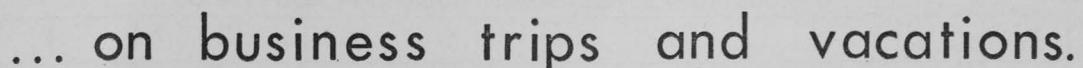


**BUREAU OF BUSINESS RESEARCH  
COLLEGE OF BUSINESS ADMINISTRATION  
THE UNIVERSITY OF TEXAS**

APRIL 1952



See Texas Economic Development, page 17.

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TWO DOLLARS A YEAR

## The Business Situation in Texas

Business activity in Texas appeared to turn down in March, and the rise that has characterized the composite index of business activity since last December came to an end. The index for March dropped to 263, down 3% from the preceding month, but still higher than for any month prior to February 1952. For the first quarter of 1952, the index averaged 261, compared with an average of 257 for the last quarter of 1951, and 251 for the whole year. This represents an all-time high for the index on a quarterly basis.

The decline in the composite index of business resulted from the downward movement of three of the series, which together represented 69.1% of the total weight in the index. The table below gives the change in each of the components of the index of business activity.

INDEX OF BUSINESS ACTIVITY IN TEXAS AND  
COMPONENT SERIES

(adjusted for seasonal variation)

1935-39=100

Indexes	Weight	Mar 1952	Feb 1952	Percent change
<b>Index of Business Activity</b> <b>(Composite)</b>	100.0	263‡	270	- 3
Retail sales, adjusted for price change	47.7	216‡	230	- 6
Industrial power consumption	14.8	537	536	x
Crude oil runs to stills	4.5	220	213	+ 3
Electric power consumption	3.0	570	544	+ 5
Miscellaneous freight carloadings	17.6	143	155	- 8
Urban building permits, adjusted for price changes	3.8	184	199	- 8
Crude petroleum production	8.6	243	230	+ 6

‡Preliminary.

xChange is less than one half of one percent.

The pattern of change in the various series making up the composite index does not indicate any distinct trend in the business picture for Texas during March. Retail trade developed weakness after showing signs of turning up in the first two months of 1952. Building activity, as represented by new construction authorized, also reversed the direction of movement characteristic of the last two months, by declining. Miscellaneous freight carloadings have been moving somewhat erratically for the past year and in March were at the

level of a year earlier. Industrial power consumption rose one point on the index (less than 1%), total electric power consumption moved up 5%, crude petroleum was 6% higher, and crude runs to stills gained 3%.

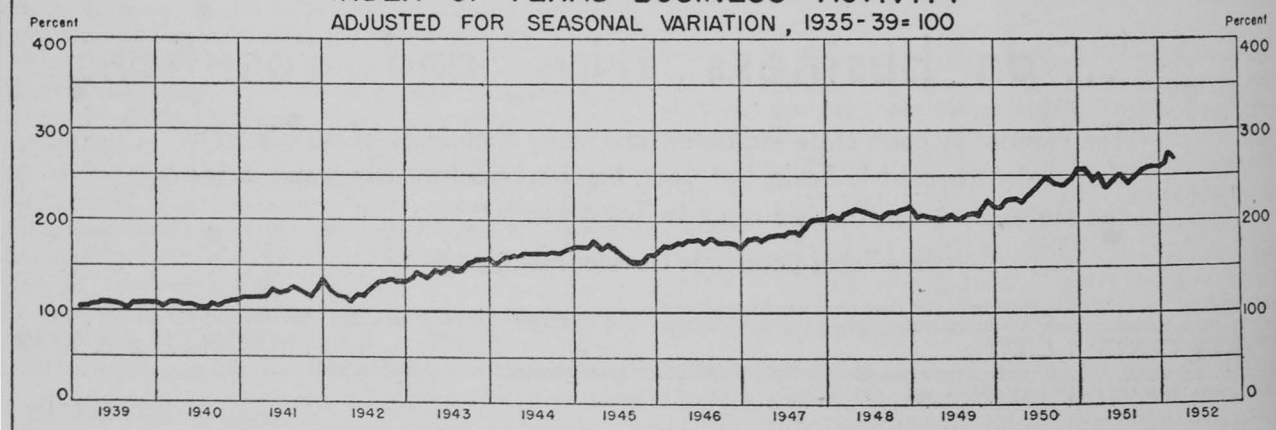
There is very little evidence in the business picture at this time to indicate that any significant change has taken place. The Bureau's *Barometers of Texas Business* (page 24) showed rather sharp increases last month, and the downward movements of the indexes in March suggest that their drop might be merely erratic variation. Sometimes when a statistical series moves sharply in one direction, it moves again the next month rather sharply in the opposite direction. The information for March has the appearance of showing this kind of fluctuation, so there is considerable validity in considering the data for the first three months of 1952 as being more indicative of the level of business than those for any of the months studied individually.

Five of the seven components of the index of business activity averaged higher during the first quarter of 1952 than for the year 1951. The index of retail sales adjusted for changes in prices averaged 227 for the first quarter of 1952, compared with 228 for the year 1951. Building permits averaged 188 for the first quarter of 1952 and 196 for 1951. These were the only components of the index to decline from the average of last year; industrial power consumption rose from 451 to 528, total electric power from 498 to 547, crude petroleum from 223 to 231, crude runs to stills from 199 to 214, and freight carloadings from 145 to 150. With so many of the component series showing substantial gains during the first quarter, it followed inevitably that the composite index would also be higher than during last year.

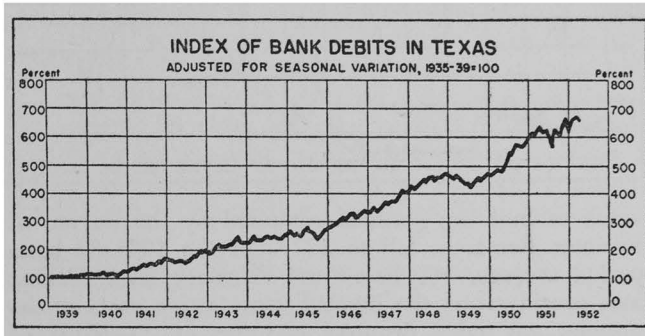
The movement of the composite index of business activity is confirmed by the Bureau's index of bank debits in Texas cities, even to agreeing with the sharp spurt in February followed by the drop in March. In some ways the index of bank debits is a more comprehensive measure of total business activity than is the Bureau's composite index of business charted at the bottom of this page. Since it reflects all checks charged against indi-

INDEX OF TEXAS BUSINESS ACTIVITY

ADJUSTED FOR SEASONAL VARIATION, 1935-39=100



vidual accounts, this bank debit index includes transactions for which data are not available in any other form. It differs significantly from the composite index in that the latter does not reflect changes in the price level, while the volume of checks written is in current dollars. Except for these differences, the two indexes tend to move together. The index of bank debits averaged 661 for the first quarter of 1952, up 7% from the average of 617 for the year 1951. The chart below shows the fluctuations in this barometer, which have generally followed the variations in the index of business activity.



The very high level of business in Texas during the first quarter of 1952 has been achieved in spite of growing pessimism on the part of business analysts. The upward movement in Texas business closely paralleled the movement of business activity in the country as a whole. The Council of Economic Advisers estimated that the Gross National Product for the first quarter of 1952 was 3% higher than the average for 1951, while the index of business activity in Texas was up 2% in the same period.

The increasing need for vigorous sales efforts on the part of businessmen cannot be overemphasized. The easy selling that followed the outbreak of war in Korea has apparently ended, but consumers have money, and there is plenty of evidence that aggressive selling will produce business. Net savings by consumers declined somewhat during the first quarter of 1952 from the very high levels of the preceding nine months, but the rate was still greater than for any full year since 1944. Ever since the end of the war, predictions have been made that businesses would soon have to improve their selling, but up to the present the need for this increased effort failed to materialize. Such a period was developing when the Korean conflict started, creating another sellers' market; now, with the improved supply of materials and the greatly expanded productive facilities at the disposal of business, it appears that another such period is approaching.

Probably the best objective evidence of the increasing need for stronger selling efforts is the steady decline in the price level. Prices at which goods move in the market reflect the combined effect of all the factors present in the business situation, such as the increased supply of goods, the effective demand as represented by consumer incomes, the expansion plans of businesses, and the projected purchases of governmental agencies. The in-

dex of wholesale commodity prices has been declining almost without interruption since March 1951.

Although the prices of commodities in primary markets have been falling for the past 12 months, the Consumers' Price Index continued to rise throughout 1951. The January value of the index remained unchanged from December, February registered the first decline, but March again turned up. The index for Houston followed the same pattern as the total for all cities, except that January declined instead of remaining the same as December. This failure of the prices of goods to consumers to reflect the drop in the prices of commodities in the primary markets is the typical pattern for price fluctuations, although the lag in retail prices has been somewhat greater than usual. There seems to be no doubt, however, that prices to consumers will continue to reflect the declining prices in the primary markets. Unless a new major threat to world peace should arise, there appears to be no reason to expect any reversal in the underlying downward trend in prices.

The outlook for consumer demand for goods during the remainder of 1952 shows no signs of an increase. The sales of durable-goods stores in Texas during the first quarter of 1952 were slightly lower than for the last quarter of 1951, and considerably below the average for 1951. The best evidence on the prospects for sales of this type of store comes from the annual survey of consumer finances made by the Board of Governors of the Federal Reserve System. This study has been made annually since 1946 and has established an enviable record of forecasting consumer buying of major durable goods. There is no evidence in this study that consumers are planning to spend their accumulated savings during 1952. It indicates that somewhat fewer automobiles and home appliances will be bought in 1952 than in 1951, and approximately the same number of houses. A question on housing showed that about as many families are thinking of buying houses in 1953 as have similar plans for 1952, which augurs well for the building industry for some time in the future.

One of the most dynamic phases of business is investment of business concerns in plant and equipment. This factor has accounted for a substantial part of the increased business activity in Texas, and there is strong indication that 1952 will continue to witness a high level of activity. Plans of businesses throughout the United States still reflect a desire to expand. The latest estimates of the Department of Commerce and the Securities and Exchange Commission show that total capital expenditures in the United States for 1952 will exceed those of 1951, and all the information available on Texas indicates that the state will do better than the nation as a whole. On a national basis, all types of industry plan substantial expansion programs, with the total expenditures approximately 4% greater than last year's. Since prices are showing no tendency to rise, this would mean that the actual physical volume of capital goods put in place would also be greater than last year.

JOHN R. STOCKTON



## TEXAS BUSINESS REVIEW

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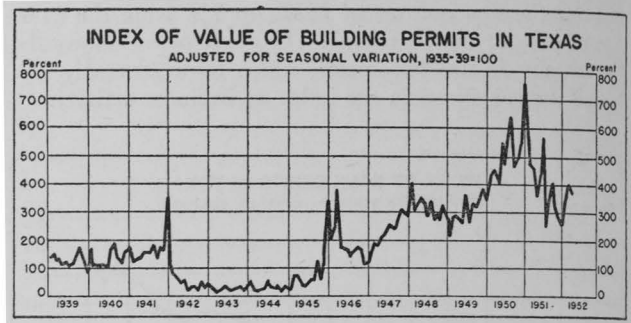
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## CONSTRUCTION

**Texas building disappointing.** As was true for the nation as a whole, building authorized in urban areas of Texas showed some increase in March, but not a sufficient amount to meet the seasonal rise anticipated for the month. The seasonally adjusted index of the



value of building permits, compiled by the Bureau of Business Research, fell to 377% of the 1935-39 base-period average, 7% below the February level. Taking into consideration the inflated construction costs of the present, the index dropped still further, to 184% of the prewar average. Compilation of building-permit data is limited to permits issued within urban areas as defined by the 1940 census. Construction outside these limits may often be of considerable importance, but permits are not always required for such construction.

**House permits advance 13%.** The rise in the estimated value of urban building permits issued in the state for new construction, from slightly over \$47 million

### ESTIMATES OF BUILDING PERMITS ISSUED (in thousands)

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

Classification	Mar 1952*	January-March		
		1952	1951	Percent change
All building permits.....	\$58,348	\$162,658	\$217,724	- 25
<b>City size group</b> (Population 1940)				
Over 100,000 .....	22,022	65,546	116,100	- 44
50,000 to 100,000 .....	10,788	31,600	35,780	- 12
25,000 to 50,000 .....	5,715	19,258	16,245	+ 19
Under 25,000 .....	19,823	46,253	49,599	- 7
<b>Kind of construction</b>				
New construction .....	51,185	142,524	198,154	- 28
Residential .....	41,044	110,778	129,750	- 15
Housekeeping .....	40,618	110,283	129,026	- 15
Single family .....	33,962	96,686	121,078	- 20
Multiple family .....	6,656	13,597	7,948	+ 71
Nonhousekeeping .....	426	495	724	- 32
Nonresidential .....	10,141	31,746	68,404	- 54
Additions, alterations, and repairs .....	7,163	20,184	19,570	+ 3

Only building for which permits were issued within the incorporated area of a city is included. Federal contracts are excluded.

\*Preliminary.

in February to a little over \$51 million in March, resulted solely from upward movement in the value of residential construction, +13%. The only category in this field failing to register an increase was one-family homes; in fact, they slid 2% from the preceding month.



A comparison of the first quarter of 1952 with that of 1951 shows construction to be 28% down from last year, with both residential and nonresidential building contributing to the decline, 15 and 54%, respectively.

