	150,091	152,630	2,539	.3

Table 1—Continued

Counties	Enumerated population, April 1, 1960	Estimated population, April 1, 1965	Difference, 1960-65	Average annual percent change, 1960-65
McMullen	1,116	1,145	29	.5
Madison	6,749	7,403	654	1.8
Marion	8,049	7,466	-583	-1.5
Martin	5,068	5,012	-56	-.2
Mason	3,780	3,899**	119	.6
Matagorda	25,744	29,637	3,893	2.8
Maverick	14,508	18,076	3,568	4.4
Medina	18,904	20,370	1,466	1.5
Menard	2,964	2,877	-87	-.6
Midland	67,717	64,704	-3,013	-.9
Milam	22,263	20,464	-1,799	-1.7
Mills	4,467	4,501**	34	.2
Mitchell	11,255	10,786**	-469	-.9
Montague	14,893	16,247**	1,354	1.7
Montgomery	26,839	34,489	7,650	5.0
Moore	14,773	13,044	-1,729	-2.5
Morris	12,576	11,442	-1,134	-1.9
Motley	2,870	2,883**	13	.1
Nacogdoches	28,046	30,358*	2,312	1.6
Navarro	34,423	34,604	181	.1
Newton	10,372	10,842*	470	.9
Nolan	18,963	17,368	-1,595	-1.8
Nueces	221,573	224,719	3,146	.3
Ochiltree	9,380	10,807	1,427	2.8
Oldham	1,928	2,352*	424	4.0
Orange	60,357	65,988	5,581	1.8
Palo Pinto	20,516	22,968*	2,452	2.3
Panola	16,870	16,353	-517	-.6
Parker	22,880	25,450	2,570	2.1
Parmer	9,583	11,243	1,660	3.2
Pecos	11,957	11,792*	-165	-.3
Polk	13,861	14,027	166	.2
Potter	115,580	119,778	4,198	.7
Presidio	5,460	5,648	188	.7
Rains	2,993	3,005**	12	.1
Randall	33,913	50,164	16,251	7.7
Reagan	3,782	3,091	-691	-4.0
Real	2,079	2,250	171	1.6
Red River	15,682	15,999	317	.4
Reeves	17,644	17,710**	66	.1
Refugio	10,975	10,634	-341	-.6
Roberts	1,075	1,170	95	1.7
Robertson	16,157	16,219*	62	.1
Rockwall	5,878	6,124	246	.8
Runnels	15,016	13,778	-1,238	-1.7
Rusk	36,421	35,303	-1,118	-.6
Sabine	7,802	7,427	-375	-.3
San Augustine	7,722	7,850	128	.3
San Jacinto	6,153	6,685	532	1.7
San Patricio	45,021	43,983	-1,038	-.5
San Saba	6,381	6,839**	458	1.4
Schleicher	2,791	2,859**	68	.5
Scurry	20,369	16,214	-4,155	-4.5
Shackelford	3,990	3,631	-359	-1.9
Shelby	20,479	21,235*	756	.7
Sherman	2,605	3,011**	406	2.9
Smith	86,350	95,412	9,062	2.0
Somervell	2,577	2,577*	0	0
Starr	17,137	19,453	2,316	2.5
Stephens	8,885	8,393	-487	-1.1
Sterling	1,177	1,131**	-46	-.8
Stonewall	3,017	3,154**	137	.9
Sutton	3,738	3,623	-115	-.6
Swisher	10,607	13,940**	3,333	5.4
Tarrant	538,495	569,925	31,430	1.1
Taylor	101,078	104,237	3,159	.6
Terrell	2,600	2,490	-110	-.9
Terry	16,286	17,472**	1,186	1.4
Throckmorton	2,767	2,648*	-119	-.9
Titus	16,785	16,949*	164	.2
Tom Green	64,630	70,876	6,246	1.8
Travis	212,136	245,542	33,406	2.9
Trinity	7,539	7,196	-343	-.9
Tyler	10,666	11,276	610	1.1
Upshur	19,793	20,569	776	.8
Upton	6,239	4,428	-1,811	-6.8
Uvalde	16,814	17,015*	201	.2
Val Verde	24,461	25,019	558	.5

Table 1—Continued

Counties	Enumerated population, April 1, 1960	Estimated population, April 1, 1965	Difference, 1960-65	Average annual percent change, 1960-65
Van Zandt	19,091	19,543	452	.5
Victoria	46,475	52,846	6,371	2.6
Walker	21,475	23,666	2,191	1.9
Waller	12,071	13,549	1,478	2.3
Ward	14,917	13,659*	-1,258	-1.8
Washington	19,145	19,142	-3	-.0
Webb	64,791	71,738	6,947	2.0
Wharton	38,152	38,334	182	.1
Wheeler	7,947	7,392	-555	-1.4
Wichita	123,528	123,196	-332	-.1
Wilbarger	17,748	17,719	-29	-.0
Willacy	20,084	17,027	-3,057	-3.3
Williamson	35,044	35,259	215	.1
Wilson	13,267	13,647**	380	.6
Winkler	13,652	10,948	-2,704	-4.4
Wise	17,012	18,610	1,598	1.8
Wood	17,653	18,869	1,216	1.3
Yoakum	8,032	7,895*	-137	-.3
Young	17,254	15,331	-1,923	-2.4
Zapata	4,393	4,306	-87	-.4
Zavala	12,696	14,072**	1,376	2.1

(Note: * denotes where Method II was used to obtain the estimate.
** denotes where Method III was used.)

Table 2
1965 POPULATION ESTIMATES FOR TEXAS STANDARD METROPOLITAN STATISTICAL AREAS, WITH AVERAGE ANNUAL GROWTH RATES, 1960-65*

Standard Metropolitan Statistical Area	Enumerated population, April 1, 1960	Estimated population, April 1, 1965	Difference, 1960-65	Average annual percent change, 1960-65
Total	6,321,909	6,959,283	637,374	1.9
Abilene ¹	120,377	124,357	3,980	.7
Amarillo ²	149,493	169,942	20,449	2.6
Austin ³	212,136	245,542	33,406	2.9
Beaumont-Port Arthur-Orange ⁴	306,016	312,799	6,783	.4
Brownsville-Harlingen-San Benito ⁵	151,098	141,671	-9,427	-1.3
Corpus Christi ⁶	266,594	268,702	2,108	.2
Dallas ⁷	1,083,601	1,261,787	178,186	3.0
El Paso ⁸	314,070	339,949	25,879	1.6
Fort Worth ⁹	573,215	611,293	38,078	1.3
Galveston-Texas City ¹⁰	140,364	153,993	13,629	1.9
Houston ¹¹	1,418,323	1,613,957	195,634	2.6
Laredo ¹²	64,791	71,738	6,947	2.0
Lubbock ¹³	156,271	177,140	20,869	2.5
Midland ¹⁴	67,717	64,704	-3,013	-.9
Odessa ¹⁵	90,995	85,727	-5,268	-1.2
San Angelo ¹⁶	64,630	70,876	6,246	1.8
San Antonio ¹⁷	716,168	800,968	84,800	2.2
Texarkana, Texas ¹⁸	59,971	66,743	6,772	2.1
Tyler ¹⁹	86,350	95,412	9,062	2.0
Waco ²⁰	150,091	152,630	2,539	.3
Wichita Falls ²¹	129,638	129,853	215	-.0

*The 1965 population estimates for the SMSAs were derived by selecting the intermediate estimate for each county in the SMSA and then adding these county estimates to obtain the estimated total SMSA population.

Counties in each SMSA: ¹Jones and Taylor; ²Potter and Randall; ³Travis; ⁴Jefferson and Orange; ⁵Cameron; ⁶Nueces and San Patricio; ⁷Collin, Dallas, Denton, and Ellis; ⁸El Paso; ⁹Johnson and Tarrant; ¹⁰Galveston; ¹¹Brazoria, Fort Bend, Harris, Liberty, and Montgomery; ¹²Webb; ¹³Lubbock; ¹⁴Midland; ¹⁵Ector; ¹⁶Tom Green; ¹⁷Bexar and Guadalupe; ¹⁸Bowie (excluding Miller, Aransas); ¹⁹Smith; ²⁰McLennan; ²¹Archer and Wichita. Italicized counties have been added since 1960.

the reverse also is generally true. Moreover, there is generally a close agreement between the age ratio and the obtained migration multiplier in counties with a large population, where minor errors are least likely to create extremely high or extremely low obtained migration multipliers. Finally, in a large proportion of the counties the ratio of the total population to persons 6-17 years of age is between 3.35 and 5.35, values within 1.00 of the obtained migration multiplier for the state as a whole. All of these observations clearly suggest that the use of the ratio of the total population to persons 6-17 years of age as the migration multiplier is justified.

Although the major question in the use of Method I is the migration multiplier, there are several other possible sources of inaccuracy. The formula assumes the accuracy of the 1960 federal census and each annual scholastic census for the years 1960-65. It further assumes the reliability of the following vital statistics for the years considered: deaths of potential scholastics, total deaths, and total births.

Although minor changes may be made in the future, the basic features of the estimation formula of Method I will be retained in making annual population estimates up to the year of the next federal census, 1970.

Method II. This method generates a 1965 estimate based on the ratio of the 1960 census population to the 1959 number of resident births and deaths times the 1964 number of resident births and deaths. The formula for a Method II estimate is: $P_{65} = [P_{60}/(B_{59} + D_{59})] (B_{64} + D_{64})$, where P_{65} is the 1965 population estimate, P_{60} is the 1960 census population, B_{59} is the number of resident births in 1959, D_{59} is the number of resident deaths in 1959, B_{64} is the number of resident births in 1964, and D_{64} is the number of resident deaths in 1964.

Method II assumes that the numbers of resident births and deaths registered for a county are reliable, and it further assumes that neither the birth rate nor the death rate of the county has changed substantially between the census year and the estimate year.

Method III. Estimates based on this method are computed by multiplying the ratio of the 1960 census population to the number of 1960 passenger car registrations times the number of 1965 passenger car registrations.⁵ The formula for the Method III estimate is: $P_{65} = (P_{60}/C_{60})C_{65}$, where P_{65} is the 1965 estimate, P_{60} is the 1960 census population, C_{60} is the number of passenger cars registered in 1960, and C_{65} is the number of passenger cars registered in 1965.

Method III assumes that the ratio between passenger cars and population remains constant. It also assumes either no irregularities in registration (persons registering their cars in a county where they are not residents) or no change in either the amount or kind of such irregularities.

SUMMARY OF RESULTS

The population of the state as a whole increased at a slower rate during the first half of the present decade than it did throughout the previous decade. The average annual percent growth for the 1950-60 decade was 2.2%, but the estimated rate for 1960-65 was 1.5%.⁶ The state had an absolute average annual increase of 186,848 between 1950 and 1960, while the corresponding figure for 1960-65 was 151,293.

This lower rate of increase for the state primarily is a reflection of the lower rate of growth experienced by most of the state's metro-

politan counties. According to the 1965 estimates, 16 of the state's 21 SMSA's had lower rates of growth for 1960-65 than they did for 1950-60; and four SMSA's even showed population losses between 1960 and 1965, as compared to only one SMSA that lost population between 1950 and 1960. The average annual percent increase for the total metropolitan population dropped from 3.5% for 1950-60 to 1.9% for 1960-65. The metropolitan counties also contributed a smaller share to the total increase during the first five years of the 1960's than they did during the decade of the 1950's. The average annual absolute increase between 1950 and 1960 in the metropolitan population (including population in counties added to metropolitan areas since 1960) was 186,440, which was almost equal to the average for the state as a whole. Between 1960 and 1965 the average increase of the metropolitan population was 127,475, more than 20,000 fewer than the average state increase per year.

Table 3

DISTRIBUTION OF TEXAS COUNTIES ACCORDING TO AVERAGE ANNUAL PERCENT GROWTH OF POPULATION, 1960-65

Average annual percent growth	Number of counties	Percent distribution of counties
Gains:		
6.0 and over	4	1.6
4.0 to 5.9	7	2.7
2.0 to 3.9	41	16.1
0.0 to 1.9	115	45.3
Subtotal:		
Gaining Counties	167	65.7
Losses:		
-2.0 to -0.1	71	28.0
-4.0 to -2.1	10	3.9
-6.0 to -4.1	4	1.6
Over -6.0	2	.8
Subtotal:		
Losing Counties	87	34.3
Grand Total	254	100.0

In contrast to the declining trend of growth in the state's metropolitan counties, many of the nonmetropolitan counties had higher rates for the 1960-65 period. The distribution of all counties according to their 1960-65 growth rate is shown in Table 3. Over 65% gained population during this period, as compared to only 44% which gained from 1950 to 1960. However, most of the gaining counties between 1960-65 had rates of increase of less than 2.0%. Coupled with the fact that the nonmetropolitan counties included only 34% of the state's population in 1960, the small changes in their growth rates that resulted in positive rather than negative growth were not enough to significantly affect the rate for the state as a whole.