With the beginning of the seasonal upsurge in building, came the end, at least momentarily, of the gradual decline of the index of wholesale prices of building materials. The downtrend began in May 1951 and extended through January, dropping the index to 117.8% of the 1947-49 average, according to the U. S. Bureau of Labor Statistics. Increases in the heretofore heavily restricted amounts of scarce metals allotted to builders is good news, although it will probably have little immediate effect on wholesale prices of building materials.

**Texas cities score high.** Dun & Bradstreet, in listing the nation's 25 cities with the greatest building-permit valuations for the first quarter of the year, included 5 Texas cities. Approximate valuations were \$24.8 million for Houston, \$19.6 million for Dallas, \$11.7 million for

officials of the possible decontrol of many types of aluminum and steel, at least by early 1953, are heartily greeted by many leaders in industrial construction. The discussions are coming on the heels of the deceleration of the production time table for the country's armament program. The previous, more accelerated schedule necessitated stringent restrictions on the use of those scarce metals vital to the defense effort. Announcement of a gradual ending of most controls on construction in the second half of 1952 and re-examination of previously vetoed construction plans is also welcomed by the nation's industrial builders. Barring unforeseen events calling for a speed-up in our armament program, it is possible that only construction for recreation and amusement facilities will fail to receive the go-ahead sign by the end of the year.

**Permits by population classes.** Comparing the values of building permits issued in March by city-size groups with those for the preceding month, one notes changes ranging from a 2% decline for cities of over 100,000 to a 49% increase for cities having less than 25,000 population. Texas communities with between 50,000 and 100,000 people registered a 17% drop, while those having between 25,000 and 50,000 picked up 35%. On the other hand, comparison between first quarters of 1952 and 1951 of the same groups shows only the 25,000-to-50,000 population category to have an increase this year. Declines ran from 7% in the smallest towns to 44% in the largest.

American cities with populations ranging from 10,000 to 25,000 authorized construction of the largest number

#### CONSTRUCTION CONTRACTS AWARDED IN TEXAS (in thousands)

Source: Dodge Statistical Research Service

Type of construction	January-February			
	Feb 1952	1952	1951	Percent change
<b>All construction</b>	\$ 81,994	\$150,573	\$250,209	- 40
Total new buildings	46,468	91,687	194,085	- 53
Residential building	30,461	62,801	111,915	- 44
Nonresidential building	16,007	28,886	82,170	- 65
Additions, alterations, and repairs	8,136	13,236	27,888	- 53
Residential	229	459	1,133	- 59
Nonresidential	7,907	12,777	26,755	- 52
Public works and utilities	27,390	45,650	28,236	+ 62

Wichita Falls, \$10.8 million for San Antonio, and \$10.7 million for Fort Worth. All showed declines from the comparable period last year with the single exception of Wichita Falls, where the increase from slightly over \$1 million during the first three months of 1951 was due largely to authorization early this year of a large number of dwelling units to be built to house families connected with the huge Air Force base there.

**The national building scene.** Presaged by considerable increases in the value of building permits issued in Texas during the months of January and February, the Bureau of Labor Statistics preliminary estimates of expenditures for new construction over the country in March indicate seasonally adjusted expenditures of \$2,079 million, compared with \$2,551 million for the preceding month and \$2,667 million for March 1951. Unadjusted figures give March a 12.9% increase over February, with private construction expenditures rising 11.4% and those for public construction topping the month before by 16.3%. The greatest gains in private construction outlay were for residential building (nonfarm), up 17.4% from February; in particular, new dwelling units registered an increase of 18.3%. Nonresidential building expenditures (nonfarm) topped their total for the second month of the year by 3.8%, largest gains being made by public utilities, stores, restaurants, and garages. Discussions by mobilization

#### LOANS MADE BY SAVINGS AND LOAN ASSOCIATIONS

Source: Federal Home Loan Bank of Little Rock

Type	Percent change				
	Mar 1952	Feb 1952	Mar 1951	Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>Number</b>	2,918	2,605	2,380	+ 23	+ 12
Construction	641	600	530	+ 21	+ 7
Purchase	975	892	828	+ 18	+ 9
Refinancing	237	263	215	+ 10	- 10
Reconditioning	268	238	214	+ 25	+ 13
Other	797	612	593	+ 34	+ 30
<b>Value (thousands)</b>	\$13,342	\$12,432	\$10,985	+ 21	+ 7
Construction	4,316	4,012	3,390	+ 27	+ 8
Purchase	5,085	4,910	4,429	+ 15	+ 4
Refinancing	1,353	1,259	956	+ 42	+ 7
Reconditioning	582	553	572	+ 2	+ 5
Other	2,006	1,698	1,638	+ 22	+ 18

of dwelling units of any size-group during January. In preliminary estimates by the Bureau of Labor Statistics, this group of towns led in the number of one-family dwelling units, was second in two-family buildings, but of course fell far behind in multifamily units. The West South Central section of the country, which includes Texas, followed exactly the same pattern, leading in total number of dwellings and in one-family homes, holding second for the number of two-family buildings, and dropping back in number of multifamily dwellings in comparison with other sections.

EUGENE O. BEARD

## RETAIL TRADE

**Return to normalcy?** A few observers talk of "return to normalcy" in current retail trends. What "normalcy"? Rather, there is some backlash from recent extremes. Except for certain lines of durable goods, wholesale and retail stocks appear to be in better balance to sales demand than they were a year ago. Prices are eased in some lines, and the sellers' market has largely disappeared. Consumers encounter fewer out-of-stock conditions or have become callous to them, and many expected shortages of consumer goods have not matured. At the same time, customers' instalment obligations have

### ESTIMATES OF TOTAL RETAIL SALES

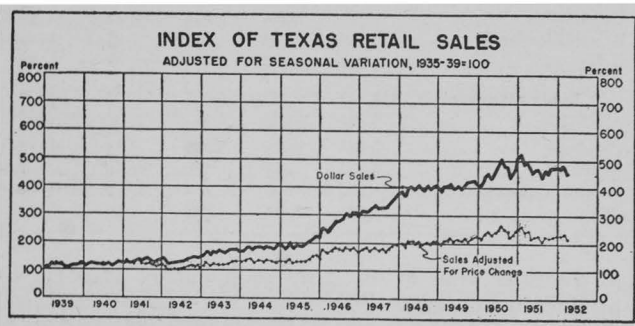
(in millions)

Type of store	Mar 1952	Jan-Mar 1952	Percent change		
			Mar 1952 from Mar 1951	Mar 1952 from Feb 1952	Jan-Mar 1952 from Jan-Mar 1951
<b>Total</b>	\$607.4	\$1,756.5	- 11	+ 7	- 7
Durable goods	260.3	749.6	- 13	+ 5	- 14
Nondurable goods	347.1	1,006.9	- 9	+ 9	- 2

been reduced substantially. Revived interest has been shown in apparel and other soft lines. Personal incomes have been relatively stable since October, with farm incomes down but tending to improve.

Yet, the output of goods and services has reached an all-time high point, due largely to the pressure of defense expenditures. In February, wholesale and manufacturers' inventories made their first important decline since mid-1950. With somewhat revived retail selling, as customers' scare-buying purchases need replacement, has come renewed retail buying. But, much of this buying in wholesale markets still consists of frequent, small fill-in orders, without forward commitments. Retail sales still exceed replacements, and factory sales are off.

**Fewer consumer dollars spent.** Consumers' spending continues to lag from expected levels. The recent



survey of consumers' spending intentions for 1952, released by the Federal Reserve System, offers scant encouragement for stepped-up outlays in coming months, especially for durable goods. Customers are highly price-conscious, and many feel that the present price structure shows 1952 to be a poor year for important buying decisions.

**More consumer dollars saved.** Apparently the public's savings will continue at a high level. Some hold that the high rate of saving may be due in considerable

part to efforts of homemakers to accumulate necessary down payments to make on homes and on the purchase of major household appliances. It is doubtful that recent doubling of the 50-dollar exemption will have any noticeably stimulating effect on sales. Although expressing the belief that prices may trend higher during 1952, many customers seem reconciled to awaiting such results.

**Deflationary trends.** Meanwhile, retail prices had their fifth consecutive monthly decline. According to the Fairchild Retail Price Index, retail prices on April 1 had dropped 1.1% from a year before, and were 1.5% under the 1951 high point and only 6.5% above the level of July 1, 1950. Piece goods sustained the greatest decrease. No commodity groups had price increases, although some remained unchanged from a year ago.

**Outlook for sales and profits.** Prospects for sales volume remain promising. Defense expenditures will be huge, although slowed from the original schedule by being stretched out over a longer period. The first half of 1952 will probably not quite equal the first six months of last year, but stocks are adequate, except for larger items of farm equipment. Output in many lines has been

### RETAIL SALES TRENDS

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

Group	Number of reporting establishments	Percent change		
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952	Jan-Mar 1952 from Jan-Mar 1951
KIND OF BUSINESS				
Durable goods				
Automotive stores .....	255	— 15	+ 6	— 16
Furniture and household appliance stores .....	168	— 7	+ 2	— 5
Jewelry stores .....	31	— 7	+ 3	— 3
Lumber, building material, and hardware stores .....	296	— 19	+ 4	— 13
Nondurable goods				
Apparel stores .....	238	— 12	+ 20	— 3
Country general stores .....	54	— 8	+ 10	x
Department stores .....	89	— 7	+ 19	— 2
Drug stores .....	190	+ 1	x	+ 4
Eating and drinking places .....	114	+ 4	+ 5	+ 11
Filling stations .....	1,046	+ 5	+ 5	+ 7
Florists .....	36	— 22	— 10	+ 5
Food stores .....	214	+ 1	+ 6	+ 6
General merchandise stores .....	63	— 3	+ 15	x
Liquor stores .....	24	x	+ 10	— 5
Office, store, and school supply dealers .....	45	— 2	— 4	+ 7
CITY-SIZE CLASS				
(Population, 1950 Census)				
Over 250,000 .....	1,280	— 8	+ 11	— 5
100,000 to 250,000 .....	471	— 12	+ 7	— 9
50,000 to 100,000 .....	264	— 9	+ 10	— 6
2,500 to 50,000 .....	827	— 12	+ 7	— 8
Under 2,500 .....	108	— 10	+ 7	— 6

xChange is less than one half of one percent.

increasing more rapidly than expected. But buyers' caution appears to be increasing rather than relaxing.

According to a report from the National Retail Dry Goods Association, average markups in department and specialty stores fell sharply in 1951 to the lowest point in 15 years, expenses mounted to the highest level in 10

years, and profits were the poorest in 12 years. Consumer resistance contributed strongly to this effect. Although markdowns should total less this year, similar results may be in prospect.

**Sales promotions.** The solution: Building sales response, not turning aside to cut expenses. Business has been plentiful for merchants who have planned and promoted vigorously, especially in off-price merchandise

CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES (in percent)					
Classification	Number of reporting stores	Credit ratios*		Collection ratios†	
		Mar 1952	Mar 1951	Mar 1952	Mar 1951
<b>All stores</b> .....	59	64.2	64.2	47.8	49.3
<b>By cities</b>					
Austin .....	7	59.4	59.2	53.9	55.3
Cleburne .....	3	46.1	45.4	39.7	49.9
Corpus Christi .....	3	58.9	58.2	42.7	44.4
Dallas .....	4	80.1	79.9	47.7	49.2
Fort Worth .....	3	56.5	59.5	50.9	53.2
Galveston .....	5	54.9	60.6	49.4	52.7
Houston .....	3	58.7	64.1	53.0	53.1
San Antonio .....	5	63.6	58.5	50.3	50.3
Waco .....	5	58.1	59.7	54.9	55.1
Others .....	21	56.9	58.1	42.6	44.6
<b>By type of store</b>					
Department stores (over \$1 million) .....	16	65.7	66.0	46.8	48.2
Department stores (under \$1 million) .....	12	52.8	53.6	45.8	46.6
Dry goods and apparel stores .....	5	72.3	72.0	50.2	56.8
Women's specialty shops .....	16	59.7	57.8	50.7	52.4
Men's clothing stores .....	10	62.0	64.7	54.5	54.7
<b>By volume of net sales (1950)</b>					
Over \$3,000,000 .....	14	66.3	66.1	46.8	48.5
\$1,500,000 to \$3,000,000 .....	7	59.1	60.1	54.8	56.6
\$500,000 to \$1,500,000 .....	16	58.2	58.5	51.7	50.7
\$250,000 to \$500,000 .....	13	47.5	49.8	46.6	48.9
Less than \$25,000 .....	9	52.0	53.8	40.8	45.9

\*Credit sales divided by net sales.

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

and in the budget or economy price ranges. Bargain appeals still draw customer response. Advertising expenditures in 1951 exceeded 1950 by 14%; and a further increase of about 7.7% is reportedly planned for 1952.

**Survey of early spring trade.** Easter sales over much of the nation were disappointing. Hard-goods lines failed to support their share of volume; and the upturn in soft lines was not sufficient to fill the gap. Retail sales in the Southwest trailed behind national figures in 12 of the first 16 weeks of 1952.

In Texas, with 2,950 stores reporting and one less business day than in 1951, total retail sales in March topped those of February by 7% but slipped 11% from a year earlier. For January-March nondurable goods lagged behind the same months of 1951 by only 2%, while durables fell off 14%.

The March ratio of credit sales to total retail sales in 59 Texas department and apparel stores stood at 64.2%, exactly equalling the ratio of a year before. Earlier March averages were: 1950, 66.0%; 1949, 62.9%; 1948,

62.6%; 1947, 56.8%; 1946, 51.8%. The average collection ratio for March was 47.8%, down from the 49.3% of a year earlier but well above all intervening months. Earlier March ratios were: 1950, 50.5%; 1949, 53.3%; 1948, 53.5%; 1947, 58.9%; 1946, 67.4%.

POSTAL RECEIPTS					
City	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>Total*</b> .....	\$5,002,106	\$4,793,296	\$4,573,249	+ 9	+ 4
Arlington .....	8,782	6,827	4,415	+ 99	+ 29
Bastrop .....	1,605	1,523	1,439	+ 12	+ 5
Borger .....	11,781	9,356	12,275	- 4	+ 26
Brady .....	3,660	5,406	3,525	+ 4	- 32
Brownfield .....	4,320	7,065	5,447	- 21	- 39
Cameron .....	8,223	6,111	5,065	+ 62	+ 35
Childress .....	4,841	4,665	4,591	+ 5	+ 4
Cisco .....	3,678	4,575	3,419	+ 8	- 20
Cleburne .....	9,652	9,620	8,381	+ 15	x
Coleman .....	5,218	4,626	4,306	+ 21	+ 13
Cotulla .....	1,254	1,165	1,119	+ 12	+ 8
Crystal City .....	2,366	2,604	2,591	- 9	- 9
Cuero .....	4,177	3,910	3,987	+ 5	+ 7
El Campo .....	6,557	6,045	5,020	+ 31	+ 8
Gainesville .....	7,543	7,826	7,134	+ 6	- 4
Garland .....	9,007	8,202	7,901	+ 14	+ 10
Giddings .....	2,481	2,497	2,118	+ 17	- 1
Gladewater .....	4,406	4,572	4,230	+ 4	- 4
Goldthwaite .....	1,459	1,367	1,336	+ 9	+ 7
Graham .....	4,377	4,478	4,645	- 6	- 2
Granbury .....	1,111	829	928	+ 20	+ 34
Hillsboro .....	5,470	5,200	5,003	+ 9	+ 5
Huntsville .....	5,900	6,116	.....	.....	- 4
Jacksonville .....	8,472	10,733	7,071	+ 20	- 21
Kenedy .....	2,733	2,787	2,191	+ 25	- 2
Kerrville .....	6,983	7,158	6,645	+ 5	- 2
La Grange .....	3,376	3,478	3,793	- 2	+ 7
Littlefield .....	4,215	4,466	3,883	+ 9	- 5
Luling .....	2,859	2,363	3,096	- 8	+ 21
McKinney .....	6,644	7,455	6,124	+ 8	- 11
Mission .....	5,720	5,698	5,216	+ 10	x
Navasota .....	3,882	2,831	3,535	+ 10	+ 37
New Braunfels .....	11,633	9,831	8,931	+ 30	+ 18
Orange .....	14,668	12,768	12,180	+ 20	+ 15
Palestine .....	7,752	8,774	9,052	- 14	- 12
Pampa .....	13,049	12,866	11,079	+ 18	+ 1
Pasadena .....	7,215	10,400	9,390	- 23	- 31
Snyder .....	8,753	9,151	8,726	x	- 4
Sweetwater .....	14,147	12,010	15,073	- 6	+ 18
Uvalde .....	5,584	5,529	4,772	+ 17	+ 1
Vernon .....	7,815	8,844	8,105	- 4	- 12
Victoria .....	14,941	16,917	13,698	+ 9	- 12
Yoakum .....	9,320	8,072	9,576	- 3	+ 15

\*The total includes receipts for cities which are listed individually under "Local Business Conditions."

xChange is less than one half of one percent.

**Secondary trade indicators.** Advertising lineage in 29 Texas newspapers in March equalled that of February and exceeded March 1951 by a nominal 2%. Of these 29 papers, 26 topped February, some by small amounts, while only 11 bettered March 1951.

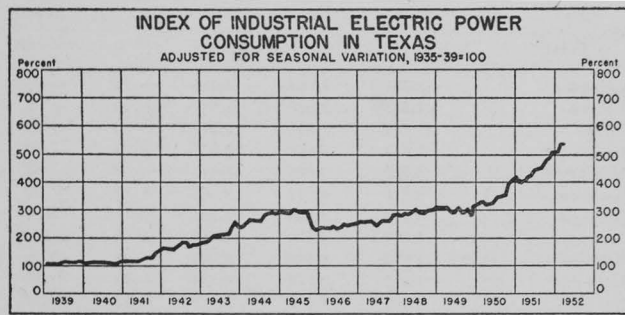
Sales of gasoline subject to tax totaled 230,114,000 gallons in February, 2% below January but 14% over February 1951. Gasoline sold to the federal government amounted to 65,917,000 gallons, 23% more than in January and 26% above a year earlier.

A. HAMILTON CHUTE



## INDUSTRIAL PRODUCTION

**March electric power use.** The index of industrial electric power consumption, a leading barometer of Texas industrial activity, edged upward to 537% of the 1935-39 average during March, topping the February index level by one point. Although very slight at times, increases in the index of industrial electric power consumption in the state have been registered every month since early 1951. The March total is almost one third



above that of a year ago. After adjustment for seasonal variation, the index of total electric power consumption in the state rose 5% from the February level. Actual percentage changes were +1 (industrial), -1 (residential), -3 (commercial), and +12 (other uses). The Defense Production Authority recently upped its electric power expansion goal for the 3-year period beginning with 1952, from 30 million kilowatts to 32 million. The move was made possible by extension of the period previously set for the completion of the nation's defense expansion program.

**Industrial developments.** Among the state's newest plants is the recently opened \$1-million installation of the Houston Oxygen Company, the nation's first industry

world, from the plant, which also produces liquid oxygen, liquid nitrogen, and argon. Meanwhile, the Ethyl Corporation's new \$50-million plant for production of Ethyl fluid of which tetraethyl lead is the prime active ingredient, is within three months of full-scale production with some work already underway. Benzene hexachloride, used widely as an agricultural insecticide,

**ELECTRIC POWER CONSUMPTION**  
(in thousands of kilowatt-hours)

Use	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>Total</b>	956,587	942,548	754,844	+ 27	+ 1
Commercial	170,547	175,608	149,810	+ 14	- 3
Industrial	469,516	466,727	360,717	+ 30	+ 1
Residential	149,940	152,038	126,494	+ 19	- 1
Other	166,584	148,175	117,823	+ 41	+ 12

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

metallic sodium, and salt cake will all be by-products of the installation sold in commercial quantities.

**Drilling activity.** Continuing to increase from the comparable 1951 period, the total well completions in the state numbered 4,426 for the first quarter of 1952. Of the 1,343 wells drilled during March, 846 produced oil and 60, gas; the remaining 437 were dry holes. The largest number (431) of wells were completed in North Central Texas, as were the most dusters (180). The

**WELL COMPLETIONS**  
Source: *The Oil and Gas Journal*

District	March 1952*				January-March	
	Oil	Gas	Dry	Total	1952	1951
<b>All Texas</b>	846	60	437	1,343	4,426	3,905
North Central Texas	247	4	180	431	1,367	1,152
West Texas	336	3	74	413	1,378	1,179
Panhandle	29	24	11	64	181	179
Eastern Texas	37	2	25	64	221	262
Texas Gulf Coast	112	19	62	193	658	571
Southwest Texas	85	8	85	178	621	562

\*For four weeks ending March 29, 1952.

greatest number of oil producers were put down in West Texas (336); the Panhandle held a like position for gas strikes, with 24 new producing wells.

**Petroleum production.** Comparing 1951 reported petroleum output with that of 1950, the Oil and Gas Division of the Railroad Commission of Texas has reported a 20% increase. The increase for 1951 came to 990,981,986 barrels, including December's 85,369,528 barrels. By districts, yearly gains ranged from 4% in District IX to 70% in District VIIc; only District X registered a decline, 8%. Districts II, V, and VIII reported increases of 23, 43, and 29%, respectively. District VIII topped all others with a total of over 341.6 million barrels produced, followed by districts III and VI with approximately 171.4 and 141.3 million barrels, respectively.

## TEXAS INDUSTRIAL ACTIVITY

Source: Bureau of the Census, U. S. Department of Commerce, and State Comptroller of Public Accounts

Item	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>Value of carbon black produced (000's)</b>	\$ 3,061	\$ 3,629	\$ 4,206	- 27	- 16
<b>Cotton (in running bales)</b>					
Cotton consumed	11,814	12,344	15,785	- 25	- 4
Linters consumed	2,772	2,815	4,021	- 31	- 2
<b>Cotton spindles</b>					
Spindles in place	222	222	213	+ 4	0
Spindles active	204	211	202	+ 1	- 3
Total spindle hours	82,000†	89,000	95,000	- 14	- 8
Average spindle hours	369	401	446	- 17	- 8
<b>Crude oil</b>					
Value (000's)	\$208,639	\$214,368	\$195,351	+ 7	- 3
Production (000's bbl.)	80,741	84,007	75,529	+ 7	- 4

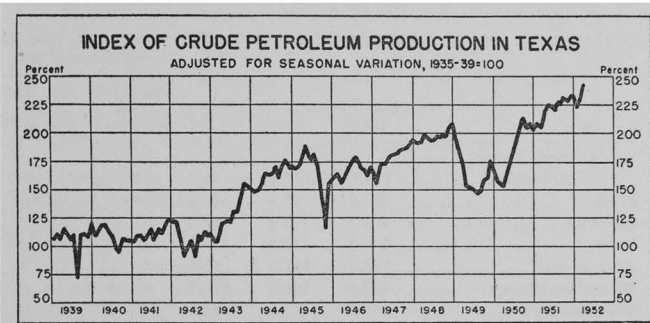
†For five weeks ending March 29, 1952.

of its kind operated by an independent company. Industrial users of dry oxygen gas in the Houston area are served through a pipeline, the first such line in the



March daily average crude petroleum production again registered an increase from the preceding month (1%), and seasonal adjustment of this figure boosted the rise to 6%, about 11% over the March 1951 level. Crude petroleum output now stands at 243% of the 1935-39 average.

According to *The Oil and Gas Journal*, the world's total crude oil output soared to a new record high during February. Largely responsible for the record production level were increased production in the United States and in the Kirkuk field in Iraq. The latter in-



crease was necessary in order to fill the 556-mile pipeline to Banias, Syria, the largest pipeline in the world. With world production in February averaging slightly over 12 million barrels a day, 1.5% up from the preceding month, output in this country totaled 6,359,000 barrels daily. The nation's production level, rising to the highest point since October 1951, provided about 80% of the world production increase over the January figure.

#### TOTAL AND MARKETED PRODUCTION OF NATURAL GAS

(in millions of cubic feet)

Source: Oil and Gas Division, Railroad Commission of Texas

Item	Feb 1952	Jan 1952	Feb 1951	Percent change	
				Feb 1952 from Feb 1951	Feb 1952 from Jan 1952
<b>Total production</b>	412,967	432,953	356,669	+ 16	- 5
Gas-well gas	316,724	335,013	277,511	+ 14	- 5
Sweet gas	287,399	304,535	250,322	+ 15	- 6
Sour gas	29,324	30,478	27,189	+ 8	- 4
Casinghead gas*	96,244	97,940	79,158	+ 22	- 2
<b>Marketed production</b>	351,679	366,911	291,660	+ 21	- 4
Gas-well gas	244,903	257,691	213,753	+ 15	- 5
Casinghead gas	83,824	85,805	67,921	+ 23	- 2
Comingled gas†	22,952	23,415	9,986	+130	- 2
<b>Transmission lines</b>	266,853	278,300	211,567	+ 26	- 4
Consumed in state	103,107	107,140	84,226	+ 22	- 4
Exported from state	163,751	171,160	127,341	+ 29	- 4
Percent of marketed production	47	47	44	+ 7	0
<b>Carbon black manufacture</b>	23,508	25,000	27,485	- 14	- 6

\*Total casinghead gas produced, excluding gas legally vented at the oil well.

†Casinghead and gas-well gas combined in gasoline plant operations.

**Refining activity.** Crude runs to stills in Texas came to 61,223,000 barrels during March, bringing the seasonally adjusted index to 220 (1935-39=100). The February level was 213, and that of March a year ago, 203.

Only gasoline stocks (up 5%) bucked the downward trend of the nation's refinery stocks; residual fuel, kerosene, and distillate were down from February 2, 12, and 14%, respectively. On the other hand, in the year-to-

#### REPORTED PETROLEUM PRODUCTION

(in barrels)

Source: Oil and Gas Division, Railroad Commission of Texas

Oil and gas district	Dec 1951	January-December		Percent change
		1951	1950	
<b>All districts</b>	85,369,528	990,981,986	823,264,276	+ 20
District 1	1,019,741	11,996,941	10,567,111	+ 14
District 2	4,990,645	58,943,729	48,116,252	+ 23
District 3	14,281,270	171,383,787	144,516,023	+ 19
District 4	7,895,915	92,425,279	76,179,485	+ 21
District 5	1,602,324	18,967,639	13,240,387	+ 43
District 6	12,103,825	141,347,781	130,663,967	+ 8
District 7b	2,702,669	30,149,165	25,987,815	+ 16
District 7c	3,645,768	35,988,102	21,167,096	+ 70
District 8	29,726,661	341,617,737	264,357,488	+ 29
District 9	4,867,015	57,210,607	54,793,138	+ 4
District 10	2,533,695	30,951,219	33,675,514	- 8

year comparisons, all but residual (-2%) showed gains (from 4 to 11%). Texas stocks of gasoline, up 2% from the preceding month, were joined by residual, up 9%. All refinery stocks in the state were up from March a year ago, residual leading the way by soaring 48%.