FOOTNOTES

¹See "Population Estimates for Texas Counties, Standard Metropolitan Statistical Areas and Urbanized Areas, April 1, 1961," *Texas Business Review*, XXXVI (January 1962), pp. 7-8; "Population Estimates for Texas Counties, 1961 and 1962," *Texas Business Review*, XXXVII (April 1963), pp. 79-88; "Population Estimates for Texas Counties, 1963," *Texas Business Review*, XXXVIII (March 1964), pp. 69-72; and "Population Estimates for Texas Counties, 1964," *Texas Business Review*, XXXIX (March 1965), pp. 76-79.

²Part of the data necessary for the preparation of these estimates was supplied through the cooperation of the Texas Education Agency, the Texas State Department of Health, and the Texas Highway Department. They are not, however, to be held responsible for the estimates presented here.

³Of course, these three estimates do not exhaust the number of possible estimates. Regardless of the number, the problem of selecting the most accurate one would remain.

⁴See U. S. Bureau of the Census, *U. S. Census of Population: 1960*, PC(1)-45D (Washington: U. S. Government Printing Office, 1962), Table 100. Figures on migrants of less than five years of age were estimated (by assuming the same proportion of migrants as among

the 5-9 age group), and figures for the 6-17 age group were estimated from census data on age groups 5-9, 10-14, and 15-19.

⁵The actual registration year 1960 was from April 1, 1959 to March 31, 1960, and actual registration year 1965 was from April 1, 1964, to March 31, 1965.

⁶Most of the growth figures reported in this paper are reduced to an average annual basis. The average annual percent growth (PR) is computed as follows:

$$PR = \frac{(P_2 - P_1)/T}{(P_2 + P_1)/2} 100,$$

where PR is the average annual percent growth, P_1 is the population size at the beginning of the period, P_2 is the population size at the end of the period, and T is the number of years in the period. This formula gives a much more realistic average annual growth rate than does the simple interest formula:

$$PR = \frac{(P_2 - P_1)/T}{P_1} 100.$$

LOCAL BUSINESS CONDITIONS



Indicators of business conditions in Texas cities published in this table include statistics on banking, building permits, employment, postal receipts, and retail trade. An individual city is listed when a minimum of three indicators is available.

The cities have been grouped according to Standard Metropolitan Statistical Areas. In Texas all 21 SMSA's are defined by county lines; the counties included are listed under each SMSA. The populations shown for the SMSA's are estimates for April 1, 1965, prepared by the Population Research Center, Department of Sociology, The University of Texas—the fact designated by footnote (1). Cities are listed under their appropriate SMSA's; all other cities are listed alphabetically. The population shown after the city name is the 1960 Census figure, with the exceptions of those marked (r), which are estimates officially recognized by the Texas Highway Department, and that given for Pleasanton, which is a combination of the 1960 Census figures for Pleasanton and North Pleasanton. Since the SMSA and city population estimates have different sources, it is not surprising that they are sometimes inconsistent, as is the case here with the Odessa SMSA (Ector County) and Odessa.

Retail sales data are reported here only when a minimum of five stores report in the given retail area sales category. The first column shows an average percent change from the preceding month, indicated by (†). This is the normal statewide seasonal change in sales by that kind of business—except in the cases of Dallas, Fort Worth, Houston, and San Antonio, where the dagger is omitted because the normal seasonal changes given are for each of these cities individually. The second column shows the percent change in actual sales reported for the month, and the third column shows the percent change in actual sales from the same month a year ago. A large variation between the normal seasonal change and the reported change indicates an abnormal sales month.

Additional symbols used in this table include:

(*) Indicates cash received during the four-week postal accounting period ended January 28, 1966.

(‡) Money on deposit in individual demand deposit accounts on the last day of the month.

(§) Data for Texarkana, Texas, only.

(**) Change is less than one-half of 1%.

(||) Annual rate basis.

City and item	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965

ABILENE SMSA

(Jones and Taylor; pop. 124,357¹)

Building permits, less federal contracts \$	463,156	— 20	— 36
Bank debits (thousands)	1,867,872	— 1	+ 4
Nonfarm employment (area)	36,750	— 2	+ 4
Manufacturing employment (area)	4,180	**	+ 6
Percent unemployed (area)	3.9	+ 26	— 34

ABILENE (pop. 110,049r)

Retail sales	— 9†	— 34	— 15
Automotive stores	— 1†	— 41	— 41
General merchandise stores	— 53†	— 46	— 14
Postal receipts*	136,770	— 27	— 10
Building permits, less federal contracts \$	459,756	— 20	— 36
Bank debits (thousands)	139,151	— 3	+ 6
End-of-month deposits (thousands)‡	72,310	— 3	+ 1
Annual rate of deposit turnover	22.7	— 4	+ 5

ALICE (pop. 20,861)

Retail sales	— 9†	— 15	— 7
Postal receipts*	19,096	— 32	— 7
Building permits, less federal contracts \$	59,666	— 17	— 67

ALPINE (pop. 4,740)

Postal receipts*	4,974	— 47	— 17
Building permits, less federal contracts \$	31,200	— 12	+ 97
Bank debits (thousands)	3,950	— 5	— 2
End-of-month deposits (thousands)‡	5,343	+ 9	+ 16
Annual rate of deposit turnover	9.3	— 5	— 11

City and item	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965

AMARILLO SMSA

(Potter and Randall; pop. 169,942¹)

Building permits, less federal contracts \$	1,074,625	— 54	— 74
Bank debits (thousands)	4,209,372	— 5	+ 6
Nonfarm employment (area)	55,300	— 2	+ 1
Manufacturing employment (area)	6,690	**	+ 3
Percent unemployed (area)	4.4	+ 16	— 17

AMARILLO (pop. 155,205r)

Retail sales	— 9†	— 24	— 7
Apparel stores	— 46†	— 58	— 5
Automotive stores	— 1†	— 19	— 11
Postal receipts*	261,137	— 33	— 8
Building permits, less federal contracts \$	984,625	— 55	— 75
Bank debits (thousands)	368,074	**	+ 8
End-of-month deposits (thousands)‡	134,741	— 3	+ 1
Annual rate of deposit turnover	32.3	**	+ 4

Canyon (pop. 6,755r)

Postal receipts*	7,491	— 57	— 14
Building permits, less federal contracts \$	90,000	— 43	— 39
Bank debits (thousands)	10,489	+ 7	+ 20
End-of-month deposits (thousands)‡	7,758	**	+ 5
Annual rate of deposit turnover	16.2	+ 7	+ 13

ANDREWS (pop. 11,135)

Postal receipts*	9,895	— 38	+ 20
Building permits, less federal contracts \$	63,000	+ 143	+ 406
Bank debits (thousands)	7,160	— 3	+ 15
End-of-month deposits (thousands)‡	8,216	+ 4	+ 9
Annual rate of deposit turnover	10.7	— 4	+ 8

Local Business Conditions

Percent change

City and item	Jan 1966	Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
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ANGLETON: see HOUSTON SMSA

ARANSAS PASS: see CORPUS CHRISTI SMSA

ARLINGTON: see FORT WORTH SMSA

ATHENS (pop. 7,086)

Postal receipts*	\$ 14,333	- 29	+ 1
Building permits, less federal contracts	\$ 325,900	+358	+109
Bank debits (thousands)	\$ 13,449	+ 10	+ 2
End-of-month deposits (thousands)†	\$ 9,595	- 6	- 1
Annual rate of deposit turnover	16.3	+ 14	+ 2

AUSTIN SMSA

(Travis; pop. 245,542¹)

Building permits, less federal contracts	\$ 6,601,621	+ 36	+ 51
Bank debits (thousands)‡	\$ 4,229,568	+ 6	+ 18
Nonfarm employment (area)	97,800	**	+ 3
Manufacturing employment (area)	6,700	**	**
Percent unemployed (area)	2.9	+ 45	- 6

AUSTIN (pop. 212,000r)

Retail sales	- 9†	- 27	+ 4
Apparel stores	- 46†	- 53	+ 3
Automotive stores	- 1†	- 10	+ 6
Eating and drinking places	- 2†	- 6	- 14
Furniture and household appliance stores	- 15†	- 36	+ 26
General merchandise stores	- 53†	- 59	+ 35
Lumber, building material, and hardware stores	+ 1†	- 18	- 6
Postal receipts*	\$ 602,730	- 15	+ 3
Building permits, less federal contracts	\$ 6,543,621	+ 35	+ 52
Bank debits (thousands)	\$ 354,543	+ 9	+ 18
End-of-month deposits (thousands)†	\$ 193,056	+ 4	+ 7
Annual rate of deposit turnover	22.5	+ 1	+ 15

BAY CITY (pop. 11,656)

Postal receipts*	\$ 15,024	- 40	+ 15
Bank debits (thousands)	\$ 22,766	+ 16	**
End-of-month deposits (thousands)†	\$ 27,541	- 1	+ 3
Annual rate of deposit turnover	9.9	+ 16	- 3
Nonfarm placements	83	+ 17	+ 20

BAYTOWN: see HOUSTON SMSA

BEAUMONT-PORT ARTHUR-ORANGE SMSA

(Jefferson and Orange; pop. 312,799¹)

Building permits, less federal contracts	\$ 1,530,563	- 5	- 55
Bank debits (thousands)‡	\$ 5,003,028	**	+ 12
Nonfarm employment (area)	111,800	- 1	+ 3
Manufacturing employment (area)	33,900	**	**
Percent unemployed (area)	4.6	+ 10	- 26

BEAUMONT (pop. 127,500r)

Retail sales	- 9†	- 34	+ 2
Apparel stores	- 46†	- 64	+ 10
Automotive stores	- 1†	- 12	**
Eating and drinking places	- 2†	- 6	+ 3
Postal receipts*	\$ 134,638	- 43	- 8
Building permits, less federal contracts	\$ 523,464	- 58	- 82
Bank debits (thousands)	\$ 287,256	- 2	+ 18
End-of-month deposits (thousands)†	\$ 119,769	- 1	+ 5
Annual rate of deposit turnover	28.7	- 2	+ 13

Groves (pop. 17,304)

Postal receipts*	\$ 8,499	- 53	+ 31
Building permits, less federal contracts	\$ 591,300	+524	+516
Bank debits (thousands)	\$ 6,751	- 13	+ 9
End-of-month deposits (thousands)†	\$ 5,839	- 14	+ 21
Annual rate of deposit turnover	12.8	- 10	- 17

For an explanation of symbols, please see p. 92.

Local Business Conditions

Percent change

City and item	Jan 1966	Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
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Nederland (pop. 15,274r)

Postal receipts*	\$ 13,059	- 49	+ 17
Building permits, less federal contracts	\$ 113,389	**	+ 40
Bank debits (thousands)	\$ 6,808	- 9	- 3
End-of-month deposits (thousands)†	\$ 5,112	+ 4	**
Annual rate of deposit turnover	16.3	- 11	- 1

Orange (pop. 25,605)

Postal receipts*	\$ 30,307	- 30	+ 2
Building permits, less federal contracts	\$ 21,333	- 74	- 87
Bank debits (thousands)	\$ 38,018	- 2	+ 22
End-of-month deposits (thousands)†	\$ 27,137	- 6	- 2
Annual rate of deposit turnover	16.3	+ 1	+ 18
Nonfarm placements	180	+ 10	+ 26

Port Arthur (pop. 66,676)

Retail sales	- 9†	- 33	- 2
Postal receipts*	\$ 55,375	- 44	+ 1
Building permits, less federal contracts	\$ 176,641	+ 31	- 20
Bank debits (thousands)	\$ 75,516	- 5	+ 7
End-of-month deposits (thousands)†	\$ 43,954	+ 1	+ 1
Annual rate of deposit turnover	20.7	- 6	+ 10

Port Neches (pop. 8,696)

Postal receipts*	\$ 9,332	- 39	+ 8
Building permits, less federal contracts	\$ 122,769	+290	+190
Bank debits (thousands)	\$ 14,348	+ 22	+ 32
End-of-month deposits (thousands)†	\$ 7,453	- 5	+ 1
Annual rate of deposit turnover	22.5	+ 12	+ 22

BEEVILLE (pop. 13,811)

Postal receipts*	\$ 14,264	- 38	+ 12
Building permits, less federal contracts	\$ 33,020	+436	- 25
Bank debits (thousands)	\$ 11,670	- 9	- 5
End-of-month deposits (thousands)†	\$ 15,950	+ 3	+ 4
Annual rate of deposit turnover	8.9	- 11	- 6
Nonfarm placements	89	- 4	+ 13

BELTON (pop. 8,163)

Postal receipts*	\$ 10,727	- 11	+ 13
Building permits, less federal contracts	\$ 88,550	+ 70	+397
End-of-month deposits (thousands)†	\$ 9,318	- 10	+ 3

BIG SPRING (pop. 31,230)

Retail sales	- 9†	- 15	+ 34
Postal receipts*	\$ 38,184	- 32	- 4
Building permits, less federal contracts	\$ 146,151	+ 43	- 39
Bank debits (thousands)	\$ 44,477	- 1	+ 11
End-of-month deposits (thousands)†	\$ 28,915	+ 8	+ 17
Annual rate of deposit turnover	19.2	- 5	- 1
Nonfarm placements	148	- 9	- 6

BISHOP: see CORPUS CHRISTI SMSA

BONHAM (pop. 7,357)