**Texas chemical industry.** Development of a new soil-conditioning chemical, Krilium, has been disclosed by officials of Monsanto Chemical Company. The uses of this product are discussed in *Agriculture*, page 12. Monsanto does not plan construction of a separate plant for production of Krilium at this time. Rather, they will make use of equipment at existing installations, in order that commercial production may be hastened. Monsanto has also announced: (a) a sizable addition to a styrene

#### REFINERY STOCKS

(in thousands of barrels)

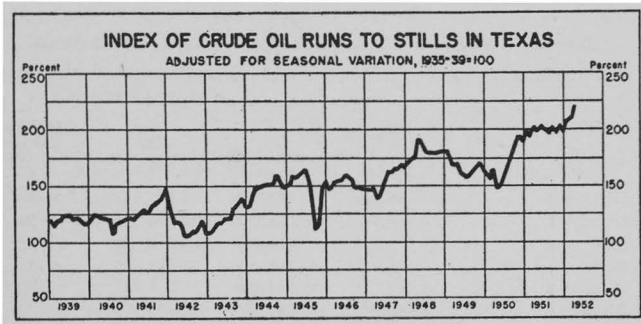
Source: *The Oil and Gas Journal*

Area and product	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
United States					
Gasoline .....	149,631	142,787	142,186	+ 5	+ 5
Distillate .....	45,109	52,489	43,170	+ 4	- 14
Residual .....	35,593	36,441	37,282	- 5	- 2
Kerosene .....	14,718	16,683	13,285	+ 11	- 12
Texas					
Gasoline .....	30,738	30,272	27,173	+ 13	+ 2
Distillate .....	7,550	8,687	6,072	+ 24	- 13
Residual .....	7,486	6,874	5,051	+ 48	+ 9
Kerosene .....	2,708	3,102	2,038	+ 33	- 13

Figures shown for week ending nearest last day of month.

monomer plant, to be in operation late this summer; (b) beginning of operations in a vinyl chloride monomer installation, also timed for late this summer; and (c) production by the end of this year in a new acrylonitrile plant, all three at Texas City. On the other side of the ledger, the Longhorn Tin Smelter in Texas City is continuing its layoff of workers and, according to the presi-

dent of the firm, the situation will probably get worse before it gets better. Shipments of Indonesian tin ore are not expected to begin arriving for approximately 90 days. At present, five of the plant's nine furnaces are shut down, and that number may well increase to seven or eight before new ore shipments begin coming in. Also,



the end of operations of the Cummer-Graham Company, Mineola, manufacturer of baskets, has been announced. An official of the firm says that the operation has been unprofitable for some time.

**Other industrial activities.** February cement production, approximately one third above that of a year before, slipped 1% seasonally from the January total. Southern Pine production and wheat ground during February fell 11 and 1% below the preceding month, but the seasonally adjusted index of cottonseed crushed edged upward 2% and stood 44% over the year-ago

#### MANUFACTURE OF DAIRY PRODUCTS

Product	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>Total production in milk equivalent (000's lbs)</b>	39,484	39,412	41,393	- 5	x
Creamery butter (lbs)	518	530	480	+ 8	- 2
Ice cream (gals)	1,776	1,699	1,850	- 4	+ 5
American cheese (lbs)	305	384	275	+ 11	- 21
Cottage cheese (lbs)	1,069	1,247	1,229	- 13	- 14
All others (lbs)	1,601	1,426	2,462	- 45	+ 12

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

figure. Prior to adjustment for seasonal variation, figures for cottonseed received at the mills during February, cottonseed crushed, and end-of-month stocks on hand all tumbled from January levels (68, 25, and 31%, respectively). Compared to a year ago, those same totals registered increases of 99, 44, and 27% in that same order. Cotton consumed during February, the latest month for which figures are available, slid 20% from January and 14% from February 1951. On the other hand, linters consumed in Texas climbed 31 and 21% in the same comparisons. Meanwhile, although cotton spindles in place and active were up 2 to 4% in both month-to-month and year-to-year comparisons, total spindle hours and average spindle hours were down from 12 to 18% from the same periods.

EUGENE O. BEARD

## PRICES

**BLS price indexes.** Retail prices remained on their high plateau through March, according to the Bureau of Labor Statistics Index of Consumers' Prices. The 187.9 index point of February 15 was barely lower than the even 188.0 for March 15. Moreover, all of the component price index series, as shown on the table below,

#### INDEXES OF CONSUMERS' PRICES

(1935-39=100)

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

Index	Mar 15 1952*	Feb 15 1952	Mar 15 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>United States, all items†</b>	188.0	187.9	184.5	+ 2	x
Food	227.6	227.5	226.2	+ 1	x
Clothing	203.5	204.3	203.1	x	x
Rent	140.5	140.2	134.7	+ 4	x
Fuel group	145.3	145.3	144.2	+ 1	0
Housefurnishings	207.6	208.6	210.7	- 1	x
Miscellaneous	170.7	170.2	164.3	+ 4	x
<b>Houston, all items†</b>	194.3	194.3	192.4	+ 1	0
Food	236.3	236.0	238.5	- 1	x
Clothing	219.5	219.4	219.8	x	x
Rent	†	170.8	†	-	-
Fuel group	98.5	98.5	98.6	x	0
Housefurnishings	205.0	205.4	205.3	x	x
Miscellaneous	172.9	173.0	167.2	+ 3	x

xChange is less than one half of one percent.

\*Preliminary.

†Comparison of indexes in different series (e.g. Houston and U.S.) does not show absolute relationships of prices in the areas or cities surveyed.

‡Not surveyed.

held unusually stable during the month; none changed by as much as one half of one percent. Approximately the same pattern prevailed in Houston; however, prices in Houston had risen measurably less since March 15, 1951 than had the average price level for all cities surveyed.

The recently revised BLS Index of Wholesale Prices continued its downward course, as tabulated in the next column. Every major component series is seen to be significantly lower this April than last. The index values for the current month listed in this table indicate the estimated weekly levels of the various series. They represent the latest monthly index figure adjusted up or down according to the results of a weekly survey of a few significant price lines, 200 of them, compared with the 5,000 prices collected for the computation of the comprehensive monthly index.

**Food price trends.** During March, the BLS conducted a complete survey of food prices in eight cities scattered across the United States. The object was to explain the estimated 0.4% rise in retail food prices between February and March. It was found that the one dynamic factor in the movement was the 6.2% gain in the average prices of fresh fruit and vegetables. Onions, for example, soared 28% during the month, and lettuce and tomatoes were each up 10%. The price of beef, spotlighted for months

Bureau of Business Research Publications

## Directory of Texas Manufacturers

New 1952 Edition

This authoritative listing of Texas manufacturing firms will soon be published. The directory will be complete with information on the ownership, address, number of employees, distribution, and products of each company. All firms are classified by location, and all are cross-indexed by products in a yellow-page section. Cities with populations over 2,500 are described in terms of their regional resources, transportation facilities, and market. Orders for first-run copies of this \$3.50 publication are now being accepted by the Bureau of Business Research.

as the most significant consumer food series, followed the general average exactly with a gain of just 0.4%.

Although beef prices have continued to rise slightly in some cases, the weakness of their gains suggests that the beef situation is considerably less firm than during past months. By late March, 85% of beef was selling

### INDEXES OF WHOLESALE PRICES IN THE UNITED STATES

(1947-49=100)

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

Group	1952*			Mar	Apr
	Apr 15	Apr 8	Apr 1	1952	1951
All commodities.....	111.5	111.6	111.8	112.3	116.3
Farm products.....	107.2	107.4	107.6	108.3	117.5
Food.....	107.9	107.9	108.3	109.2	111.8
All others.....	113.2	113.2	113.4	113.9	117.1

\*Estimates of the index for the week ending on date given.

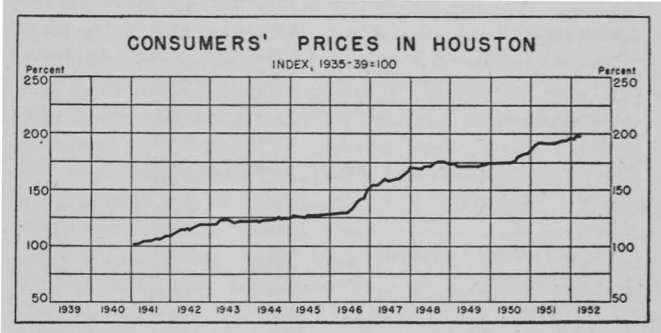
below OPS ceiling levels. The price of live beef animals was also softer, at Chicago's Union Stock Yards. Choice-grade steers that brought 40 cents a pound last April were selling for about 37 $\frac{1}{4}$  cents.

**The Veal Barometer.** The Department of Agriculture estimated the January 1 cattle population to be 88 million, the highest national level ever reported. Beef production last year, the lowest in nine years, left a heavy backlog of cattle on the range and in the feed lots. The year's gain totaled 6 million head. Ratios of veal output and prices to those for mature beef serve as significant indicators of current and future movements in the wholesale meat market. Recently termed "The Veal Barometer" by the *Wall Street Journal*, the status of veal sales for the past year is strong evidence that raisers have been holding back their calves for sale as beef, rather than sending them to market at veal age. The 1951 veal pro-

duction level, lowest since 1940, was far enough below demand to encourage black-marketing of veal. Chicago packers have also been aware that farmers have tended to keep their herd-building female calves and to market a disproportionate number of bullocks. Livestock experts widely expect that the nation will have 100 million cattle by early 1956, a herd big enough to support a beef market one third larger than the current one. And even at the present level of consumption, major marketers believe, beef prices will have to be reduced unless demand improves. The normal profit margin on a \$300 steer at the packing plant ranges from \$1 to \$5. Yet, during the last month, major packers have reported losses as great as \$15 a head.

Pork has exerted a particularly strong deflationary influence upon beef prices. Between 1937 and 1941, the average price of pork was 9.1 cents a pound lower than that of beef. By last year, the differential had widened to 40.8 cents. The 1951 average beef price was 85.7 cents a pound at retail, while pork averaged only 44.9 cents. At that, cold storage space is glutted with pork stocks, which totaled 786 million pounds on March 1, about 22% more than a year before.

**The beef-price cycle.** A noted agricultural economist from Louisiana State University reported during April



on a first-hand survey of the cattle industry in 51 countries. For 150 years, he said, beef cattle have followed a 14-year cycle, with the cattle population rising for 7 years, then falling for the next 7. This year is the fourth in a current upward movement, the analyst stated, and in another two or three years there will be an adjustment in the number of cattle. With a record high in the national herd by that time, there will be strong downward pressure on beef prices. The economist congratulated Texas cattlemen for not overstocking during the last year. While the national cattle total has risen 12%, the Texas figure has gone up only 2%.

**Restaurant prices curbed.** The nation's 300,000 restaurants recently found their prices frozen at the level of February 3-9. Formerly subject to a flexible price-control formula based on pre-Korea sales and costs, the \$12-billion-a-year restaurant business is now subject to the new freeze order, which can be changed only by the OPS. These changes in allowable prices will be issued from time to time mainly on the basis of shifts in the BLS index of wholesale food prices.

ROBERT H. RYAN

## AGRICULTURE

**Drought situation relieved.** Not just April showers, but April rains were desperately needed by Texas farmers to halt the drought that threatened a loss of \$1 billion to the state's farm income. By the middle of April, soaking rains over most of Texas had broken the dry spell and promised partial relief from the long drought.

Reports indicated that by the third week of April, the eastern half of the state was in excellent shape for farming. However, some areas of the Gulf Coast region, particularly in Harris, Chambers, Jefferson, and Orange counties, suffered damage from excessive rain. Rice, corn, and potatoes were all reportedly damaged.

The Lower Rio Grande Valley is the most critical drought area remaining. Yet, even in the extreme south of the Valley, cotton prospects were better than the meager rainfall would indicate. In Willacy County, for

### FARM CASH INCOME\*

(in thousands)

Commodity	January-March		
	1952	1951	Percent change
<b>Texas</b>	<b>\$254,860</b>	<b>\$261,051</b>	<b>- 2</b>
Cotton	35,982	11,465	+ 214
Cottonseed	6,971	2,756	+ 153
Wheat	3,736	373	+ 902
Oats	416	1,847	- 77
Corn	3,910	5,320	- 27
Grain sorghum	10,012	17,361	- 42
Peanuts	1,376	3,842	- 64
Rice	—	5,518	- 100
Cattle	50,232	77,085	- 35
Calves	15,455	17,936	- 14
Hogs	10,102	11,376	- 11
Sheep and lambs	3,087	3,618	- 15
Wool	5,249	750	+ 600
Mohair	1,953	3,030	+ 36
Poultry	13,462	11,331	+ 19
Eggs	20,187	26,852	- 25
Milk and milk products	57,510	52,636	+ 9
Fruit and vegetables	15,220	7,955	+ 91

\*Farm cash income as computed by the Bureau understates actual farm cash income by from 6 to 10%. This situation results from the fact that means of securing complete local marketings, especially by truck, have not yet been fully developed. In addition, means have not yet been developed for computing cash income from all agricultural specialties of local importance in scattered areas. This situation does not impair the accuracy of the index shown on page 24.

example, cotton was still in better-than-average condition before the rain of the third week of April. The generally bright agricultural outlook for Willacy County was based on a \$4-million crop of onions, the best in years. Also, the potato crop was good, and a small but extremely valuable tomato crop appeared to be in good shape, despite weather damage.