Postal receipts*	\$ 7,998	- 46	+ 14
Building permits, less federal contracts	\$ 22,000	+ 22	- 60
Bank debits (thousands)	\$ 9,515	- 1	+ 8
End-of-month deposits (thousands)†	\$ 8,418	- 3	+ 3
Annual rate of deposit turnover	13.4	+ 2	+ 6

BORGER (pop. 20,911)

Postal receipts*	\$ 19,123	- 45	- 2
Building permits, less federal contracts	\$ 21,100	- 79	- 76
Nonfarm placements	81	- 40	- 34

BRADY (pop. 5,338)

Postal receipts*	\$ 6,446	- 32	+ 13
Building permits, less federal contracts	\$ 5,887	- 74	+ 18
Bank debits (thousands)	\$ 9,192	+ 23	+ 63
End-of-month deposits (thousands)†	\$ 7,663	- 5	+ 10
Annual rate of deposit turnover	14.0	+ 24	+ 47

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
BRENHAM (pop. 7,740)			
Postal receipts*	\$ 10,339	— 44	— 11
Building permits, less federal contracts \$	142,330	—	— 29
Bank debits (thousands)	\$ 13,913	— 2	**
End-of-month deposits (thousands)†	\$ 14,675	+ 1	**
Annual rate of deposit turnover	11.5	— 2	**

BROWNFIELD (pop. 10,286)

Postal receipts*	\$ 12,392	- 30	+ 2
Building permits, less federal contracts \$	12,400	- 64	- 38
Bank debits (thousands)	\$ 38,764	+ 2	+ 15
End-of-month deposits (thousands) †	\$ 18,229	+ 9	+ 6
Annual rate of deposit turnover	26.6	- 15	+ 12

BROWNSVILLE-HARLINGEN-SAN BENITO SMSA

(Cameron; pop. 141,671¹)

Building permits, less federal contracts \$	269,845	- 3	- 64
Bank debits (thousands) †	\$ 1,550,256	- 3	+ 17
Nonfarm employment (area)	36,650	**	+ 4
Manufacturing employment (area)	5,790	+ 1	+ 7
Percent unemployed (area)	6.2	+ 2	- 18

BROWNSVILLE (pop. 48,040)

Retail sales	- 9†	- 20	+ 17
Automotive stores	- 1†	- 13	+ 45
Postal receipts*	\$ 44,978	- 20	+ 16
Building permits, less federal contracts \$	140,245	- 20	- 54
Bank debits (thousands)	\$ 52,012	+ 6	+ 26
End-of-month deposits (thousands) †	\$ 28,990	+ 11	+ 36
Annual rate of deposit turnover	22.7	- 3	+ 2
Nonfarm placements	455	- 17	- 27

Harlingen (pop. 41,207)

Retail sales	- 9†	- 23	- 1
Automotive stores	- 1†	- 20	- 1
Postal receipts*	\$ 41,049	- 35	+ 11
Building permits, less federal contracts \$	103,900	+ 9	- 68
Bank debits (thousands)	\$ 43,764	- 4	+ 5
End-of-month deposits (thousands) †	\$ 24,190	- 3	+ 18
Annual rate of deposit turnover	21.4	- 8	- 8
Nonfarm placements	417	- 21	- 22

La Feria (pop. 3,047)

Postal receipts*	\$ 2,465	- 50	- 1
Building permits, less federal contracts \$	2,650	+ 23	- 32
Bank debits (thousands)	\$ 2,031	- 9	+ 16
End-of-month deposits (thousands) †	\$ 1,805	+ 3	+ 16
Annual rate of deposit turnover	13.7	- 12	+ 2

Los Fresnos (pop. 1,289)

Postal receipts*	\$ 1,364	- 41	- 9
Bank debits (thousands)	\$ 1,352	- 11	+ 12
End-of-month deposits (thousands) †	\$ 1,282	- 10	+ 3
Annual rate of deposit turnover	12.0	- 6	+ 8

Port Isabel (pop. 3,575)

Postal receipts*	\$ 3,088	- 57	- 2
Building permits, less federal contracts \$	0	—	—
Bank debits (thousands)	\$ 1,718	- 10	+ 20
End-of-month deposits (thousands) †	\$ 1,466	+ 1	+ 18
Annual rate of deposit turnover	14.2	- 7	+ 3

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
San Benito (pop. 16,422)			
Postal receipts*	\$ 8,542	— 61	+ 5
Building permits, less federal contracts \$	23,050	— 50	— 78
Bank debits (thousands)	\$ 5,810	— 6	+ 4
End-of-month deposits (thousands) †	\$ 6,567	+ 3	+ 11
Annual rate of deposit turnover	10.8	— 13	— 4

BROWNWOOD (pop. 16,974)

Postal receipts*	\$ 31,876	- 13	- 18
Building permits, less federal contracts \$	3,266	- 91	- 98
Bank debits (thousands)	\$ 22,068	- 13	+ 10
End-of-month deposits (thousands) †	\$ 14,585	+ 2	+ 6
Annual rate of deposit turnover	18.3	- 16	+ 6
Nonfarm placements	114	+ 10	+ 2

BRYAN (pop. 27,542)

Postal receipts*	\$ 31,284	- 39	- 10
Building permits, less federal contracts \$	302,250	- 25	- 74
Nonfarm placements	280	+ 29	+ 19

CALDWELL (pop. 2,202r)

Postal receipts*	\$ 3,007	- 46	+ 2
Bank debits (thousands)	\$ 3,302	+ 2	+ 12
End-of-month deposits (thousands) †	\$ 4,663	**	+ 12
Annual rate of deposit turnover	8.5	+ 1	+ 1

CAMERON (pop. 5,640)

Postal receipts*	\$ 5,562	- 58	- 10
Building permits, less federal contracts \$	1,000	- 94	- 17
Bank debits (thousands)	\$ 6,718	- 1	+ 13
End-of-month deposits (thousands) †	\$ 5,795	- 4	+ 11
Annual rate of deposit turnover	13.6	**	+ 5

CANYON: see AMARILLO SMSA

CARROLLTON: see DALLAS SMSA

CISCO (pop. 4,499)

Postal receipts*	\$ 5,300	- 29	- 1
Bank debits (thousands)	\$ 4,261	- 9	+ 7
End-of-month deposits (thousands) †	\$ 4,010	+ 4	+ 12
Annual rate of deposit turnover	13.0	- 12	- 4

CLEBURNE: see FORT WORTH SMSA

CLUTE: see HOUSTON SMSA

COLLEGE STATION (pop. 11,396)

Postal receipts*	\$ 35,541	+ 25	+ 21
Building permits, less federal contracts \$	367,850	+987	+771
Bank debits (thousands)	\$ 6,857	- 4	+ 18
End-of-month deposits (thousands) †	\$ 4,650	+ 2	+ 3
Annual rate of deposit turnover	17.9	- 7	+ 10

COLORADO CITY (pop. 6,457)

Postal receipts*	\$ 6,309	- 46	- 10
Bank debits (thousands)	\$ 8,440	+ 12	+ 41
End-of-month deposits (thousands) †	\$ 7,879	+ 7	+ 21
Annual rate of deposit turnover	13.3	+ 1	+ 22

CONROE: see HOUSTON SMSA

For an explanation of symbols, please see p. 92.

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
COPPERAS COVE (pop. 4,567)			
Postal receipts*	\$ 4,395	— 55	— 7
Building permits, less federal contracts \$	29,000	— 35	— 92
Bank debits (thousands)	\$ 1,493	— 21	— 16
End-of-month deposits (thousands)† \$	1,429	— 2	— 14
Annual rate of deposit turnover	12.4	— 23	— 2

CORPUS CHRISTI SMSA

(Nueces and San Patricio; pop. 268,702¹)

Building permits, less federal contracts	\$ 2,847,061	— 29	+ 20
Bank debits (thousands)‡	\$ 3,572,976	— 2	+ 12
Nonfarm employment (area)	80,600	**	+ 1
Manufacturing employment (area)	10,340	— 1	+ 1
Percent unemployed (area)	3.6	+ 6	— 29

Aransas Pass (pop. 6,956)

Postal receipts*	\$ 5,731	— 35	— 11
Building permits, less federal contracts	\$ 46,800	+ 65	+106
Bank debits (thousands)	\$ 4,694	— 8	+ 12
End-of-month deposits (thousands)†	\$ 5,296	**	+ 2
Annual rate of deposit turnover	10.6	— 8	+ 10

Bishop (pop. 3,825r)

Postal receipts*	\$ 3,138	— 44	— 1
Building permits, less federal contracts	\$ 48,500	+471	— 10
Bank debits (thousands)	\$ 1,981	— 3	+ 39
End-of-month deposits (thousands)†	\$ 2,568	+ 1	+ 14
Annual rate of deposit turnover	9.3	— 1	+ 24

CORPUS CHRISTI (pop. 184,163r)

Retail sales	— 9†	— 34	+ 12
Apparel stores	— 46†	— 49	+ 7
Drugstores	— 23†	— 18	+ 6
General merchandise stores	— 53†	— 59	+ 11
Postal receipts*	\$ 235,271	— 31	— 2
Building permits, less federal contracts	\$ 2,316,906	— 36	+ 16
Bank debits (thousands)	\$ 275,899	+ 1	+ 12
End-of-month deposits (thousands)†	\$ 140,570	— 5	+ 11
Annual rate of deposit turnover	23.0	— 1	**

Robstown (pop. 10,266)

Postal receipts*	\$ 8,490	— 47	+ 18
Building permits, less federal contracts	\$ 48,600	+ 75	— 10
Bank debits (thousands)	\$ 11,209	— 4	**
End-of-month deposits (thousands)†	\$ 10,244	+ 1	+ 3
Annual rate of deposit turnover	13.2	— 4	— 4

Sinton (pop. 6,008)

Postal receipts*	\$ 11,926	+ 17	+ 10
Building permits, less federal contracts	\$ 38,950	— 34	...
Bank debits (thousands)	\$ 5,239	— 2	+ 11
End-of-month deposits (thousands)†	\$ 5,229	— 1	+ 8
Annual rate of deposit turnover	12.0	**	+ 3

CORSICANA (pop. 20,344)

Retail sales	— 9†	— 42	— 5
Lumber, building material, and hardware stores	+ 1†	— 25	— 11
Postal receipts*	\$ 23,631	— 85	+ 7
Building permits, less federal contracts	\$ 80,410	— 90	— 91
Bank debits (thousands)	\$ 26,750	+ 4	+ 13
End-of-month deposits (thousands)†	\$ 23,889	+ 2	+ 4
Annual rate of deposit turnover	13.6	**	+ 11
Nonfarm placements	200	— 14	+ 6

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
CRYSTAL CITY (pop. 9,101)			
Building permits, less federal contracts \$	56,695	+ 18	— 22
Bank debits (thousands).....\$	3,800	+ 10	+ 28
End-of-month deposits (thousands)†..\$	3,058	— 1	+ 3
Annual rate of deposit turnover	14.8	+ 10	+ 21

DALLAS SMSA

(Collin, Dallas, Denton, and Ellis; pop. 1,261,787¹)

Building permits, less federal contracts	\$33,678,787	+ 20	+ 53
Bank debits (thousands)‡	\$58,766,928	+ 6	+ 17
Nonfarm employment (area)	552,800	— 1	+ 5
Manufacturing employment (area)	127,925	**	+ 11
Percent unemployed (area)	2.8	+ 8	— 18

Carrollton (pop. 9,832r)

Postal receipts*	\$ 9,952	— 37	+ 12
Building permits, less federal contracts	\$ 563,975	+ 89	— 16
Bank debits (thousands)	\$ 8,205	— 38	+ 20
End-of-month deposits (thousands)†	\$ 3,634	+ 3	+ 16
Annual rate of deposit turnover	27.4	— 39	+ 8

DALLAS (pop. 679,684)

Retail sales	— 25	— 25	— 7
Apparel stores	— 47	— 54	— 16
Automotive stores	— 10	— 18	— 10
Eating and drinking places	— 6	— 13	— 4
Florists	— 40	— 51	— 3
Furniture and household appliance stores	— 22	— 28	— 22
General merchandise stores	— 56	— 64	+ 1
Lumber, building material, and hardware stores	— 2	— 3	+ 5
Postal receipts*	\$ 3,349,680	— 16	+ 2
Building permits, less federal contracts	\$15,858,358	+ 12	+ 58
Bank debits (thousands)	\$ 5,097,390	— 3	+ 14
End-of-month deposits (thousands)†	\$ 1,442,887	— 9	+ 4
Annual rate of deposit turnover	40.3	— 4	+ 9

Denton (pop. 26,844)

Postal receipts*	\$ 48,095	— 32	+ 9
Building permits, less federal contracts	\$ 555,850	— 85	— 16
Bank debits (thousands)	\$ 37,633	+ 7	+ 18
End-of-month deposits (thousands)†	\$ 25,399	— 8	+ 17
Annual rate of deposit turnover	17.1	+ 7	+ 2
Nonfarm placements	179	+ 12	+ 11

Ennis (pop. 10,250r)

Postal receipts*	\$ 10,808	— 42	— 4
Bank debits (thousands)	\$ 8,760	+ 6	+ 17
End-of-month deposits (thousands)†	\$ 7,968	**	+ 4
Annual rate of deposit turnover	13.2	+ 4	+ 14

Garland (pop. 50,622r)

Retail sales	— 9†	— 19	+ 13
Postal receipts*	\$ 55,275	— 37	+ 14
Building permits, less federal contracts	\$ 1,957,398	— 1	+135
Bank debits (thousands)	\$ 44,422	+ 5	+ 4
End-of-month deposits (thousands)†	\$ 20,480	— 5	— 1
Annual rate of deposit turnover	25.4	+ 7	— 1

Grand Prairie (pop. 40,150r)

Postal receipts*	\$ 34,420	— 47	— 8
Building permits, less federal contracts	\$ 437,754	— 74	— 85
Bank debits (thousands)	\$ 20,727	+ 1	+ 4
End-of-month deposits (thousands)†	\$ 15,399	+ 18	+ 33
Annual rate of deposit turnover	17.5	— 11	— 14

For an explanation of symbols, please see p. 92.

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
Irving (pop. 60,136r)			
Postal receipts*	\$ 60,675	— 41	— 19
Building permits, less federal contracts	\$ 1,296,549	— 20	— 32
Bank debits (thousands)	\$ 44,335	— 2	+ 11
End-of-month deposits (thousands)†	\$ 21,733	— 9	+ 10
Annual rate of deposit turnover	23.3	— 1	— 8

Justin (pop. 622)			
Postal receipts*	\$ 495	- 65	- 30
Building permits, less federal contracts	\$ 22,000		+ 19
Bank debits (thousands)	\$ 1,054	- 19	+ 1
End-of-month deposits (thousands)†	\$ 659	- 23	- 20
Annual rate of deposit turnover	16.7	- 8	+ 9

McKinney (pop. 13,763)			
Postal receipts*	\$ 17,147	- 22	+ 9
Building permits, less federal contracts	\$ 34,200	+294	- 54
Bank debits (thousands)	\$ 12,207	+ 4	- 1
End-of-month deposits (thousands)†	\$ 10,649	+ 14	**
Annual rate of deposit turnover	14.7	+ 12	+ 8
Nonfarm placements	105	+ 3	+ 18

Mesquite (pop. 27,526)			
Postal receipts*	\$ 22,082	- 39	+ 21
Building permits, less federal contracts	\$ 1,282,975	+425	+ 63
Bank debits (thousands)	\$ 12,777	- 3	+ 33
End-of-month deposits (thousands)†	\$ 8,106	- 4	+ 22
Annual rate of deposit turnover	18.3	- 9	+ 12

Midlothian (pop. 1,521)			
Building permits, less federal contracts	\$ 34,600	- 80	+177
Bank debits (thousands)	\$ 1,139	- 13	- 12
End-of-month deposits (thousands)†	\$ 1,532	- 3	- 8
Annual rate of deposit turnover	8.8	- 8	- 7

Pilot Point (pop. 1,254)			
Building permits, less federal contracts	\$ 10,000	- 41	...
Bank debits (thousands)	\$ 1,530	- 3	- 9
End-of-month deposits (thousands)†	\$ 1,913	+ 1	+ 11
Annual rate of deposit turnover	9.6	+ 3	- 19

Plano (pop. 10,102r)			
Postal receipts*	\$ 9,390	- 29	+ 33
Building permits, less federal contracts	\$ 4,004,569	+553	+791
Bank debits (thousands)	\$ 4,731	- 5	+ 21
End-of-month deposits (thousands)†	\$ 3,863	+ 5	+ 9
Annual rate of deposit turnover	15.1	- 8	+ 6

Richardson (pop. 34,390r)			
Postal receipts*	\$ 53,246	- 40	+ 21
Building permits, less federal contracts	\$ 5,181,623	+201	+388
Bank debits (thousands)	\$ 27,523	+ 6	+ 10
End-of-month deposits (thousands)†	\$ 13,943	+ 2	+ 6
Annual rate of deposit turnover	23.9	+ 3	+ 31

Seagoville (pop. 3,745)			
Postal receipts*	\$ 7,509	**	+ 44
Building permits, less federal contracts	\$ 17,137	+ 9	- 55
Bank debits (thousands)	\$ 4,671	+ 23	+ 11
End-of-month deposits (thousands)†	\$ 1,938	- 20	+ 4
Annual rate of deposit turnover	25.6	+ 29	+ 14

Waxahachie (pop. 12,749)			
Postal receipts*	\$ 17,597	- 15	+ 16
Building permits, less federal contracts	\$ 63,500	- 55	- 86
Bank debits (thousands)	\$ 15,040	+ 10	+ 24
End-of-month deposits (thousands)†	\$ 10,945	- 5	+ 4
Annual rate of deposit turnover	16.0	+ 13	+ 18
Nonfarm placements	99	+191	+230

For an explanation of symbols, please see p. 92.

Local Business Conditions

City and item	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965

DAYTON: see HOUSTON SMSA

DEER PARK: see HOUSTON SMSA

DEL RIO (pop. 18,612)			
Postal receipts*	\$ 17,822	- 43	+ 10
Building permits, less federal contracts	\$ 94,631	+ 54	- 34
Bank debits (thousands)	\$ 14,187	- 11	+ 11
End-of-month deposits (thousands)†	\$ 17,386	- 1	+ 16
Annual rate of deposit turnover	9.7	- 10	- 5

DENISON (pop. 25,766r)			
Postal receipts*	\$ 25,720	- 39	+ 8
Bank debits (thousands)	\$ 19,082	- 11	**
End-of-month deposits (thousands)†	\$ 17,540	- 2	+ 16
Annual rate of deposit turnover	12.9	- 11	- 11
Nonfarm placements	178	+ 10	+ 75

DENTON: see DALLAS SMSA

DONNA (pop. 7,522)			
Postal receipts*	\$ 4,492	- 37	+ 14
Building permits, less federal contracts	\$ 62,980	+118	+520
Bank debits (thousands)	\$ 2,658	- 13	+ 14
End-of-month deposits (thousands)†	\$ 4,057	+ 1	+ 11
Annual rate of deposit turnover	7.9	- 13	+ 3

DUMAS (pop. 10,547r)			
Postal receipts*	\$ 8,874	- 50	+ 14
Building permits, less federal contracts	\$ 64,100	- 74	- 76
Bank debits (thousands)	\$ 14,325	+ 4	+ 18
End-of-month deposits (thousands)†	\$ 12,759	+ 3	+ 16
Annual rate of deposit turnover	13.6	- 1	+ 3

EAGLE PASS (pop. 12,094)			
Postal receipts*	\$ 10,623	- 24	+ 5
Building permits, less federal contracts	\$ 68,260	- 28	- 66
Bank debits (thousands)	\$ 7,448	- 7	+ 18
End-of-month deposits (thousands)†	\$ 5,322	+ 3	+ 13
Annual rate of deposit turnover	17.0	- 13	+ 7

EDINBURG (pop. 18,706)			
Building permits, less federal contracts	\$ 83,810	**	- 11
Bank debits (thousands)	\$ 15,079	- 7	- 15
End-of-month deposits (thousands)†	\$ 12,481	+ 30	+ 21
Annual rate of deposit turnover	16.4	- 15	- 25
Nonfarm placements	311	- 3	- 5

EDNA (pop. 5,038)			
Postal receipts*	\$ 6,993	- 19	+ 22
Building permits, less federal contracts	\$ 42,300		+ 5
Bank debits (thousands)	\$ 7,281	- 8	+ 7
End-of-month deposits (thousands)†	\$ 7,496	- 4	+ 3
Annual rate of deposit turnover	11.4	- 7	+ 6

EL PASO SMSA

(El Paso; pop. 339,949¹)

Building permits, less federal contracts	\$ 5,440,735	+ 4	- 26
Bank debits (thousands)†	\$ 4,491,324	- 10	- 3
Nonfarm employment (area)	97,500	- 1	+ 4
Manufacturing employment (area)	17,550	+ 1	+ 7
Percent unemployed (area)	4.8	+ 2	- 16

EL PASO (pop. 276,687)			
Retail sales		- 9†	- 32
Apparel stores		- 46†	- 57
Automotive stores		- 1†	- 21
Food stores		- 13†	- 9
Postal receipts*	\$ 389,979	- 32	+ 10
Building permits, less federal contracts	\$ 5,438,735	+ 5	- 26
Bank debits (thousands)	\$ 393,861	- 17	- 2
End-of-month deposits (thousands)†	\$ 205,468	+ 3	**
Annual rate of deposit turnover	23.4	- 16	- 1

Local Business Conditions

City and item	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965

ENNIS: see DALLAS SMSA

EULESS: see FORT WORTH SMSA

FORT STOCKTON (pop. 6,373)

Postal receipts*	\$ 6,880	- 52	- 10
Building permits, less federal contracts	\$ 32,200	- 26	- 9
Bank debits (thousands)	\$ 6,837	- 18	+ 19
End-of-month deposits (thousands)†	\$ 7,931	**	+ 8
Annual rate of deposit turnover	10.3	- 16	+ 8

FORT WORTH SMSA (Johnson and Tarrant; 611,293¹)

Building permits, less federal contracts	\$ 7,776,464	- 18	- 9
Bank debits (thousands)	\$13,220,400	- 2	+ 12
Nonfarm employment (area)	242,800	- 2	+ 3
Manufacturing employment (area)	66,525	+ 3	+ 10
Percent unemployed (area)	3.0	+ 11	- 25

Arlington (pop. 53,024r)

Retail sales	- 9†	- 16	**
Postal receipts*	\$ 90,712	- 29	+ 22
Building permits, less federal contracts	\$ 2,071,620	- 8	+ 43

Cleburne (pop. 15,381)

Postal receipts*	\$ 17,727	- 44	+ 13
Building permits, less federal contracts	\$ 71,866	- 77	+ 3
Bank debits (thousands)	\$ 16,107	+ 8	+ 9
End-of-month deposits (thousands)†	\$ 12,926	- 6	+ 3
Annual rate of deposit turnover	14.5	+ 11	+ 5

Eules (pop. 10,500r)

Postal receipts*	\$ 10,118	- 23	+ 33
Building permits, less federal contracts	\$ 135,902	- 16	- 50
Bank debits (thousands)	\$ 8,465	- 6	+ 40
End-of-month deposits (thousands)†	\$ 3,578	- 3	+ 48
Annual rate of deposit turnover	27.9	- 6	+ 1

FORT WORTH (pop. 356,268)

Retail sales	- 21	- 26	- 1
Apparel stores	- 36	- 54	- 1
Automotive stores	- 9	- 18	- 8
Eating and drinking places	- 1	- 7	+ 9
Food stores	- 12	- 13	+ 6
Furniture and household appliance stores	- 26	- 41	- 8
Lumber, building material, and hardware stores	+ 9	- 15	- 17
Postal receipts*	\$ 995,010	- 23	+ 4
Building permits, less federal contracts	\$ 3,124,091	- 14	- 32
Bank debits (thousands)	\$ 1,059,284	- 6	+ 13
End-of-month deposits (thousands)†	\$ 438,126	- 4	+ 5
Annual rate of deposit turnover	28.5	- 6	+ 7

Grapevine (pop. 4,659r)

Postal receipts*	\$ 5,892	- 28	+ 7
Building permits, less federal contracts	\$ 55,950	+296	- 2
Bank debits (thousands)	\$ 4,745	**	+ 20
End-of-month deposits (thousands)†	\$ 4,151	+ 11	+ 13
Annual rate of deposit turnover	14.4	- 3	+ 10

North Richland Hills (pop. 8,662)

Building permits, less federal contracts	\$ 203,621	- 12	- 24
Bank debits (thousands)	\$ 10,889	- 1	+ 48
End-of-month deposits (thousands)†	\$ 4,981	+ 5	+ 16
Annual rate of deposit turnover	26.8	- 7	+ 25

For an explanation of symbols, please see p. 92.