**Braceros needed on farms.** An adequate supply of farm labor may be available in Texas in the near future as the result of a proposed labor-agreement conference between representatives of the United States and Mexico. This is encouraging to fruit growers and farmers who have lost needed workers to the hundreds of new industries established annually. Officials of the Texas Employment Commission predict a 122,000-man shortage

### INDEXES OF PRICES RECEIVED BY FARMERS IN TEXAS

(1909-14=100)

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

Product	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>All farm products</b>	345	350	396	- 13	- 1
All crops	303	300	331	- 8	+ 1
Food grains	244	246	254	- 4	- 1
Feed grains and hay	242	247	210	+ 15	- 2
Potatoes and sweet potatoes	297	297	182	+ 63	0
Fruit	242	242	47	+415	0
Truck crops	480	416	395	+ 22	+ 15
Cotton	293	295	340	- 14	- 1
Oil bearing crops	335	339	471	- 29	- 1
Livestock and products	401	415	482	- 17	- 3
Meat animals	515	532	592	- 13	- 3
Dairy products	287	293	269	+ 7	- 2
Poultry and eggs	214	222	245	- 13	- 4
Wool	342	373	776	- 56	- 8

of cotton pickers next season. Moreover, the lack of migratory laborers is partially blamed for the vast reduction of vegetable acreage in the Rio Grande Valley.

**Cost of irrigation water.** In a recent booklet (Bulletin No. 745) published by the Texas Agricultural Experiment Station, irrigation costs in the High Plains region are analyzed. The study indicates that the cost of developing and equipping a new irrigation well during the years 1947-1949 ranged between \$4,000 and \$5,000. The booklet discusses the use of three different groups of internal-combustion engines and three types of combustion fuel, as well as electrically-powered installations. Where natural gas was available close to the well site, units powered with that fuel showed the lowest average cost per acre-foot of water pumped.

### SHIPMENTS OF VEGETABLES\*

(in carloads)

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

Product	January-March		
	1952	1951	Percent change
<b>Total, all vegetables</b>	<b>12,359</b>	<b>5,539</b>	<b>+ 123</b>
Beets	154	34	+ 353
Broccoli	54	3	+1700
Cabbage	2,175	461	+ 372
Carrots	2,548	1,727	+ 48
Cauliflower	162	57	+ 184
Lettuce	938	745	+ 26
Onions	457	12	+2703
Peppers	9	—	—
Potatoes	20	—	—
Spinach	1,073	532	+ 102
Tomatoes	8	—	—
Turnips	40	4	+ 900
Greens	8	7	+ 14
Mixed vegetables	4,713	1,951	+ 142

\*Fruits usually shown on this table are not included pending the start of the fruit season.

The high percent changes result largely from variances in the crop-season from year to year.



Electricity was next, followed by butane and gasoline. While the amount of pump repairs is closely related to the hours of operation, overhead charges seemed to favor electric over internal combustion engines. The yield of the well is the most important single factor in the determination of cost per acre-foot of irrigation water. High pumping costs were found with low-yield

tioner based on a synthetic resin. A water-soluble chemical which may be applied to the land by mixing or spraying, Krilium causes the soil particles to form tiny lumps. The result is an improved soil structure, which allows better aeration and water absorption. This characteristic may be tremendously important in the future as a means of erosion control and, possibly, flood control.

Crop yields and nutrient utilization can be materially improved when a granular and loose soil structure is developed. Krilium is reported to be capable of increasing crop output by 20 to 45% under favorable conditions.

JOSEPH O. EASTLACK, JR.

## COTTON

**Four-year low in cotton stocks.** The cotton balance sheet as of April 1 indicates that U. S. cotton stocks are more than 100,000 bales lower than at the same time last year. In the years since 1929, lower figures were registered in only two Aprils, in 1947 and again in 1948. In those two years, supplies were nearly 300,000 bales less than this year.

World production for this crop year, ending July 31, is approximately 34.5 million bales; world consumption for the same period will total about 31 million bales. The total world supply of cotton outside the Iron Curtain countries for the year ending this coming July 31 will be some 37.2 million bales. Consumption in the same area will be about 24.7 million bales, leaving a carryover of around 12.5 million bales, about 2.6 million bales more than last year's carryover figure. However, almost all of this increase in carryover will be outside the United States.

These foregoing data raise practical problems for farmers who must formulate their own cotton policies. They must decide how many acres to plant to cotton and what to do with loan stocks. They must also consider the fact that the indicated market price for the 1952 crop will be lower than that for the 1951 crop. The price being offered for new crop cotton, three cents a pound less than the old crop price, suggests that farmers must think carefully before carrying unsold cotton into the coming fall.

A. B. Cox

### SHIPMENTS OF LIVESTOCK

(in carloads) \*

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

Classification	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>Total shipments</b>	4,426	4,246	5,378	- 18	+ 4
Cattle	2,809	2,678	3,709	- 24	+ 5
Calves	375	448	452	- 17	- 16
Hogs	978	864	946	+ 3	+ 13
Sheep	264	256	271	- 3	+ 3
<b>Interstate plus Fort Worth</b>	4,299	3,441	5,144	- 16	+ 25
Cattle	2,716	1,920	3,526	- 23	+ 41
Calves	355	413	408	- 13	- 14
Hogs	977	854	943	+ 4	+ 14
Sheep	251	254	267	- 6	- 1
<b>Intrastate minus Fort Worth†</b>	127	805	234	- 46	- 84
Cattle	93	758	183	- 49	- 88
Calves	20	35	44	- 55	- 43
Hogs	1	10	3	- 67	- 90
Sheep	13	2	4	+225	+550

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

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

wells, regardless of the power plant or fuel used. Also, costs averaged higher for wells used only a small portion of the day. The best way to achieve low-cost production from irrigation wells is through planning a balanced system from the start. The study indicates that maximum possible yield per well and full-time operation are the two most significant factors in determining efficiency.

**Agricultural chemical news.** The *Agricultural News Letter* of the Federal Reserve Bank of Dallas for April 15 features a discussion of Krilium, a new soil condi-

### COTTON BALANCE SHEET FOR THE UNITED STATES AS OF APRIL 1, 1952

(in thousands of running bales except as noted)

Year	Carryover Aug 1	Imports to Apr 1*	Government final ginnings total Mar 20	Total	Consumption to Apr 1	Exports to Apr 1	Total	Balance as of Apr 1
1941-42	12,367	220	10,495	23,082	7,502	773	8,275	14,807
1942-43	10,590	160	12,438	23,188	7,500	720	8,220	14,968
1943-44	10,687	118	11,129	21,934	6,806	851	7,657	14,277
1944-45	10,727	89	11,839	22,655	6,509	1,020	7,529	15,126
1945-46	11,164	231	8,813	20,208	5,957	2,002	7,959	12,249
1946-47	7,522	193	8,513	16,228	6,919	2,634	9,553	6,675
1947-48	2,521	210	11,549	14,280	6,302	1,326	7,628	6,652
1948-49	2,823	146†	14,540	17,509	5,565	2,381†	7,946	9,563
1949-50	5,283	178†	15,900	21,361	5,977	3,068†	9,045	11,316
1950-51	6,846	151†	9,899	16,896	7,252	2,578†	9,830	7,066
1951-52	2,179	65†	15,050	17,294	6,213	4,137†	10,350	6,944

The cotton year begins August 1.

\*In 478 pound bales.

†To March 1 only.

## LABOR

**National employment levels off.** Total nonfarm employment throughout the nation remained static during February and March at a level of 53.7 million, according to latest figures released by the Bureau of Labor Statistics.

February and March usually witness an upswing in nonfarm employment because of increased seasonal demands in retail trade, construction, and durable goods

### LABOR IN SELECTED TEXAS MARKETS

Source: Texas Employment Commission

Classification	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
Nonagricultural civilian					
labor force .....	1,576,340	1,568,765	1,485,240	+ 6	x
Unemployment .....	52,290	54,615	45,490	+ 15	- 4
Placements .....	31,499	31,747	33,352	- 6	- 1
Percent of labor					
force unemployed ....	3.3	3.5	3.1	+ 6	- 6

xChange is less than one half of one percent.

manufacturing. Although it has been present in every postwar year with the exception of 1949, this seasonal pattern did not appear this year. The failure of the trend to materialize did not produce increased unemployment; rather, unemployment remained at the lowest historical level for any March since World War II, 1.8 million. However, the steady upward climb of employment (seasonally adjusted), which has been in force since May 1950, seems to be leveling off.

The BLS has recently analyzed the labor reserve of workers who might constitute future additions to the labor force. Their study, although based on the latest available figures, shows the status of the labor reserve of about a year ago.

They found only 13 million workers with substantial paid work experience among the reserve. Of these, women compose 85%, half of whom are mothers of small children. Actually only about 5 million women with work experience and without small children are within the ages of 20 to 65 and might be expected to fill jobs. Most of the male sector of the labor reserve (15%), consists of men past retirement age or in schools. In view of the results released by the BLS, it is apparently becoming harder to realize any expansion of the active labor force.

**Texas employment increases.** Texas jobless in the 17 key cities tabulated numbered 2,325 fewer in March than in the preceding month. The Texas Employment Commission reports that of the 1,576,340 workers comprising the nonfarm labor force, only 52,290 (3.3%) were unemployed during the month.

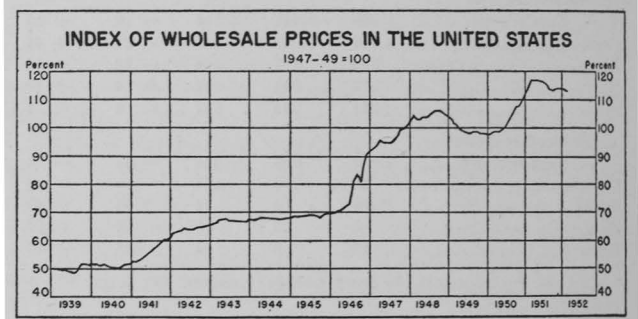
The Beaumont-Port Arthur area, Austin, and Texarkana labor markets showed greatest gains in employment with unemployment decreases of 14, 13, and 11%, respectively. Jobseekers increased in Waco and Amarillo, however, for unemployment increased 25% in the former and 7% in the latter. Throughout the state, unemployment took a downward turn in nine of the reporting

areas, six experienced an increase in unemployment, and two reported no change.

The downward trend in employment at Amarillo has caused unemployment to climb from 1,100 in December to 1,500 in March. The situation is expected to improve during the next few months, for recruitment of urgently needed civilian employees at the Amarillo Air Force Base is currently underway. Base officials have offered employment for 500 workers in various capacities.

From 1,842 applicants, the TEC office in Austin placed 1,239 workers in Travis County during March. Unemployment during the period was reduced to 1,765, nearly equal the 1951 average. Seasonal expansion in contract construction, wholesale-retail trade, and service establishments indicates increased employment in the area for the months ahead.

**Pay scales in the Southwest.** The Department of Labor has released the findings of a recent study conducted in 26 industrial chemical plants to determine



hourly wages. The survey revealed that maintenance electricians led the group with earnings averaging \$2.30 per hour. Experienced chemical operators and their helpers followed with average earnings from \$1.95 down to \$1.60 per hour. Clerical workers received the lowest earnings, ranging from \$1.00 to \$1.60 per hour.

FRANK T. CADENA

Bureau of Business Research Publications

### A Survey of Bank and Department Store Employee Handbooks

(Personnel Study No. 4)

William R. Spiegel, Dean and Distinguished Professor of Management, and

E. Lanham, Assistant Professor of Management, both of the College of Business Administration, The University of Texas.

This study, to be published in the immediate future, analyzes the practices of 193 leading banks and department stores throughout the nation in regard to their use of handbooks and printed guides for employees. Price, one dollar.

## FINANCE

**Texas boosts federal revenue.** Federal internal revenue collections in Texas totalled \$1,483 million during the first nine months of fiscal 1952, an increase of 19% over the comparable period a year ago. Although federal government receipts are generally higher throughout the entire nation, collections have risen more rapidly in Texas than elsewhere. The increase over last year can be attributed to higher tax rates, the rising prices of late 1950 and early 1951, and increase in productivity. As indicated in the accompanying table, the major portion of the increased receipts in Texas can be traced to higher income tax receipts (+18%) and larger withholding tax payments (+37%).

Federal administrative budget receipts amounted to \$44.2 billion in the period July 1-March 31 (the first nine months of fiscal 1952), while expenditures totalled \$47.5 billion, leaving a deficit in the administrative

#### CHANGES IN CONDITION OF WEEKLY-REPORTING MEMBER BANKS IN THE DALLAS DISTRICT

Source: Board of Governors of the Federal Reserve System

Item	Percent change*		
	Mar 1952 from Mar 1951	Mar 1952 from Feb 1952	Mar 1952 from Feb 1951
<b>Assets</b>			
Loans and investments .....	+ 7	- 1	x
Loans .....	+ 4	- 1	x
Total U.S. Government securities .....	+ 14	- 1	- 1
Treasury bills .....	+164	- 3	+ 12
Treasury certificates of indebtedness .....	—	- 3	0
Treasury notes .....	- 50	- 3	- 3
Bonds .....	+ 5	x	- 1
Other securities .....	0	- 1	+ 2
Reserve with Federal Reserve			
Banks .....	+ 16	+ 6	- 8
Cash in vaults .....	+ 5	- 13	+ 8
Balances with domestic banks .....	+ 39	+ 16	+ 2
<b>Liabilities</b>			
Total deposits (except interbank) .....	+ 6	+ 1	+ 1
Demand deposits (adjusted) .....	+ 4	- 2	x
Time deposits .....	+ 11	+ 1	- 1
U.S. Government deposits .....	+ 19	+ 91	+ 43
Interbank deposits .....	+ 32	+ 5	- 7
Domestic banks .....	+ 32	+ 5	- 7
Foreign banks .....	+ 67	+ 11	- 40
Capital accounts .....	+ 17	0	x

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

xChange is less than one half of one percent.

budget of \$3.3 billion. From the point of view of economic analysis, however, the cash budget, including various cash receipts not listed in the administrative budget and omitting certain accrued liabilities from expenditures, is the more important. Cash receipts and expenditures have been in approximate balance during the nine-month period; the cash deficit of \$5.6 billion in the first six months (July-December) was almost offset by a surplus of \$5.2 billion in the last three months (January-March). With the exception of 1949, the federal government has enjoyed a surplus in the cash budget during every calendar year since the end of World War II. The surplus reached an all-time peak of \$8 billion in 1948, a figure nearly \$2 billion higher

than the previous peak, reached in 1947. The surplus fell to \$450 million in 1950 but rose again to \$1.2 billion in 1951.

**Federal financing: red and black.** In an economy such as that of the United States, where government expenditures account for nearly one fourth of total expenditures, the relationship between government receipts

#### FEDERAL INTERNAL REVENUE COLLECTIONS

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

	July 1-March 31		
Source	1951-52	1950-51	Percent change
<b>Texas</b>	\$1,483,228,133	\$1,243,881,161	+ 19
Income	910,106,235	770,039,305	+ 18
Employment	17,171,446	36,883,605	- 53
Withholding	435,100,763	317,807,326	+ 37
Other	120,849,689	119,150,925	+ 1
<b>First District</b>	771,647,398	661,688,423	+ 17
Income	481,654,913	407,851,146	+ 18
Employment	4,096,820	3,664,270	+ 12
Withholding	223,251,424	184,712,493	+ 21
Other	62,644,241	65,460,514	- 4
<b>Second District</b>	711,580,735	582,192,738	+ 22
Income	428,451,322	362,188,159	+ 18
Employment	13,074,626	33,219,335	- 61
Withholding	211,849,339	133,094,833	+ 59
Other	58,205,448	53,690,411	+ 8

and expenditures is of considerable importance as a factor in the business situation. Although it is difficult to state exactly the economic consequences of an over-balanced, under-balanced, or balanced federal budget, some valid generalizations can be made. It is generally agreed that the incurrence of a deficit in the cash budget is inflationary, since the federal government is then spending more funds than it is extracting from the economy through taxation. For opposite reasons, a cash surplus tends to be deflationary. This analysis, although generally correct, fails to allow for the manner in which a budgetary deficit is financed and, conversely, the disposition which is made of a budgetary surplus. If, for example, a deficit is financed wholly or in large part with funds created by the Federal Reserve System, the effect is likely to be much more inflationary than if the

#### BANK DEBITS AND END-OF-MONTH DEPOSITS IN SELECTED TEXAS CITIES

(in thousands of dollars)

City	Bank debits			End-of-month deposits		
	Mar 1952	Feb 1952	Percent change	Mar 1952	Feb 1952	Percent change
Arlington .....	5,446	5,390	+ 1	6,354	5,972	+ 6
Bastrop .....	1,083	1,292	- 16	1,530	1,588	- 4
Caldwell .....	1,585	1,912	- 17	3,703	3,759	- 1
Cisco .....	2,525	2,144	+ 18	3,978	2,907	+ 2
Giddings .....	1,671	1,592	+ 5	4,153	3,977	+ 4
San Saba .....	2,291	2,726	+ 7	4,295	4,432	- 3
Terrell .....	4,619	4,995	- 8	8,050	8,184	- 2

deficit is financed through the sale of instruments such as savings bonds. On the other hand, a surplus that is used to retire debt held by the Federal Reserve banks is likely to be much more deflationary than one used to

retire government securities held by individuals. In the case of a balanced budget, the effects may well be neutral; however, the incidence of the taxes used in achieving the balance must be considered when analyzing the economic effects.

**\$14.4 billion deficit in 1952.** The President's proposed administrative budget of \$85.4 billion for fiscal 1952 involves a deficit of \$14.4 billion, a peacetime

#### BUSINESS FAILURES

Source: Dun & Bradstreet, Inc.

Item	Mar 1952	Feb 1952	Mar 1951	Percent change	
				Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
Number	5	6	10	- 50	- 17
Liabilities (in thousands)	\$1,553	\$ 329	\$1,177	+ 32	+372
Average liabilities per failure (in thousands)	\$ 311	\$ 55	\$ 118	+164	+465

record. The cash deficit would probably be about \$4 billion less than the administrative deficit. There is some indication that Congress will force some cuts in spending, and revenues may well exceed the projected amounts, thus reducing the amount of the deficit. It is apparent, however, that unless some unforeseen events allow a reduction in the defense program, deficit financing will be

#### REVENUE RECEIPTS OF STATE COMPTROLLER

Source: State Comptroller of Public Accounts

Source	September-March		Percent change
	1951-52	1950-51	
<b>Total</b>	<b>\$378,746,604</b>	<b>\$337,495,130</b>	<b>+ 12</b>
Ad valorem taxes	23,113,828	32,062,232	- 28
Natural and casinghead gas production taxes	10,073,435	7,712,496	+ 31
Crude oil production taxes	71,378,950	63,108,413	+ 13
Sulfur production taxes	2,849,649	2,858,091	x
Insurance companies and other occupation taxes	11,383,149	5,396,596	+111
Motor fuel taxes (net)	58,926,287	53,508,861	+ 10
Cigarette tax and licenses	19,742,102	18,799,159	+ 5
Alcoholic beverage taxes and licenses	11,780,811	11,345,668	+ 4
Automobile and other sales taxes	9,984,567	9,699,656	+ 3
Franchise taxes	2,204,029	1,626,801	+ 35
Mineral leases, rentals, and bonuses	11,218,524	5,198,218	+116
Oil and gas royalties	10,496,825	9,525,812	+ 10
Interest on deposits	136,437	91,038	+ 50
Interest on securities owned	6,776,512	6,106,162	+ 11
Unclassified receipts from county tax collectors	1,644,544	899,786	+ 83
Motor vehicle licenses, permits and miscellaneous	7,384,313	6,544,671	+ 13
Federal aid—highways	17,595,517	7,618,076	+131
Federal aid—public welfare	40,614,436	44,412,248	- 9
Federal aid—public education	10,942,589	12,829,423	- 15
Unemployment compensation taxes	10,423,224	9,118,026	+ 14
All other receipts	40,076,876	29,033,697	+ 38

Retirement contribution data previously shown in this table are now included in a restricted fund, not state revenue.

xChange is less than one half of one percent.

resorted to. The ultimate size of this deficit and the manner in which it is financed will be factors of extreme importance in the attempt to maintain economic stability in the coming months.

CHARLES E. WALKER

## FOREIGN TRADE

**\$7.5-billion export surplus.** During the final quarter of 1951, the U. S. export surplus on goods and services rose to an annual rate of \$7.5 billion, the highest rate since the British pound was devalued in 1949. This rise represents a substantial \$2.1 billion increase over the third-quarter rate. Loss of monetary reserves in the sterling area, some Latin American countries, and France moved those countries to adopt special dollar import restrictions.

The U. S. export surplus rose from \$460 million in the first quarter to \$1,863 million in the fourth. According to the Department of Commerce, the increase in exports during 1951 resulted from greater purchases of

#### FOREIGN TRADE THROUGH TEXAS CUSTOMS DISTRICTS

(in millions)

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

District	Jan 1952	Dec 1951	Jan 1951	Percent change	
				Jan 1952 from Jan 1951	Jan 1952 from Dec 1951
<b>Exports, total</b>	<b>\$ 178.2</b>	<b>\$ 194.7</b>	<b>\$ 113.6</b>	<b>+ 57</b>	<b>- 8</b>
District 21 (Sabine)*	9.6	11.4	8.1	+ 19	- 16
District 22 (Laredo)	34.2	30.3	38.3	- 11	+ 13
District 23 (Galveston)	130.1	68.6	143.3	- 9	+ 90
District 24 (El Paso)*	4.3	3.3	5.0	- 14	+ 30
<b>Imports, total</b>	<b>\$ 36.2</b>	<b>\$ 41.6</b>	<b>\$ 33.7</b>	<b>+ 7</b>	<b>- 13</b>
District 21 (Sabine)*	0.3	0.5	‡	.....	- 40
District 22 (Laredo)	8.2	5.0	5.3	+ 55	+ 64
District 23 (Galveston)	23.5	34.0	25.0	- 6	- 31
District 24 (El Paso)*	4.2	2.1	3.4	+ 24	+100

\*Customs districts 21 and 24 include Lake Charles, Louisiana, and Columbus, New Mexico, respectively.

‡Trade amounted to less than \$50,000.

goods and services by foreign buyers, for average prices, with the exception of shipping rates, did not rise appreciably through the year. It is believed that the rise in foreign demand was caused by the desire to increase inventories and the need for higher current requirements resulting from the present political situation.

Of the \$5-billion export surplus of goods and services in 1951, the merchandise account represented nearly \$4 billion. Machinery and vehicles, totalling approximately \$3.4 billion, led the major export item for the year. However, their importance declined in the final quarter, giving way to increased exports of tobacco and unmanufactured cotton. Increased cotton exports were made possible by the production of a large crop and were facilitated by the lifting of the U. S. export ban imposed in 1950 when the nation produced a short crop. Declining exports of durable consumer goods are the result of import restrictions imposed by many countries.

**Trade gap widens.** For the first time since November 1951, monthly exports of machinery and vehicles rose during February to reach \$419.7 million, an increase of 18% over January. Because of this increase in a segment where sales had fallen in previous months, the trade gap in February was further widened. Exports climbed to \$1,328.1 million and imports fell to \$892.1 million, compared to January's \$1,246.8 million and \$921.6 million, respectively.

FRANK T. CADENA



*Texas Economic Development, I:*

# The Future of Tourism in Texas

*(See cover chart)*

The United States has been swept by a benign sort of revolution during recent years. Neither political nor industrial, although primarily a result of industrialization, this is a revolution in vacations. The American people, an aging population with more cars and more leisure than ever before, more and longer paid vacations, and a higher standard of living, have gradually given over a greater part of their time and income to recreation.

Almost every American has become a tourist, at least potentially, and Texas, the internationally publicized Golden Land of magazine articles and advertisements, the dusty paradise of western movies, and the subject of half-envious tall tales by radio comedians, has shared profitably in the tourist bonanza.

By 1949, tourism was the fifth largest Texas industry—and growing. During the following year, an estimated \$713 million was spent on vacations in Texas, nearly half of that amount by out-of-state visitors. Such an amount of money, flowing into the tills of Texas business from outside the state, clearly indicates the importance of tourism in the Texas economy. Yet, there is good reason to think that Texas has not yet realized the full benefits of its tourist attractions.

During 1950, about 9% of the nation's vacations were spent in the West South Central portion of the country: Arkansas, Louisiana, Oklahoma, and Texas. This region lagged behind New England, and the Middle Atlantic, South Atlantic, East North Central, West North Central, and Pacific groups of states.<sup>1</sup> Although Texas attracted more visitors than the states surrounding it, many other states still outrank it.

They outrank Texas in other respects also. For example, in 1950 the 9,156,000 visitors to Texas spent approximately \$375.2 million, while a total of only 2,400,000 out-of-state tourists in the state of Washington spent an estimated \$122.7 million. Thus, Washington received about \$51.12 from each visitor, and Texas only \$40.97.<sup>2</sup> Further, it must be remembered that the Texas tourist season is year-long, while in many other states, like Washington, the season is limited to the warmer months. This fact, together with the great variety of tourist attractions in Texas, should enable Texas not only to attract many more tourists but also to induce them to stay longer and spend more money. Texas has greater geographical variety than any other state, a generally favorable climate, and a fascinating historical tradition. Mexico is easily accessible; also, many festivals and other interesting events are held each year, and most types of outdoor activity are or could be made available.

<sup>1</sup> *The Vacation Travel Market of the United States* (Nationwide Survey No. 2). Research Department of The Curtis Publishing Company, 1951.

<sup>2</sup> Data used in this comparison were supplied by the Texas Highway Department and the Bureau of Economic and Business Research, The State College of Washington.

The hotel and tourist court business and the restaurant trade in Texas bulk impressively large in the state's economic activity. In 1951, the 1,492 hotels and 2,016 tourist courts with their total of 93,680 rental units, and the 17,185 eating and drinking places (1948 census figures) scattered across the state received altogether more than 150 million tourist dollars. It is estimated that more than one fourth of the gross income of these service establishments is paid in wages to their employees.