Local Business Conditions

City and item	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965

White Settlement (pop. 11,513)

Building permits, less federal contracts	\$ 312,228	+445	+785
Bank debits (thousands)	\$ 1,973	**	+ 55
End-of-month deposits (thousands)†	\$ 1,449	- 50	+ 37
Annual rate of deposit turnover	10.9	- 4	- 23

FREDERICKSBURG (pop. 4,629)

Postal receipts*	\$ 7,455	- 46	- 16
Building permits, less federal contracts	\$ 91,625	- 19	+ 60
Bank debits (thousands)	\$ 11,438	- 9	+ 8
End-of-month deposits (thousands)†	\$ 9,981	+ 3	+ 8
Annual rate of deposit turnover	14.1	- 8	+ 4

FRIONA (pop. 3,049r)

Building permits, less federal contracts	\$ 50,000	+182	- 5
Bank debits (thousands)	\$ 11,717	+ 31	- 6
End-of-month deposits (thousands)†	\$ 7,038	- 4	+ 6
Annual rate of deposit turnover	19.6	+ 19	- 17

GALVESTON-TEXAS CITY SMSA

(Galveston; pop. 153,993¹)

Building permits, less federal contracts	\$ 720,383	- 20	+ 13
Bank debits (thousands)	\$1,900,296	**	+ 5
Nonfarm employment (area)	53,800	- 1	- 1
Manufacturing employment (area)	10,100	- 1	- 1
Percent unemployed (area)	5.2	+ 8	- 9

GALVESTON (pop. 67,175)

Retail sales	- 9†	- 28	+ 14
Automotive stores	- 1†	- 20	+ 23
Food stores	- 13†	- 7	+ 12
Postal receipts*	\$ 134,207	- 18	+ 31
Building permits, less federal contracts	\$ 414,083	- 48	+ 19
Bank debits (thousands)	\$ 113,412	- 2	+ 12
End-of-month deposits (thousands)†	\$ 59,071	- 9	- 3
Annual rate of deposit turnover	21.9	**	+ 12

La Marque (pop. 13,969)

Postal receipts*	\$ 12,309	- 46	+ 3
Building permits, less federal contracts	\$ 37,250	+ 7	- 67
Bank debits (thousands)	\$ 11,190	+ 12	+ 5
End-of-month deposits (thousands)†	\$ 7,145	+ 3	+ 3
Annual rate of deposit turnover	19.1	+ 11	**

Texas City (pop. 32,065)

Postal receipts*	\$ 28,231	- 36	- 6
Building permits, less federal contracts	\$ 269,050	+306	+ 54
Bank debits (thousands)	\$ 27,241	- 2	- 13
End-of-month deposits (thousands)†	\$ 16,625	+ 16	+ 4
Annual rate of deposit turnover	21.1	- 9	- 12

GARLAND: see DALLAS SMSA

GATESVILLE (pop. 4,626)

Postal receipts*	\$ 5,302	- 66	- 7
Bank debits (thousands)	\$ 6,753	- 4	+ 10
End-of-month deposits (thousands)†	\$ 6,580	**	+ 5
Annual rate of deposit turnover	12.3	- 2	+ 8

GEORGETOWN (pop. 5,218)

Postal receipts*	\$ 7,526	- 35	+ 23
Building permits, less federal contracts	\$ 32,600	+ 71	- 87
Bank debits (thousands)	\$ 6,054	+ 3	+ 15
End-of-month deposits (thousands)†	\$ 7,093	+ 4	+ 19
Annual rate of deposit turnover	10.5	+ 2	- 5

Local Business Conditions

Local Business Conditions	City and item	Jan 1966	Percent change	
			Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
GIDDINGS (pop. 2,821)				
Postal receipts*	\$	3,741	— 57	— 6
Building permits, less federal contracts	\$	71,086	...	+263
Bank debits (thousands)	\$	3,986	— 10	+ 4
End-of-month deposits (thousands)†	\$	4,718	— 3	+ 13
Annual rate of deposit turnover		10.0	— 8	— 5
GLADEWATER (pop. 5,742)				
Postal receipts*	\$	6,886	— 41	**
Building permits, less federal contracts	\$	9,000	— 73	— 81
Bank debits (thousands)	\$	5,708	+ 12	+ 17
End-of-month deposits (thousands)†	\$	4,798	— 13	+ 6
Annual rate of deposit turnover		13.3	+ 19	+ 12
Nonfarm employment (area)		32,650	**	+ 8
Manufacturing employment (area)		7,970	+ 1	+ 15
Percent unemployed (area)		3.6	+ 6	— 14

GOLDTHWAITE (pop. 1,383)

Postal receipts*	\$ 2,141	- 62	- 6
Bank debits (thousands)	\$ 4,245	+ 17	+ 14
End-of-month deposits (thousands)†	\$ 5,849	- 4	+ 3
Annual rate of deposit turnover	8.6	+ 19	+ 9

GRAHAM (pop. 8,505)

Postal receipts*	\$ 10,511	- 30	+ 14
Building permits, less federal contracts	\$ 1,000	- 98	- 99
Bank debits (thousands)	\$ 11,308	+ 2	+ 8
End-of-month deposits (thousands)†	\$ 9,976	- 7	- 1
Annual rate of deposit turnover	13.1	+ 4	+ 9

GRANBURY (pop. 2,227)

Postal receipts*	\$ 2,624	- 55	- 39
Bank debits (thousands)	\$ 1,867	- 4	- 1
End-of-month deposits (thousands)†	\$ 2,447	- 3	+ 6
Annual rate of deposit turnover	9.0	- 5	- 8

GRAND PRAIRIE: see DALLAS SMSA

GRAPEVINE: see FORT WORTH SMSA

GREENVILLE (pop. 22,134r)

Postal receipts*	\$ 28,829	- 49	+ 16
Building permits, less federal contracts	\$ 312,990	- 57	- 38
Bank debits (thousands)	\$ 20,592	**	+ 7
End-of-month deposits (thousands)†	\$ 16,071	- 1	+ 14
Annual rate of deposit turnover	15.3	+ 1	- 4
Nonfarm placements	103	- 10	+ 2

HARLINGEN: see BROWNSVILLE-HARLINGEN-SAN BENITO SMSA

HENDERSON (pop. 9,666)

Postal receipts*	\$ 12,802	- 37	- 6
Building permits, less federal contracts	\$ 5,300	- 97	- 93
Bank debits (thousands)	\$ 10,003	+ 9	+ 20
End-of-month deposits (thousands)†	\$ 19,364	- 4	+ 4
Annual rate of deposit turnover	6.1	+ 13	+ 13

HOUSTON SMSA

(Brazoria, Fort Bend, Harris, Liberty and Montgomery; pop. 1,613,957¹)

Building permits, less federal contracts	\$35,084,532	- 24	+ 34
Bank debits (thousands)†	\$59,376,348	+ 5	+ 11
Nonfarm employment (area)	667,000	- 2	+ 5
Manufacturing employment (area)	119,950	**	+ 3
Percent unemployed (area)	2.7	+ 17	- 21

Angleton (pop. 9,131)

Postal receipts*	\$ 10,221	- 21	+ 1
Building permits, less federal contracts	\$ 96,050	+ 30	+393
Bank debits (thousands)	\$ 13,710	- 8	...
End-of-month deposits (thousands)†	\$ 13,034	+ 5	...
Annual rate of deposit turnover	12.9	- 12	...

For an explanation of symbols, please see p. 92.

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
Baytown (pop. 38,000r)			
Retail sales	— 9†	— 18	+ 4
Automotive stores	— 1†	— 7	— 1
Postal receipts*	\$ 39,092	— 38	+ 4
Building permits, less federal contracts \$	450,212	— 55	+ 45
Bank debits (thousands)	\$ 38,125	+ 1	+ 13
End-of-month deposits (thousands)† ..	\$ 32,163	+ 2	+ 9
Annual rate of deposit turnover	14.4	— 4	+ 2

Bellaire (pop. 21,182r)

Postal receipts*	\$ 49,146	- 52	+ 32
Building permits, less federal contracts	\$ 19,599	- 90	- 19
Bank debits (thousands)	\$ 26,473	**	+ 23
End-of-month deposits (thousands)†	\$ 16,049	- 2	+ 16
Annual rate of deposit turnover	19.6	- 1	+ 4

Clute (pop. 4,501)

Postal receipts*	\$ 3,775	- 35	+ 48
Building permits, less federal contracts	\$ 12,500	- 82	- 67
Bank debits (thousands)	\$ 1,866	- 14	+ 5
End-of-month deposits (thousands)†	\$ 1,647	+ 5	- 2
Annual rate of deposit turnover	13.9	- 16	+ 8

Conroe (pop. 9,192)

Postal receipts*	\$ 20,755	- 27	+ 38
Building permits, less federal contracts	\$ 93,000	- 29	+163
Bank debits (thousands)	\$ 15,726	+ 2	+ 4
End-of-month deposits (thousands)†	\$ 13,519	+ 2	+ 19
Annual rate of deposit turnover	14.1	+ 2	- 9

Dayton (pop. 3,367)

Postal receipts*	\$ 3,165	- 38	+ 2
Building permits, less federal contracts	\$ 9,000	- 84	- 64
Bank debits (thousands)	\$ 5,033	**	+ 39
End-of-month deposits (thousands)†	\$ 3,646	- 1	- 12
Annual rate of deposit turnover	16.5	**	+ 67

Deer Park (pop. 4,865)

Postal receipts*	\$ 9,137	- 31	+ 35
Building permits, less federal contracts	\$ 1,028,500	+373	+746
Bank debits (thousands)	\$ 9,454	+ 69	+106
End-of-month deposits (thousands)†	\$ 2,545	- 39	- 24
Annual rate of deposit turnover	33.9	+ 84	+ 95

HOUSTON (pop. 938,219)

Retail sales	- 23	- 26	+ 8
Apparel stores	- 45	- 48	+ 10
Automotive stores	- 15	- 10	+ 6
Eating and drinking places	- 12	- 16	- 8
Food stores	- 13	- 17	+ 3
General merchandise stores	- 55	- 58	+ 24
Lumber, building material, and hardware stores	+ 9	- 11	- 10
Postal receipts*	\$ 2,442,267	- 25	+ 9
Building permits, less federal contracts	\$28,567,135	- 33	+ 50
Bank debits (thousands)	\$ 4,796,921	- 6	+ 13
End-of-month deposits (thousands)†	\$ 1,685,934	- 10	+ 5
Annual rate of deposit turnover	32.4	- 6	+ 7

Humble (pop. 1,711)

Postal receipts*	\$ 3,840	- 56	+ 18
Building permits, less federal contracts	\$ 5,000	+100	- 79
Bank debits (thousands)	\$ 4,340	- 7	+ 17
End-of-month deposits (thousands)†	\$ 3,652	- 3	- 1
Annual rate of deposit turnover	14.0	- 5	+ 11

Katy (pop. 1,569)

Building permits, less federal contracts	\$ 104,350	...	- 77
Bank debits (thousands)	\$ 3,451	+ 24	+ 30
End-of-month deposits (thousands)†	\$ 2,944	- 5	- 10
Annual rate of deposit turnover	13.7	+ 23	+ 33

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
La Porte (pop. 7,250r)			
Building permits, less federal contracts \$	173,000	+ 861	+ 27
Bank debits (thousands).....\$	4,837	+ 11	+ 4
End-of-month deposits (thousands)†..\$	3,641	**	+ 31
Annual rate of deposit turnover.....	16.0	+ 5	— 15
Liberty (pop. 6,127)			
Postal receipts*	8,339	— 23	— 4
Building permits, less federal contracts \$	20,600	+ 99	— 86
Bank debits (thousands).....\$	11,721	+ 23	+ 7
End-of-month deposits (thousands)†..\$	10,695	— 6	+ 8
Annual rate of deposit turnover.....	12.8	+ 16	— 1

Pasadena (pop. 58,737)			
Postal receipts*	57,699	— 46	+ 15
Building permits, less federal contracts \$	2,420,100	+270	+ 69
Bank debits (thousands).....\$	71,367	— 2	+ 12
End-of-month deposits (thousands)†..\$	33,032	— 3	+ 1
Annual rate of deposit turnover.....	25.6	— 3	+ 10

Richmond (pop. 3,668)			
Postal receipts*	3,766	— 51	— 38
Bank debits (thousands).....\$	8,510	— 1	+ 18
End-of-month deposits (thousands)†..\$	9,498	— 8	+ 2
Annual rate of deposit turnover.....	10.3	— 2	+ 12

Rosenberg (pop. 9,698)			
Postal receipts*	9,044	— 49	— 19
Building permits, less federal contracts \$	135,750	+240	— 16
End-of-month deposits (thousands)†..\$	11,169	— 8	+ 8

South Houston (pop. 7,253)			
Postal receipts*	9,192	— 53	+ 8
Building permits, less federal contracts \$	358,850	+586	...
Bank debits (thousands).....\$	7,878	— 10	+ 8
End-of-month deposits (thousands)†..\$	5,741	**	+ 5
Annual rate of deposit turnover.....	16.5	— 11	+ 4

Tomball (pop. 2,025r)			
Bank debits (thousands).....\$	8,308	+ 5	+ 8
End-of-month deposits (thousands)†..\$	10,393	+ 53	+ 52
Annual rate of deposit turnover.....	11.6	— 23	— 19

HUMBLE: see HOUSTON SMSA

HUNTSVILLE (pop. 11,999)			
Postal receipts*	13,936	— 38	— 3
Building permits, less federal contracts \$	134,500	...	+216
Bank debits (thousands).....\$	9,877	— 14	+ 10
End-of-month deposits (thousands)†..\$	11,346	+ 1	+ 12
Annual rate of deposit turnover.....	10.5	— 16	— 5

IOWA PARK: see WICHITA FALLS SMSA

IRVING: see DALLAS SMSA

JACKSONVILLE (pop. 10,509r)			
Postal receipts*	23,161	— 13	+ 12
Building permits, less federal contracts \$	48,800	— 62	— 82
Bank debits (thousands).....\$	17,356	+ 8	+ 12
End-of-month deposits (thousands)†..\$	12,002	— 8	+ 8
Annual rate of deposit turnover.....	16.6	+ 2	+ 2

JASPER (pop. 5,120r)			
Postal receipts*	9,511	— 33	— 10
Building permits, less federal contracts \$	83,000	+911	— 3
Bank debits (thousands).....\$	11,357	+ 14	— 1
End-of-month deposits (thousands)†..\$	8,219	+ 1	+ 3
Annual rate of deposit turnover.....	16.6	+ 11	— 2

JUSTIN: see DALLAS SMSA

For an explanation of symbols, please see p. 92.

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
KATY: see HOUSTON SMSA			
KILGORE (pop. 10,092)			
Postal receipts*	\$ 14,182	— 42	— 4
Building permits, less federal contracts \$	430,426	...	+ 18
Bank debits (thousands).....	\$ 14,077	— 2	+ 7
End-of-month deposits (thousands)†..	\$ 14,077	— 2	+ 7
Annual rate of deposit turnover.....	11.9	**	**
Nonfarm employment (area).....	32,650	**	+ 8
Manufacturing employment (area) ..	7,970	+ 1	+ 15
Percent unemployed (area).....	3.6	+ 6	— 14

KILLEEN (pop. 23,377)			
Postal receipts*	41,843	— 47	— 13
Building permits, less federal contracts \$	316,371	+ 97	— 50
Bank debits (thousands).....\$	20,186	— 1	— 5
End-of-month deposits (thousands)†..\$	13,626	— 5	**
Annual rate of deposit turnover.....	17.3	— 2	+ 2

KINGSVILLE (pop. 25,297)			
Postal receipts*	20,924	— 35	+ 10
Building permits, less federal contracts \$	108,025	+ 73	+ 21
Bank debits (thousands).....\$	13,175	— 10	+ 7
End-of-month deposits (thousands)†..\$	17,895	+ 7	+ 14
Annual rate of deposit turnover.....	9.1	— 12	— 8

KIRBYVILLE (pop. 2,021r)			
Postal receipts*	3,585	— 43	**
Bank debits (thousands).....\$	2,267	— 30	— 12
End-of-month deposits (thousands)†..\$	4,303	— 1	+ 23
Annual rate of deposit turnover.....	6.3	— 34	— 25

LA FERIA: see BROWNSVILLE-HARLINGEN-SAN BENITO SMSA

LA MARQUE: see GALVESTON-TEXAS CITY SMSA

LAMESA (pop. 12,438)			
Postal receipts*	13,555	— 30	— 12
Building permits, less federal contracts \$	37,400	+ 17	— 81
Bank debits (thousands).....\$	31,948	+ 24	+ 23
End-of-month deposits (thousands)†..\$	21,520	+ 12	+ 19
Annual rate of deposit turnover.....	18.8	+ 3	+ 11
Nonfarm placements	61	+ 20	**

LAMPASAS (pop. 5,670r)			
Postal receipts*	6,727	— 41	+ 10
Building permits, less federal contracts \$	77,500	— 84	+ 99
Bank debits (thousands).....\$	8,509	+ 6	+ 13
End-of-month deposits (thousands)†..\$	7,023	— 3	+ 11
Annual rate of deposit turnover.....	14.3	+ 6	+ 1

LA PORTE: see HOUSTON SMSA

LAREDO SMSA			
(Webb; pop. 71,738 ¹)			
Building permits, less federal contracts \$	197,425	+128	+104
Bank debits (thousands) \$	545,544	+ 5	+ 15
Nonfarm employment (area).....	21,500	+ 1	+ 8
Manufacturing employment (area).....	1,310	— 1	— 3
Percent unemployed (area).....	12.0	— 2	— 9

LAREDO (pop. 60,678)			
Postal receipts*	45,564	— 32	+ 6
Building permits, less federal contracts \$	197,425	+128	+104
Bank debits (thousands).....\$	48,607	+ 4	+ 14
End-of-month deposits (thousands)†..\$	29,494	— 2	+ 6
Annual rate of deposit turnover.....	19.6	+ 1	+ 11
Nonfarm placements	387	— 10	— 3

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
LEVELLAND (pop. 12,117r)			
Postal receipts*	\$ 10,537	— 50	— 4
Building permits, less federal contracts	\$ 54,220	— 65	— 27
Bank debits (thousands)	\$ 40,995	+ 46	+ 10
End-of-month deposits (thousands)†	\$ 13,980	— 15	+ 8
Annual rate of deposit turnover	32.3	+ 31	+ 13

LIBERTY: see HOUSTON SMSA

LLANO (pop. 2,656)

Postal receipts*	\$ 3,458	- 38	+ 30
Building permits, less federal contracts	\$ 15,500	...	+ 45
Bank debits (thousands)	\$ 3,302	- 2	- 11
End-of-month deposits (thousands)†	\$ 4,037	- 10	- 7
Annual rate of deposit turnover	9.3	+ 4	- 9

LOCKHART (pop. 6,084)

Postal receipts*	\$ 5,634	- 46	- 6
Building permits, less federal contracts	\$ 111,500	+268	+108
Bank debits (thousands)	\$ 6,280	- 3	+ 10
End-of-month deposits (thousands)†	\$ 6,632	+ 1	+ 18
Annual rate of deposit turnover	11.4	**	- 6

LONGVIEW (pop. 40,050)

Retail sales	- 9†	- 10	+ 17
Automotive stores	- 1†	+ 7	+ 18
Postal receipts*	\$ 60,726	- 45	+ 4
Building permits, less federal contracts	\$ 839,000	- 3	+ 75
Bank debits (thousands)	\$ 70,791	- 4	+ 12
End-of-month deposits (thousands)†	\$ 46,249	- 1	+ 13
Annual rate of deposit turnover	18.3	- 3	+ 3
Nonfarm employment (area)	32,650	**	+ 8
Manufacturing employment (area)	7,970	+ 1	+ 15
Percent unemployed (area)	3.6	+ 6	- 14

LOS FRESNOS: see BROWNSVILLE-HARLINGEN-SAN BENITO SMSA

LUBBOCK SMSA (Lubbock; pop. 177,140¹)

Building permits, less federal contracts	\$ 3,932,152	- 39	+ 35
Bank debits (thousands)	\$ 4,185,420	+ 21	+ 8
Nonfarm employment (area)	61,200	- 1	+ 4
Manufacturing employment (area)	7,050	- 1	+ 9
Percent unemployed (area)	3.7	+ 28	- 16

LUBBOCK (pop. 155,200r)

Retail sales	- 9†	- 26	+ 4
Automotive stores	- 1†	- 14	+ 5
General merchandise stores	- 53†	- 54	**
Postal receipts*	\$ 236,124	- 28	- 7
Building permits, less federal contracts	\$ 3,929,173	- 39	+ 37
Bank debits (thousands)	\$ 462,190	+ 18	+ 7
End-of-month deposits (thousands)†	\$ 156,003	+ 3	+ 6
Annual rate of deposit turnover	36.1	+ 11	+ 6

Slaton (pop. 6,568)

Postal receipts*	\$ 4,128	- 57	- 33
Building permits, less federal contracts	\$ 2,379	**	- 91
Bank debits (thousands)	\$ 7,787	+ 16	+ 18
End-of-month deposits (thousands)†	\$ 4,926	+ 5	+ 2
Annual rate of deposit turnover	19.4	+ 2	+ 16

LUFKIN (pop. 17,641)

Postal receipts*	\$ 35,934	- 20	+ 16
Building permits, less federal contracts	\$ 165,200	+ 28	- 42
Nonfarm placements	46	- 25	- 21

For an explanation of symbols, please see p. 92.

Local Business Conditions

City and item	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965

McALLEN (pop. 32,728)

Retail sales	- 9†	- 30	+ 4
Apparel stores	- 46†	- 44	+ 35
Automotive stores	- 1†	- 21	- 7
Postal receipts*	\$ 42,178	- 33	+ 12
Building permits, less federal contracts	\$ 323,500	+ 45	+ 27
Bank debits (thousands)	\$ 40,690	+ 1	+ 7
End-of-month deposits (thousands)†	\$ 26,026	+ 1	+ 13
Annual rate of deposit turnover	18.9	- 3	- 3
Nonfarm placements	617	+ 73	+106
Nonfarm employment (area)	42,400	- 1	+ 5
Manufacturing employment (area)	2,940	- 6	- 19
Percent unemployed (area)	6.9	+ 5	- 12

McCAMEY (pop. 3,350r)

Postal receipts*	\$ 2,667	- 51	- 20
Bank debits (thousands)	\$ 1,885	- 8	+ 4
End-of-month deposits (thousands)†	\$ 1,799	+ 12	- 1
Annual rate of deposit turnover	13.3	- 10	+ 5

McGREGOR: see WACO SMSA

McKINNEY: see DALLAS SMSA

MARSHALL (pop. 25,715r)

Retail sales	- 9†	- 49	- 4
Postal receipts*	\$ 27,645	- 37	- 7
Building permits, less federal contracts	\$ 102,121	- 19	- 87
Bank debits (thousands)	\$ 20,715	- 1	+ 1
End-of-month deposits (thousands)†	\$ 24,252	**	+ 6
Annual rate of deposit turnover	10.2	- 4	- 2
Nonfarm placements	246	- 23	+ 62

MERCEDES (pop. 10,943)

Postal receipts*	\$ 6,700	- 29	+ 6
Building permits, less federal contracts	\$ 17,220	+ 47	+ 9
Bank debits (thousands)	\$ 6,166	+ 2	+ 4
End-of-month deposits (thousands)†	\$ 4,334	+ 1	+ 11
Annual rate of deposit turnover	17.2	+ 2	- 6

MESQUITE: see DALLAS SMSA

MEXIA (pop. 7,621r)

Postal receipts*	\$ 5,917	- 43	- 13
Building permits, less federal contracts	\$ 0
Bank debits (thousands)	\$ 5,290	**	+ 5
End-of-month deposits (thousands)†	\$ 5,401	+ 1	+ 4
Annual rate of deposit turnover	11.8	- 2	+ 3

MIDLAND SMSA (Midland; pop. 64,704¹)

Building permits, less federal contracts	\$ 3,925,225	+617	+ 56
Bank debits (thousands)	\$ 1,635,816	+ 3	- 9
Nonfarm employment (area)	57,100	- 2	+ 2
Manufacturing employment (area)	4,720	+ 26	+ 15
Percent unemployed (area)	3.2	+ 23	- 22

MIDLAND (pop. 62,625)

Postal receipts	\$ 109,184	- 43	+ 8
Building permits, less federal contracts	\$ 3,925,225	+617	+ 56
Bank debits (thousands)	\$ 144,885	+ 3	- 11
End-of-month deposits (thousands)†	\$ 113,779	- 4	- 4
Annual rate of deposit turnover	14.9	+ 1	- 7
Nonfarm placements	684	+ 7	+ 23

MIDLOTHIAN: see DALLAS SMSA

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
MINERAL WELLS (pop. 11,053)			
Postal receipts*	\$ 23,776	+ 6	+ 66
Building permits, less federal contracts	\$ 196,500	— 22	— 9
Bank debits (thousands)	\$ 15,446	— 7	+ 20
End-of-month deposits (thousands)	\$ 12,885	— 2	+ 9
Annual rate of deposit turnover	14.3	— 5	+ 12
Nonfarm placements	167	+ 19	+174

MISSION (pop. 14,081)

Postal receipts*	\$ 11,001	- 37	+ 10
Building permits, less federal contracts	\$ 11,400	- 53	- 62
Bank debits (thousands)	\$ 12,026	- 4	- 9
End-of-month deposits (thousands)†	\$ 9,732	- 1	+ 12
Annual rate of deposit turnover	14.8	- 4	- 15

MONAHANS (pop. 9,252r)

Postal receipts*	\$ 10,121	- 52	- 6
Building permits, less federal contracts	\$ 31,250	- 64	- 78
Bank debits (thousands)	\$ 11,006	+ 3	+ 7
End-of-month deposits (thousands)†	\$ 8,293	- 3	+ 7
Annual rate of deposit turnover	15.7	+ 1	**

MOUNT PLEASANT (pop. 8,027)

Postal receipts*	\$ 11,817	- 26	**
Building permits, less federal contracts	\$ 110,600	+ 36	+ 73
Bank debits (thousands)	\$ 11,720	- 5	+ 5
End-of-month deposits (thousands)†	\$ 8,957	- 12	+ 9
Annual rate of deposit turnover	14.7	- 6	- 8

MUENSTER (pop. 1,190)

Postal receipts*	\$ 1,911	- 50	+ 33
Building permits, less federal contracts	\$ 10,000	- 33	- 49
Bank debits (thousands)	\$ 3,002	+ 2	+ 9
End-of-month deposits (thousands)†	\$ 2,193	+ 3	- 3
Annual rate of deposit turnover	16.7	+ 2	+ 14

NACOGDOCHES (pop. 15,450r)

Postal receipts*	\$ 24,630	- 18	+ 25
Building permits, less federal contracts	\$ 234,362	- 83	+152
Bank debits (thousands)	\$ 24,857	+ 2	- 5
End-of-month deposits (thousands)†	\$ 23,000	+ 10	+ 15
Annual rate of deposit turnover	13.6	- 4	- 13
Nonfarm placements	91	- 14	- 14

NEDERLAND: see BEAUMONT-PORT ARTHUR-ORANGE SMSA

NEW BRAUNFELS (pop. 15,631)

Postal receipts*	\$ 18,888	- 51	- 10
Building permits, less federal contracts	\$ 112,988	- 46	- 45
Bank debits (thousands)	\$ 15,965	- 1	+ 14
End-of-month deposits (thousands)†	\$ 15,194	+ 2	+ 19
Annual rate of deposit turnover	12.7	- 1	- 3

NORTH RICHLAND HILLS: see FORT WORTH SMSA

ODESSA SMSA

(Ector; pop. 85,727¹)

Building permits, less federal contracts	\$ 722,839	+ 47	+ 29
Bank debits (thousands)†	\$ 1,213,500	+ 3	+ 21
Nonfarm employment (area)	57,100	- 2	+ 2
Manufacturing employment (area)	4,720	+ 26	+ 15
Percent unemployed (area)	3.2	+ 23	- 22

For an explanation of symbols, please see p. 92.