However, according to information supplied the Bureau of Business Research by more than one hundred chambers of commerce throughout the state, the volume of restaurant and hotel trade should be much greater. Yet, present facilities are not adequate to handle even their current patronage. Lodging and food service are insufficient in both availability and quality in many of the important resort areas. For example, four communities near large lakes, which offer all types of water sports, have not provided enough inviting facilities to induce visitors to stay over; as a result, they have lost to other areas considerable amounts of income that they could have obtained with relatively small investment in lodging and eating places. Many complaints are made about the quality of services in various communities, and this condition is probably more detrimental to the tourist trade than mere insufficiency in the number of facilities. It has been suggested that one of Texas' greatest vacation centers should maintain stricter enforcement of its food laws. That such a criticism should be directed at any Texas resort town shows how great the need for improvement in food and lodging services.

Perhaps even more serious a handicap is the lack of a well-organized publicity program. There is definite need for tourist advertising to be done on the state level. The Texas State Highway Department does this to some extent, but its efforts are necessarily limited, and its work has been confined to answering inquiries and maintaining highway information bureaus at the state line. Several groups have advocated the creation of a Tourist and Industrial Agency. Others maintain that although state advertising should be done, the job is one that properly belongs to private enterprise. There are good arguments on both sides of this question. But whether a state agency or an association of private businesses conducts it, a state promotional campaign is essential to the full development of tourism in Texas.

Regional and local advertising programs and publicity stunts have already demonstrated that promotional activity on a state level would be a profitable investment. The most outstanding work done in this field in Texas so far is that of the Magic Valley Association in the Lower Rio Grande Valley. This organization has distributed thousands of folders, maps, and mimeographed letters in this country and in Mexico. National radio and newspaper advertising has been obtained by giving free

*(Please turn to page 23)*

# LOCAL BUSINESS CONDITIONS

City and item	Mar 1952	Percent change	
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>ABILENE: (pop. 45,570)</b>			
Retail sales .....	.....	- 12	+ 25
Department and apparel stores .....	.....	- 17	+ 20
Postal receipts .....	\$ 56,055	+ 17	+ 4
Building permits .....	\$ 1,054,398	- 2	+208
Bank debits (000's) .....	\$ 54,423	- 4	+ 13
End-of-month deposits (000's)* .....	\$ 54,985	+ 12	+ 2
Annual rate of deposit turnover .....	12.0	- 10	+ 12
Placements in employment .....	668	+ 12	+ 7
Nonagricultural civilian labor force .....	23,650	+ 7	+ 1
Unemployment .....	1,000	+ 18	0
Percent of labor force unemployed .....	4.2	+ 11	- 2
Air express shipments .....	231	- 12	+ 2

<b>AMARILLO: (pop. 74,246)</b>			
Retail sales .....	.....	- 5	+ 6
Automotive stores .....	.....	x	+ 7
Department and apparel stores .....	.....	- 10	+ 8
Drug stores .....	.....	+ 2	+ 17
Florists .....	.....	- 29	- 12
Food stores .....	.....	+ 1	+ 6
Furniture and household appliance stores .....	.....	- 29	+ 16
Office, store, and school supply dealers .....	.....	+ 9	- 4
Postal receipts .....	\$ 108,371	+ 9	+ 9
Building permits .....	\$ 2,157,348	+ 30	- 18
Bank debits (000's) .....	\$ 148,096	+ 8	+ 5
End-of-month deposits (000's)* .....	\$ 116,253	+ 20	+ 5
Annual rate of deposit turnover .....	15.7	- 6	+ 4
Placements in employment .....	1,590	+ 11	- 1
Nonagricultural civilian labor force .....	42,200	+ 12	x
Unemployment .....	1,500	+ 11	+ 7
Percent of labor force unemployed .....	3.6	0	+ 9
Air express shipments .....	430	- 18	+ 5

<b>BAYTOWN: (pop. 22,983)</b>			
Postal receipts .....	\$ 11,375	- 12	- 23
Building permits .....	\$ 302,130	- 66	+ 11
Bank debits (000's) .....	\$ 16,943	- 5	- 1
End-of-month deposits (000's)* .....	\$ 18,578	x	- 2
Annual rate of deposit turnover .....	10.9	- 8	- 2
Placements in employment (area) .....	6,330	+ 15	+ 7
Nonagricultural civilian labor force (area) .....	352,200	+ 3	+ 1
Unemployment (area) .....	8,300	+ 11	+ 2
Percent of labor force unemployed (area) .....	2.6	+ 18	+ 13

<b>BIG SPRING: (pop. 17,286)</b>			
Retail sales .....	.....	- 22	+ 3
Department and apparel stores .....	.....	- 18	+ 3
Postal receipts .....	\$ 16,183	+ 11	+ 9
Building permits .....	\$ 236,505	- 46	- 19
Bank debits (000's) .....	\$ 22,812	+ 7	+ 8
End-of-month deposits (000's)* .....	\$ 26,182	x	x
Annual rate of deposit turnover .....	10.5	+ 8	+ 9
Placements in employment .....	203	+ 12	- 1

<b>BRENHAM: (pop. 6,941)</b>			
Postal receipts .....	\$ 5,364	- 31	- 3
Building permits .....	\$ 82,875	+ 97	+219
Bank debits (000's) .....	\$ 5,415	- 14	- 1
End-of-month deposits (000's)* .....	\$ 9,915	+ 3	- 1
Annual rate of deposit turnover .....	6.5	- 18	+ 2
Placements in employment .....	98	.....	+ 13

For explanation of symbols, see p. 23.

City and item	Mar 1952	Percent change	
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>AUSTIN: (pop. 132,459)</b>			
Retail sales .....	.....	- 20	+ 11
Automotive stores .....	.....	- 17	+ 4
Department and apparel stores .....	.....	- 16	+ 23
Eating and drinking places .....	.....	+ 15	+ 14
Filling stations .....	.....	+ 7	+ 15
Food stores .....	.....	+ 8	+ 13
Furniture and household appliance stores .....	.....	- 2	+ 17
Lumber, building material, and hardware stores .....	.....	- 40	+ 2
Postal receipts .....	\$ 178,152	- 2	- 4
Building permits .....	\$ 3,144,431	+ 35	- 8
Bank debits (000's) .....	\$ 143,290	- 14	- 14
End-of-month deposits (000's)* .....	\$ 113,186	- 3	+ 6
Annual rate of deposit turnover .....	15.7	- 10	- 9
Placements in employment .....	1,239	- 8	+ 2
Nonagricultural civilian labor force .....	49,915	+ 3	x
Unemployment .....	1,765	+ 5	- 13
Percent of labor force unemployed .....	3.5	0	- 15
Air express shipments .....	534	- 16	- 2

<b>BEAUMONT: (pop. 94,014)</b>			
Retail sales .....	.....	- 8	+ 11
Automotive stores .....	.....	- 17	+ 11
Department and apparel stores .....	.....	- 12	+ 20
Eating and drinking places .....	.....	+ 36	+ 12
Food stores .....	.....	+ 5	+ 3
Furniture and household appliance stores .....	.....	+ 48	- 9
General merchandise stores .....	.....	- 13	+ 23
Lumber, building material, and hardware stores .....	.....	- 2	+ 9
Postal receipts .....	\$ 76,441	+ 2	+ 14
Building permits .....	\$ 386,143	- 26	- 52
Bank debits (000's) .....	\$ 132,320	+ 9	+ 8
End-of-month deposits (000's)* .....	\$ 101,326	+ 13	x
Annual rate of deposit turnover .....	15.7	- 1	+ 6
Placements in employment (area) .....	2,214	+ 32	+ 30
Nonagricultural civilian labor force (area) .....	76,750	x	- 1
Unemployment (area) .....	4,850	- 24	- 14
Percent of labor force unemployed (area) .....	6.3	- 25	- 14
Air express shipments .....	277	- 31	- 12
Water-borne commerce (tons) .....	14,959	- 48	- 66

<b>BROWNSVILLE: (pop. 36,066)</b>			
Retail sales .....	.....	+ 1	+ 22
Postal receipts .....	\$ 18,667	+ 5	- 11
Building permits .....	\$ 67,608	+ 16	- 82
Placements in employment .....	336	- 24	- 27
Air express shipments .....	485	+ 29	- 3
Tourists entering Mexico .....	2,468	.....	- 5
Tourist cars entering Mexico .....	914	.....	+206

<b>BRYAN: (pop. 18,102)</b>			
Department and apparel store sales .....	.....	- 11	+ 20
Postal receipts .....	\$ 15,577	+ 36	- 2
Building permits .....	\$ 256,799	- 12	+ 99
Placements in employment .....	198	+ 47	+ 13
Air express shipments .....	23	- 21	+ 77

For explanation of symbols, see p. 23.

# LOCAL BUSINESS CONDITIONS

City and item	Mar 1952	Percent change	
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>BROWNWOOD: (pop. 20,181)</b>			
Retail sales .....	.....	— 22	+ 4
Department and apparel stores .....	.....	— 22	+ 33
Postal receipts .....	\$ 16,363	+ 22	+ 15
Building permits .....	\$ 48,901	— 68	— 41
Bank debits (000's) .....	\$ 11,089	— 16	+ 6
End-of-month deposits (000's)* .....	\$ 13,118	— 2	x
Annual rate of deposit turnover .....	10.1	— 13	+ 6
Placements in employment .....	126	— 7	+ 19
Air express shipments .....	21	— 13	+ 17

<b>CORPUS CHRISTI: (pop. 108,287)</b>			
Retail sales .....		- 7	+ 9
Apparel stores .....		- 3	+ 40
Automotive stores .....		- 16	+ 1
Department stores† .....		+ 6	+ 11
Department and apparel stores .....		- 1	+ 28
Eating and drinking places .....		+ 30	+ 11
Food stores .....		+ 12	x
Lumber, building material, and hardware stores .....		- 9	+ 14
Postal receipts .....	\$ 102,271	+ 12	+ 4
Building permits .....	\$ 2,020,922	+ 60	+ 67
Bank debits (000's) .....	\$ 141,164	+ 9	+ 8
End-of-month deposits (000's)* .....	\$ 105,536	+ 14	+ 2
Annual rate of deposit turnover .....	16.2	- 1	+ 7
Placements in employment .....	1,505	+ 7	- 4
Nonagricultural civilian labor force .....	58,735	+ 4	x
Unemployment .....	1,735	- 31	- 9
Percent of labor force unemployed .....	3.0	- 32	- 6
Air express shipments .....	350	- 24	+ 1
Waterborne commerce (tons) .....	1,948,377	- 20	- 7

<b>CORSICANA: (pop. 19,211)</b>			
Department and apparel stores .....		- 15	+ 18
Postal receipts .....	\$ 13,133	+ 10	+ 18
Building permits .....	\$ 68,150	- 7	- 62
Bank debits (000's) .....	\$ 12,551	+ 2	x
End-of-month deposits (000's)* .....	\$ 22,518	+ 5	+ 1
Annual rate of deposit turnover .....	6.7	- 1	0
Placements in employment .....	174	+ 9	+ 9

<b>DEL RIO: (pop. 14,211)</b>			
Postal receipts .....	\$ 7,104	+ 20	+ 6
Building permits .....	\$ 113,970	+1359	+219
Bank debits (000's) .....	\$ 6,433	- 10	+ 6
End-of-month deposits (000's)* .....	\$ 10,130	+ 9	- 1
Annual rate of deposit turnover .....	7.6	- 17	+ 6
Air express shipments .....	22	- 69	- 24

<b>DENISON: (pop. 17,504)</b>			
Retail sales .....		- 10	+ 12
Department and apparel stores .....		- 32	+ 33
Postal receipts .....	\$ 12,249	+ 8	+ 4
Building permits .....	\$ 24,121	- 98	- 28
Bank debits (000's) .....	\$ 10,072	+ 9	- 4
End-of-month deposits (000's)* .....	\$ 12,793	+ 9	+ 4
Annual rate of deposit turnover .....	9.6	0	- 14
Placements in employment .....	208	- 35	- 24

<b>DENTON: (pop. 21,372)</b>			
Retail sales .....		- 21	+ 11
Department and apparel stores .....		- 18	+ 35
Postal receipts .....	\$ 14,717	- 8	- 21
Building permits .....	\$ 105,175	+ 29	- 51
Bank debits (000's) .....	\$ 9,885	- 4	- 5
End-of-month deposits (000's)* .....	\$ 12,335	+ 1	x
Annual rate of deposit turnover .....	9.6	-	- 5
Placements in employment .....	27	- 45	- 33

For explanation of symbols, see p. 23.