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
ODESSA (pop. 86,937r)			
Retail sales	— 9†	— 45	+ 11
Furniture and household appliance stores	— 15†	— 24	+ 15
Postal receipts*	\$ 90,107	— 40	+ 3
Building permits, less federal contracts \$	722,839	+ 47	+ 29
Bank debits (thousands)	\$ 96,282	— 8	+ 8
End-of-month deposits (thousands)† \$	68,172	+ 2	+ 11
Annual rate of deposit turnover	17.1	— 10	— 1
Nonfarm placements	298	— 16	— 17

ORANGE: see BEAUMONT-PORT ARTHUR-ORANGE SMSA

PALESTINE (pop. 13,974)

Postal receipts*	\$ 16,217	- 58	- 4
Building permits, less federal contracts	\$ 95,047	- 19	- 43
Bank debits (thousands)	\$ 15,092	- 15	+ 12
End-of-month deposits (thousands)†	\$ 17,514	- 1	+ 1
Annual rate of deposit turnover	10.3	- 18	+ 11

PAMPA (pop. 24,664)

Retail sales	— 9†	- 19	+ 11
Building permits, less federal contracts	\$ 72,305	- 40	- 26
Bank debits (thousands)	\$ 29,823	- 5	+ 7
End-of-month deposits (thousands)†	\$ 20,890	**	- 6
Annual rate of deposit turnover	17.1	- 3	+ 14
Nonfarm placements	131	- 13	+ 4

PARIS (pop. 20,977)

Postal receipts*	\$ 29,416	- 26	- 1
Building permits, less federal contracts	\$ 202,032	- 42	- 43
Nonfarm placements	134	+ 6	+ 63

PASADENA: see HOUSTON SMSA

PECOS (pop. 12,728)

Postal receipts*	\$ 12,590	- 23	+ 1
Building permits, less federal contracts	\$ 9,850	+ 4	- 77
Bank debits (thousands)	\$ 21,354	- 5	+ 13
End-of-month deposits (thousands)†	\$ 11,489	- 3	+ 6
Annual rate of deposit turnover	21.9	- 6	+ 7
Nonfarm placements	168	+ 15	+ 81

PHARR (pop. 14,106)

Postal receipts*	\$ 9,586	- 42	+ 23
Building permits, less federal contracts	\$ 40,470	- 66	- 12
Bank debits (thousands)	\$ 4,882	**	+ 14
End-of-month deposits (thousands)†	\$ 4,711	- 6	+ 14
Annual rate of deposit turnover	12.0	- 3	**

PILOT POINT: see DALLAS SMSA

PLAINVIEW (pop. 18,731r)

Postal receipts*	\$ 33,997	- 39	+ 5
Building permits, less federal contracts	\$ 206,850	- 51	- 87
Nonfarm placements	205	**	- 22

PLANO: see DALLAS SMSA

PLEASANTON (pop. 5,053r)

Building permits, less federal contracts	\$ 6,400	- 95	- 60
Bank debits (thousands)	\$ 4,788	+ 28	+ 32
End-of-month deposits (thousands)†	\$ 3,941	- 4	+ 4
Annual rate of deposit turnover	14.3	+ 28	+ 31

Local Business Conditions

City and item	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965

PORT ARTHUR: see BEAUMONT-PORT ARTHUR-ORANGE SMSA

PORT ISABEL: see BROWNSVILLE-HARLINGEN-SAN BENITO SMSA

PORT NECHES: see BEAUMONT-PORT ARTHUR-ORANGE SMSA

RAYMONDVILLE (pop. 9,385)

Postal receipts*	\$ 5,400	— 55	— 20
Building permits, less federal contracts \$	14,800	— 93	— 54
Bank debits (thousands) \$	5,710	— 19	— 7
End-of-month deposits (thousands) † \$	7,590	— 6	— 4
Annual rate of deposit turnover	8.7	— 13	— 6
Nonfarm placements	41	— 20	— 24

RICHARDSON: see DALLAS SMSA

RICHMOND: see HOUSTON SMSA

ROBSTOWN: see CORPUS CHRISTI SMSA

ROCKDALE (pop. 4,481)

Postal receipts*	\$ 5,967	— 30	+ 7
Building permits, less federal contracts \$	4,200	— 80	— 84
Bank debits (thousands) \$	4,795	— 8	— 3
End-of-month deposits (thousands) † \$	7,166	+ 2	+ 6
Annual rate of deposit turnover	8.1	— 11	— 9

ROSENBERG: see HOUSTON SMSA

SAN ANGELO SMSA (Tom Green; pop. 70,876¹)

Building permits, less federal contracts \$	309,380	+ 23	— 50
Bank debits (thousands) † \$	922,944	— 2	+ 18
Nonfarm employment (area)	21,350	— 1	+ 6
Manufacturing employment (area)	3,170	— 1	+ 15
Percent unemployed (area)	3.9	+ 5	— 24

SAN ANGELO (pop. 58,815)

Retail sales	— 9†	— 46	+ 10
Postal receipts*	\$ 93,237	— 34	+ 5
Building permits, less federal contracts \$	309,380	+ 23	— 50
Bank debits (thousands) \$	81,926	+ 1	+ 17
End-of-month deposits (thousands) † \$	56,481	— 2	+ 11
Annual rate of deposit turnover	17.3	+ 1	+ 7

SAN ANTONIO SMSA (Bexar and Guadalupe; pop. 800,968¹)

Building permits, less federal contracts \$	5,207,449	— 6	+ 27
Bank debits (thousands) † \$	\$11,412,708	— 1	+ 14
Nonfarm employment (area)	236,000	— 1	+ 8
Manufacturing employment (area)	27,925	**	+ 2
Percent unemployed (area)	4.4	— 2	— 27

For an explanation of symbols, please see p. 92.

Local Business Conditions

City and item	Jan 1966	Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965

SAN ANTONIO (pop. 655,006^r)

Retail sales	— 19	— 22	+ 4
Apparel stores	— 40	— 43	+ 6
Automotive stores	— 4	— 19	+ 2
Eating and drinking places	— 6	— 2	+ 6
Florists	—	— 52	+ 18
Furniture and household appliance stores	— 43	— 50	— 2
Gasoline and service stations	— 3	— 2	— 2
General merchandise stores	— 48	— 40	+ 3
Lumber, building material, and hardware stores	**	— 9	— 8
Nurseries	—	— 35	— 28
Postal receipts*	\$ 869,018	— 39	+ 4
Building permits, less federal contracts \$	4,788,849	— 9	+ 28
Bank debits (thousands) \$	940,192	— 6	+ 15
End-of-month deposits (thousands) † \$	483,346	+ 2	+ 6
Annual rate of deposit turnover	23.5	— 8	+ 10

Schertz (pop. 2,281)

Postal receipts*	\$ 16,118	— 34	+ 20
Bank debits (thousands) \$	639	— 8	+ 8
End-of-month deposits (thousands) † \$	1,103	— 7	— 1
Annual rate of deposit turnover	6.7	— 6	+ 6

Seguin (pop. 14,299)

Postal receipts*	\$ 16,118	— 34	+ 20
Building permits, less federal contracts \$	115,275	+130	+ 75
Bank debits (thousands) \$	15,828	+ 4	+ 3
End-of-month deposits (thousands) † \$	16,454	+ 1	+ 3
Annual rate of deposit turnover	11.6	+ 5	+ 1

SAN BENITO: see BROWNSVILLE-HARLINGEN-SAN BENITO SMSA

SAN JUAN (pop. 4,371)

Postal receipts*	\$ 2,954	— 52	+ 11
Building permits, less federal contracts \$	3,300	+ 25	+175
Bank debits (thousands) \$	2,688	+ 1	+ 13
End-of-month deposits (thousands) † \$	2,736	+ 6	+ 15
Annual rate of deposit turnover	12.1	— 6	— 1

SAN MARCOS (pop. 12,713)

Postal receipts*	\$ 16,227	— 27	+ 34
Building permits, less federal contracts \$	154,248	— 46	+116
Bank debits (thousands) \$	13,839	+ 12	+ 27
End-of-month deposits (thousands) † \$	14,676	+ 4	+ 14
Annual rate of deposit turnover	11.6	+ 13	+ 8

SAN SABA (pop. 2,728)

Postal receipts*	\$ 3,810	— 36	+ 2
Building permits, less federal contracts \$	38,500	—	+ 51
Bank debits (thousands) \$	5,419	— 12	+ 19
End-of-month deposits (thousands) † \$	5,065	— 6	+ 15
Annual rate of deposit turnover	12.4	— 11	+ 4

SCHERTZ: see SAN ANTONIO SMSA

SEAGOVILLE: see DALLAS SMSA

SEGUIN: see SAN ANTONIO SMSA

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
SHERMAN (pop. 30,660r)			
Retail sales	— 9†	— 42	— 6
Automotive stores	— 1†	— 35	— 12
Postal receipts*	\$ 42,449	— 35	+ 3
Building permits, less federal contracts	\$ 995,575	+ 40	+188
Bank debits (thousands)	\$ 41,889	**	+ 11
End-of-month deposits (thousands)†	\$ 24,635	— 7	+ 11
Annual rate of deposit turnover	19.6	+ 2	**
Nonfarm placements	151	+ 7	+ 6

SILSBEE (pop. 6,277)

Postal receipts*	\$ 10,427	— 31	+ 8
Building permits, less federal contracts	\$ 1,400	— 96	— 13
Bank debits (thousands)	\$ 4,892	— 12	— 3
End-of-month deposits (thousands)†	\$ 5,737	+ 1	+ 1
Annual rate of deposit turnover	10.3	— 8	— 3

SINTON: see CORPUS CHRISTI SMSA

SLATON: see LUBBOCK SMSA

SMITHVILLE (pop. 2,933)

Postal receipts*	\$ 2,169	— 53	— 12
Building permits, less federal contracts	\$ 500	—	— 83
Bank debits (thousands)	\$ 1,893	+ 22	+ 33
End-of-month deposits (thousands)†	\$ 2,385	— 1	— 4
Annual rate of deposit turnover	9.5	+ 23	+ 38

SNYDER (pop. 13,850)

Building permits, less federal contracts	\$ 25,750	— 73	+ 15
Bank debits (thousands)	\$ 16,705	— 4	— 5
End-of-month deposits (thousands)†	\$ 20,970	+ 4	+ 6
Annual rate of deposit turnover	9.8	— 6	— 11

SOUTH HOUSTON: see HOUSTON SMSA

SULPHUR SPRINGS (pop. 9,160)

Postal receipts*	\$ 18,465	— 27	+ 5
Building permits, less federal contracts	\$ 718,378	+ 61	+600
Bank debits (thousands)	\$ 16,359	+ 1	+ 4
End-of-month deposits (thousands)†	\$ 14,948	— 2	+ 11
Annual rate of deposit turnover	13.0	+ 1	— 4

STEPHENVILLE (pop. 7,359)

Postal receipts*	\$ 10,021	— 46	— 17
Building permits, less federal contracts	\$ 66,300	+ 37	+ 49
Bank debits (thousands)	\$ 10,390	+ 9	+ 21
End-of-month deposits (thousands)†	\$ 10,227	+ 1	+ 9
Annual rate of deposit turnover	12.3	+ 7	+ 12

STRATFORD (pop. 1,380)

Postal receipts*	\$ 1,695	— 52	— 20
Building permits, less federal contracts	\$ 49,400	+161	— 31
Bank debits (thousands)	\$ 9,767	+ 10	+ 52
End-of-month deposits (thousands)†	\$ 5,952	— 5	+ 4
Annual rate of deposit turnover	19.2	+ 10	+ 41

For an explanation of symbols, please see p. 92.

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
SWEETWATER (pop. 13,914)			
Postal receipts*	\$ 17,063	— 31	— 10
Building permits, less federal contracts	\$ 230		
Bank debits (thousands)	\$ 18,871	+ 15	+ 23
End-of-month deposits (thousands)†	\$ 10,760	— 4	+ 3
Annual rate of deposit turnover	20.6	+ 11	+ 20
Nonfarm placements	121	+ 11	+ 66

TAYLOR (pop. 9,434)

Postal receipts*	\$ 10,782	— 34	+ 10
Building permits, less federal contracts	\$ 103,140	+523	+ 88
Bank debits (thousands)	\$ 11,326	+ 18	+ 16
End-of-month deposits (thousands)†	\$ 17,012	— 1	+ 6
Annual rate of deposit turnover	7.9	+ 22	+ 10
Nonfarm placements	43	— 2	+153

TEMPLE (pop. 34,730r)

Retail sales	— 9†	— 31	+ 4
Postal receipts*	\$ 54,419	— 25	+ 20
Building permits, less federal contracts	\$ 283,787	— 53	+ 83
Nonfarm placements	177	+ 12	— 19

TERRELL (pop. 13,803)

Postal receipts*	\$ 9,172	— 54	+ 9
Building permits, less federal contracts	\$ 112,496	+156	— 73
Bank debits (thousands)	\$ 11,426	— 4	+ 11
End-of-month deposits (thousands)†	\$ 10,517	**	+ 10
Annual rate of deposit turnover	13.0	— 6	+ 2

TEXARKANA SMSA

(Bowie, excluding Miller, Ark.; pop. 66,743¹)

Building permits, less federal contracts	\$ 360,275	+ 95	— 46
Bank debits (thousands)†	\$ 1,066,300	+ 4	+ 13
Nonfarm employment (area)	33,600	— 1	+ 4
Manufacturing employment (area)	7,250	**	+ 11
Percent unemployed (area)	4.9	+ 7	— 33

TEXARKANA (pop. 50,006r)

Retail sales	— 9†	— 24	+ 1
Automotive stores	— 1†	— 14	+ 5
Postal receipts*	\$ 82,006	— 22	+ 4
Building permits, less federal contracts	\$ 265,056	+ 52	— 59
Bank debits (thousands)	\$ 80,656	— 2	+ 10
End-of-month deposits (thousands)†	\$ 23,457	**	+ 11
Annual rate of deposit turnover	21.6	— 6	+ 13

TEXAS CITY: see GALVESTON-TEXAS CITY SMSA

TOMBALL: see HOUSTON SMSA

TYLER SMSA

(Smith; pop. 95,412¹)

Building permits, less federal contracts	\$ 1,121,395	+135	+ 3
Bank debits (thousands)†	\$ 1,579,776	— 2	+ 6
Nonfarm employment (area)	33,150	— 1	+ 2
Manufacturing employment (area)	8,750	+ 1	+ 5
Percent unemployed (area)	3.9	+ 26	— 19

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item			
TYLER (pop. 51,230)			
Retail sales	— 9†	— 18	**
Postal receipts	\$ 114,039	— 39	+ 8
Building permits, less federal contracts	\$ 1,100,895	+161	+ 7
Bank debits (thousands)	\$ 131,774	**	+ 6
End-of-month deposits (thousands)†	\$ 78,246	+ 1	+ 2
Annual rate of deposit turnover	20.3	— 3	+ 5
Nonfarm placements	571	+ 8	+ 12

UVALDE (pop. 10,293)

Postal receipts*	\$ 11,281	— 31	+ 5
Building permits, less federal contracts	\$ 115,812	+ 26	— 11
Bank debits (thousands)	\$ 15,201	+ 4	+ 33
End-of-month deposits (thousands)†	\$ 9,794	+ 5	+ 8
Annual rate of deposit turnover	19.1	+ 3	+ 24

VERNON (pop. 12,141)

Building permits, less federal contracts	\$ 30,400	— 86	— 45
Bank debits (thousands)	\$ 22,482	+ 10	+ 16
End-of-month deposits (thousands)†	\$ 20,850	— 5	**
Annual rate of deposit turnover	12.6	+ 9	+ 13
Nonfarm placements	77	+ 35	+ 26

VICTORIA (pop. 33,047)

Retail sales	— 9†	— 24	+ 5
Automotive stores	— 1†	— 10	+ 14
Postal receipts*	\$ 48,325	— 29	+ 2
Building permits, less federal contracts	\$ 116,130	— 72	— 86
Bank debits (thousands)	\$ 84,054	+ 4	+ 8
End-of-month deposits (thousands)†	\$ 94,524	— 4	+ 10
Annual rate of deposit turnover	10.4	+ 3	**
Nonfarm placements	433	— 11	— 17

WACO SMSA

(McLennan; pop. 152,630¹)

Building permits, less federal contracts	\$ 1,823,384	— 56	— 27
Bank debits (thousands)†	\$ 2,057,772	+ 2	+ 12
Nonfarm employment (area)	53,700	— 2	+ 2
Manufacturing employment (area)	11,460	+ 1	+ 6
Percent unemployed (area)	4.7	+ 18	— 2

McGregor (pop. 4,642)

Building permits, less federal contracts	\$ 129,469	...	+339
Bank debits (thousands)	\$ 6,131	+ 8	+ 38
End-of-month deposits (thousands)†	\$ 6,612	— 2	— 2
Annual rate of deposit turnover	11.0	+ 12	+ 39

WACO (pop. 103,462)

Retail sales††	— 9†	— 27	+ 4
Apparel stores††	— 46†	— 45	+ 3
Automotive stores††	— 1†	— 7	+ 6
Furniture and household appliance stores††	— 15†	— 14	+ 9
Postal receipts*	\$ 194,596	— 37	— 5
Building permits, less federal contracts	\$ 1,661,501	— 60	— 12
Bank debits (thousands)	\$ 163,522	+ 1	+ 11
End-of-month deposits (thousands)†	\$ 90,386	— 4	+ 1
Annual rate of deposit turnover	21.3	+ 2	+ 5

For an explanation of symbols, please see p. 92.

††Reported in cooperation with the Baylor Bureau of Business Research.

Local Business Conditions

Local Business Conditions		Percent change	
		Jan 1966 from Dec 1965	Jan 1966 from Jan 1965
City and item	Jan 1966		
<hr/>			
WAXAHACHIE: see DALLAS SMSA			
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WEATHERFORD (pop. 9,759)			
<hr/>			
Postal receipts*	\$ 14,020	— 32	— 7
Building permits, less federal contracts	\$ 314,200	+200	+ 75
End-of-month deposits (thousands)†	\$ 15,413	— 1	+ 7

WESLACO (pop. 15,649)

Postal receipts*	\$ 13,846	— 25	+ 19
Building permits, less federal contracts	\$ 39,450	— 68	— 5
Bank debits (thousands)	\$ 9,905	+ 8	+ 2
End-of-month deposits (thousands)†	\$ 9,061	— 2	+ 13
Annual rate of deposit turnover	13.0	+ 7	— 10

WHITE SETTLEMENT: see FORT WORTH SMSA

WICHITA FALLS SMSA

(Archer and Wichita; pop. 129,353¹)

Building permits, less federal contracts	\$ 420,634	— 24	— 76
Bank debits (thousands)†	\$ 2,259,588	+ 7	+ 22
Nonfarm employment (area)	47,500	— 1	+ 3
Manufacturing employment (area)	4,120	+ 1	— 1
Percent unemployed (area)	3.1	+ 15	— 28

Iowa Park (pop. 5,152r)

Building permits, less federal contracts	\$ 108,800	+313	+367
Bank debits (thousands)	\$ 3,713	— 8	— 4
End-of-month deposits (thousands)†	\$ 4,280	— 2	— 2
Annual rate of deposit turnover	10.3	— 10	— 3

WICHITA FALLS (pop. 101,724)

Retail sales	— 9†	— 38	— 14
Automotive stores	— 1†	— 23	— 21
Furniture and household appliance stores	— 15†	— 26	+ 11
Postal receipts*	\$ 127,581	— 40	+ 2
Building permits, less federal contracts	\$ 399,434	— 24	— 76
Bank debits (thousands)	\$ 179,591	+ 7	+ 20
End-of-month deposits (thousands)†	\$ 102,969	— 10	**
Annual rate of deposit turnover	19.8	+ 6	+ 17

LOWER RIO GRANDE VALLEY

(Cameron, Willacy, and Hidalgo; pop. 337,041¹)

Retail sales	— 9†	— 23	+ 7
Apparel stores	— 46†	— 46	+ 25
Automotive stores	— 1†	— 17	+ 7
Drugstores	— 23†	— 15	+ 10
Eating and drinking places	— 2†	— 1	+ 1
Food stores	— 13†	— 7	— 3
Furniture and household appliance stores	— 15†	— 44	+ 5
Gasoline and service stations	— 3†	**	— 3
General merchandise stores	— 53†	— 36	+ 17
Lumber, building material, and hardware stores	+ 1†	— 38	+ 2
Postal receipts*	— 35	— 35	+ 11
Building permits, less federal contracts	— 23	— 32	— 32
Bank debits (thousands)	— 1	+ 7	+ 7
End-of-month deposits (thousands)†	+ 3	+ 17	+ 17
Annual rate of deposit turnover	17.4	— 4	— 5

BAROMETERS OF TEXAS BUSINESS

All figures are for Texas unless otherwise indicated. All indexes are based on the average months for 1957-59, except where indicated; all are adjusted for seasonal variation, except annual indexes. Employment estimates are Texas Employment Commission data in cooperation with the Bureau of Labor Statistics of the U. S. Department of Labor. Employment data marked (†) cover wage and salary workers only. The index of Texas business activity is based on bank debits in 20 cities, adjusted for price level. An asterisk (*) indicates preliminary data subject to revision. Revised data are marked (r)

	Jan 1966	Dec 1965	Jan 1965
GENERAL BUSINESS ACTIVITY			
Texas business activity, index	168.0	167.7r	152.2r
Miscellaneous freight carloadings in SW District, index	79.7	79.2	77.4
Wholesale prices in U. S., unadjusted index	104.6	104.1r	101.0
Consumers' prices in U. S., unadjusted index	111.0	111.0	108.9
Income payments to individuals in U. S. (billions, at seasonally adjusted annual rate)	\$ 551.6*	\$ 550.9r	\$ 515.4r
Business failures (number)	43	58	70
Business failures (liabilities, thousands)	\$ 2,086	\$ 7,144	\$ 7,944
Newspaper lineage, index	120.1	117.8	114.4
Ordinary life insurance sales, index	155.7	176.7	142.9
TRADE			
Total retail sales, index	128.2*	141.6r	126.8r
Durable-goods sales, index	140.5*	166.5r	142.3r
Nondurable-goods sales, index	121.8*	128.8r	118.9r
Ratio of credit sales to net sales in department and apparel stores	67.3*	60.6*	67.9r
Ratio of collections to outstandings in department and apparel stores	32.5*	39.0*	32.3r
PRODUCTION			
Total electric power use, index	222.5*	179.1*	163.7r
Industrial electric power use, index	169.4*	161.5*	152.7r
Crude oil production, index	101.6*	100.0*	95.8r
Average daily production per oil well (bbl.)	14.1	13.8	13.3
Crude oil runs to stills, index	117.2	118.8	112.1
Industrial production in U. S., index	149.9*	148.5*	138.6r
Texas industrial production—total, index	142.0*	141.2*	129.4*
Texas industrial production—manufactures, index	167.9*	167.7*	150.8*
Texas industrial production—durable manufactures, index	170.7*	171.0*	149.2*
Texas industrial production—nondurable manufactures, index	165.8*	165.4*	151.9*
Texas industrial production—mining, index	108.1*	106.4*	101.3*
Building construction authorized, index	130.5	167.5	113.0
New residential building authorized, index	113.0	125.2	106.2
New nonresidential building authorized, index	162.8	249.7	113.3
AGRICULTURE			
Prices received by farmers, unadjusted index, 1910-14=100	259	256	238
Prices paid by farmers in U. S., unadjusted index, 1910-14=100	327	324	317
Ratio of Texas farm prices received to U. S. prices paid by farmers	79	79	75
FINANCE			
Bank debits, index	175.7	174.6	153.7r
Bank debits, U. S., index	191.8	192.3	169.5
Reporting member banks, Dallas Federal Reserve District:			
Loans (millions)	\$ 4,645	\$ 4,762	\$ 4,353
Loans and investments (millions)	\$ 6,856	\$ 6,980	\$ 6,457
Adjusted demand deposits (millions)	\$ 2,811	\$ 2,928	\$ 2,797
Revenue receipts of the State Comptroller (thousands)	\$143,328	\$127,528	\$122,030
Securities registrations: Original applications:			
Mutual investment companies (thousands)	\$ 30,135	\$ 17,500	\$ 8,816
All other corporate securities:			
Texas companies (thousands)	\$ 445	\$ 1,902	\$ 137
Other companies (thousands)	\$ 1,924	\$ 5,216	\$ 2,729
Securities registrations: Renewals:			
Mutual investment companies (thousands)	\$ 13,787	\$ 9,711	\$ 9,092
Other corporate securities (thousands)	\$ 919	\$ 797	\$ 196
LABOR			
Manufacturing employment in Texas, index†	121.7*	121.3*	114.6r
Total nonagricultural employment in Texas, index†	120.8*	119.4	115.7
Average weekly hours—manufacturing, index†	101.9*	102.1*	101.4r
Average weekly earnings—manufacturing, index†	123.1*	123.8*	119.1r
Total nonagricultural employment (thousands)†	2,954.4*	3,008.1*	2,829.6r
Total manufacturing employment (thousands)†	585.9*	584.9*	551.8r
Durable-goods employment (thousands)†	303.7*	301.7*	276.7r
Nondurable-goods employment (thousands)†	282.2*	283.2*	275.1r
Total nonagricultural labor force in selected labor market areas (thousands)	2,848.2*	2,880.9r	2,777.7r
Employment in selected labor market areas (thousands)	2,673.0*	2,707.2r	2,751.1r
Manufacturing employment in selected labor market areas (thousands)	496.3*	494.5r	468.0r
Total unemployment in selected labor market areas (thousands)	101.5*	93.1r	125.0r
Percent of labor force unemployed in selected labor market areas	3.6*	3.2r	4.5r

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