City and item	Mar 1952	Percent change	
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>DALLAS: (pop. 434,468)</b>			
Retail sales .....	.....	- 8	+ 9
Apparel stores .....	.....	- 11	+ 21
Automotive stores .....	.....	- 20	+ 7
Department stores† .....	.....	- 11	- 8
Department and apparel stores .....	.....	- 9	+ 18
Drug stores .....	.....	- 5	- 5
Eating and drinking places .....	.....	- 8	+ 8
Filling stations .....	.....	+ 5	+ 6
Florists .....	.....	- 28	- 26
Food stores .....	.....	+ 2	+ 10
Furniture and household appliance stores .....	.....	- 10	+ 7
Liquor stores .....	.....	- 3	+ 24
Lumber, building material, and hardware stores .....	.....	- 18	+ 7
Office, store, and school supply dealers .....	.....	+ 12	- 2
Postal receipts .....	\$ 1,310,115	+ 14	+ 4
Building permits .....	\$ 5,835,613	- 27	- 26
Bank debits (000's) .....	\$ 1,472,509	- 2	+ 11
End-of-month deposits (000's)* .....	\$ 997,578	+ 10	- 3
Annual rate of deposit turnover .....	17.4	- 12	+ 11
Placements in employment .....	5,085	- 11	- 6
Nonagricultural civilian labor force .....	284,300	+ 5	x
Unemployment .....	5,500	+ 38	- 4
Percent of labor force unemployed .....	1.9	+ 27	- 5
Air express shipments .....	8,388	- 12	+ 3

<b>EDINBURG (pop. 12,383)</b>			
Postal receipts .....	\$ 7,658	+ 4	+ 4
Building permits .....	\$ 46,285	- 42	+ 45
Bank debits (000's) .....	\$ 8,929	+ 9	- 2
End-of-month deposits (000's) .....	\$ 9,414	+ 20	- 3
Annual rate of deposit turnover .....	11.2	- 7	- 3
Placements in employment .....	346	+204	- 14
Air express shipments .....	8	- 43	- 11

<b>EL PASO: (pop. 130,485)</b>			
Retail sales .....		- 19	+ 6
Apparel stores .....		- 16	+ 16
Automotive stores .....		- 28	x
Department stores† .....		- 5	- 4
Department and apparel stores .....		- 8	+ 15
Drug stores .....		+ 4	- 2
Furniture and household appliance stores .....		+ 24	+ 31
General merchandise stores .....		- 8	+ 13
Lumber, building material, and hardware stores .....		- 36	+ 19
Office, store, and school supply dealers .....		- 25	- 7
Postal receipts .....	\$ 177,965	+ 15	+ 8
Building permits .....	\$ 1,920,687	+ 17	- 23
Bank debits (000's) .....	\$ 206,231	+ 6	+ 18
End-of-month deposits (000's)* .....	\$ 146,642	+ 11	- 2
Annual rate of deposit turnover .....	16.7	- 4	+ 18
Placements in employment .....	1,464	+ 9	- 11
Nonagricultural civilian labor force .....	64,740	+ 5	+ 1
Unemployment .....	1,840	- 1	+ 2
Percent of labor force unemployed .....	2.8	- 7	0
Air express shipments .....	1,421	- 5	+ 11
Tourists entering Mexico .....	2,887	- 8	- 19
Tourist cars entering Mexico .....	1,024	- 12	- 24

<b>GONZALES: (pop. 5,659)</b>			
Postal receipts .....	\$ 3,734	- 6	+ 3
Building permits .....	\$ 437,509	+2560	+2265
Bank debits (000's) .....	\$ 4,871	- 9	+ 4
End-of-month deposits (000's)* .....	\$ 6,266	+ 9	- 1
Annual rate of deposit turnover .....	9.3	- 15	+ 7

For explanation of symbols, see p. 23.

# LOCAL BUSINESS CONDITIONS

City and item	Percent change			City and item	Percent change		
	Mar 1952	Mar 1952 from Mar 1951	Mar 1952 from Feb 1952		Mar 1952	Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>FORT WORTH: (pop. 278,778)</b>				<b>HOUSTON: (pop. 596,163)</b>			
Retail sales		- 4	+ 7	Retail sales		- 3	+ 8
Apparel stores		- 13	x	Apparel stores		- 8	+ 22
Automotive stores		x	+ 9	Automotive stores		- 13	+ 6
Department stores†		- 9	- 7	Department stores†		- 3	+ 1
Department and apparel stores		- 7	+ 10	Department and apparel stores		- 11	+ 21
Drug stores		- 13	- 3	Drug stores		+ 13	+ 2
Eating and drinking places		+ 13	+ 8	Eating and drinking places		+ 6	+ 1
Filling stations		+ 3	+ 2	Filling stations		+ 10	+ 5
Food stores		- 3	+ 7	Food stores		+ 3	+ 3
Lumber, building material, and hardware stores		- 12	- 1	Furniture and household appliance stores		- 10	- 1
Postal receipts \$	450,607	+ 6	+ 2	Liquor stores		+ 5	+ 9
Building permits \$	4,868,925	- 12	+ 71	Lumber, building material, and hardware stores		- 5	+ 21
Bank debits (000's) \$	506,956	+ 5	+ 7	Postal receipts \$	834,904	+ 10	+ 6
End-of-month deposits (000's)* \$	394,120	+ 14	+ 3	Building permits \$	7,413,563	- 57	- 9
Annual rate of deposit turnover	15.6	- 8	+ 3	Bank debits (000's) \$	1,656,461	+ 10	+ 16
Placements in employment	2,516	- 55	- 33	End-of-month deposits (000's)* \$	1,168,983	+ 10	+ 3
Nonagricultural civilian labor force	169,000	+ 10	x	Annual rate of deposit turnover	17.3	+ 4	+ 15
Unemployment	7,000	+ 40	- 9	Placements in employments (area)	6,330	+ 15	+ 7
Percent of labor force unemployed	4.1	+ 24	- 11	Nonagricultural civilian labor force (area)	352,200	+ 3	+ 1
Air express shipments	2,002	- 16	+ 4	Unemployment (area)	8,300	+ 11	+ 2
<b>GALVESTON: (pop. 66,568)</b>				Percent of labor force unemployed (area)	2.6	+ 18	+ 13
Retail sales		- 14	+ 9	Air express shipments	4,924	- 12	+ 11
Automotive stores		- 43	- 5	<b>LAMESA: (pop. 10,704)</b>			
Department and apparel stores		- 9	+ 20	Postal receipts \$	7,780	+ 28	+ 15
Eating and drinking places		+ 4	+ 5	Building permits \$	16,525	- 92	- 82
Food stores		+ 2	+ 6	Bank debits (000's) \$	10,235	- 28	- 19
Lumber, building material, and hardware stores		+ 43	+ 26	End-of-month deposits (000's)* \$	15,867	- 16	- 3
Postal receipts \$	68,603	+ 12	+ 7	Annual rate of deposit turnover	7.6	- 11	- 14
Building permits \$	141,175	- 84	- 31	Placements in employment	170	- 27	+ 45
Bank debits (000's) \$	80,518	- 4	+ 8	<b>LAMPASAS: (pop. 4,869)</b>			
End-of-month deposits (000's)* \$	103,288	+ 3	+ 2	Postal receipts \$	4,573	+ 39	+ 30
Annual rate of deposit turnover	9.5	- 6	+ 8	Building permits \$	44,750	+ 2	+ 145
Placements in employment (area)	904	+ 17	+ 6	Bank debits (000's) \$	4,132	- 13	+ 4
Nonagricultural civilian labor force (area)	51,400	+ 5	x	End-of-month deposits (000's)* \$	6,552	+ 5	+ 2
Unemployment (area)	1,700	- 6	+ 3	Annual rate of deposit turnover	7.6	- 16	+ 1
Percent of labor force unemployed (area)	3.3	- 11	+ 3	<b>GARLAND: (pop. 10,571)</b>			
Air express shipments	437	+ 6	+ 73	Postal receipts \$	9,007	+ 14	+ 10
<b>GREENVILLE: (pop. 14,727)</b>				Building permits \$	726,850	+ 662	+ 230
Retail sales		- 5	- 17	Bank debits (000's) \$	7,620	-	+ 7
Department and apparel stores		+ 22	+ 27	End-of-month deposits (000's)* \$	7,113	-	+ 8
Postal receipts \$	15,303	+ 12	- 6	Annual rate of deposit turnover	13.3	-	+ 4
Building permits \$	140,058	+ 119	+ 1	<b>LAREDO: (pop. 51,910)</b>			
Placements in employment	230	+ 19	+ 4	Department and apparel store sales		- 1	+ 6
Air express shipments	19	-	+ 6	Postal receipts \$	19,705	- 4	+ 8
<b>HARLINGEN: (pop. 23,229)</b>				Building permits \$	59,025	+ 113	+ 10
Postal receipts \$	18,642	+ 8	+ 5	Bank debits (000's) \$	21,745	- 2	+ 2
Bank debits (000's) \$	24,071	+ 7	- 4	End-of-month deposits (000's)* \$	23,090	+ 10	+ 1
End-of-month deposits (000's)* \$	19,627	+ 5	- 8	Annual rate of deposit turnover	11.4	- 8	+ 1
Annual rate of deposit turnover	14.1	0	- 2	Placements in employment	311	+ 14	- 3
Placements in employment	509	+ 78	+ 53	Air express shipments	254	+ 14	- 18
Air express shipments	62	- 18	+ 2	Tourists entering Mexico	8,285	+ 1	- 33
<b>HENDERSON: (pop. 6,833)</b>				Tourists cars entering Mexico	2,854	- 2	- 28
Department and apparel store sales		- 21	+ 10	<b>LLANO: (pop. 2,954)</b>			
Postal receipts \$	7,006	- 1	- 3	Postal receipts \$	1,517	- 16	+ 9
Building permits \$	62,900	+ 39	+ 28	Building permits \$	53,000	-	+ 100
Bank debits (000's) \$	6,998	+ 20	+ 29	Bank debits (000's) \$	2,374	-	- 5
End-of-month deposits (000's)* \$	14,118	+ 5	x	End-of-month deposits (000's)* \$	3,318	-	- 2
Annual rate of deposit turnover	6.0	+ 15	+ 30	Annual rate of deposit turnover	8.5	-	+ 1
Placements in employment	148	- 8	0				

For explanation of symbols, see p. 23.

For explanation of symbols, see p. 23.



# LOCAL BUSINESS CONDITIONS

City and item	Mar 1952	Percent change	
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>LOCKHART: (pop. 5,573)</b>			
Department and apparel store sales.....	.....	- 20	+ 12
Postal receipts .....	\$ 2,717	- 12	- 1
Building permits .....	\$ 116,800	+124	+505
Bank debits (000's) .....	3,284	- 3	+ 2
End-of-month deposits (000's)*.....	\$ 4,536	- 6	- 1
Annual rate of deposit turnover.....	8.6	+ 2	+ 4

<b>LONGVIEW: (pop. 24,502)</b>			
Postal receipts \$	25,694	+ 22	+ 17
Building permits \$	700,779	+ 34	+ 86
Bank debits (000's) \$	33,948	+ 26	+ 10
End-of-month deposits (000's)* \$	35,407	+ 16	+ 1
Annual rate of deposit turnover	11.6	+ 19	+ 16
Placements in employment	568	- 8	+ 9
Nonagricultural civilian labor force	24,150	+ 5	x
Unemployment	1,100	- 6	+ 5
Percent of labor force unemployed	4.6	- 10	+ 7
Air express shipments	136	- 23	+ 9

<b>LUBBOCK: (pop. 71,747)</b>			
Retail sales		- 8	+ 7
Automotive stores		x	- 1
Department and apparel stores		- 12	+ 29
Furniture and household appliance stores		+ 38	+ 21
General merchandise stores		- 3	+ 32
Lumber, building material, and hardware stores		- 35	- 28
Postal receipts \$	75,668	+ 10	+ 7
Building permits \$	1,228,961	- 52	- 25
Bank debits (000's) \$	109,296	+ 8	- 3
End-of-month deposits (000's)* \$	102,897	+ 6	+ 2
Annual rate of deposit turnover	12.8	+ 3	- 2
Placements in employment	1,012	- 11	- 3
Nonagricultural civilian labor force	30,850	+ 2	- 1
Unemployment	1,000	+ 25	0
Percent of labor force unemployed	3.2	+ 19	0
Air express shipments	305	- 32	- 8

<b>LUFKIN: (pop. 15,135)</b>			
Postal receipts \$	11,777	+ 1	- 2
Building permits \$	133,250	+ 36	+ 99
Bank debits (000's) \$	16,170	+ 1	+ 8
End-of-month deposits (000's)* \$	20,012	+ 17	+ 1
Annual rate of deposit turnover	9.8	- 11	- 5
Placements in employment	118	- 29	- 6
Air express shipments	36	- 40	+ 16

<b>McALLEN: (pop. 20,067)</b>			
Retail sales		+ 1	+ 3
Department and apparel stores		- 6	+ 17
Postal receipts \$	15,073	+ 12	x
Building permits \$	44,400	- 49	+ 7
Bank debits (000's) \$	15,612	+ 6	- 1
End-of-month deposits (000's)* \$	15,882	+ 11	+ 1
Annual rate of deposit turnover	11.9	- 1	+ 5
Placements in employment	401	+ 13	+ 9
Air express shipments	53	0	+ 4

<b>MARLIN: (pop. 7,099)</b>			
Postal receipts \$	5,199	- 1	+ 7
Building permits \$	52,400	+ 78	- 58
Bank debits (000's) \$	2,754	- 12	- 12
End-of-month deposits (000's)* \$	5,051	- 1	- 1
Annual rate of deposit turnover	6.5	- 8	- 8
Placements in employment	64	- 3	- 3

For explanation of symbols, see p. 23.

City and item	Mar 1952	Percent change	
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>MARSHALL: (pop. 22,327)</b>			
Retail sales .....	-----	- 4	+ 11
Department and apparel stores.....	-----	- 15	+ 25
Postal receipts .....\$	13,585	- 4	- 12
Building permits .....\$	100,105	- 48	+ 89
Bank debits (000's) .....\$	12,712	- 4	+ 5
End-of-month deposits (000's)*.....\$	19,376	+ 1	- 1
Annual rate of deposit turnover.....	7.8	- 16	+ 5
Placements in employment.....	250	- 28	- 9

<b>MIDLAND: (pop. 21,713)</b>			
Postal receipts \$	39,042	+ 31	+ 12
Building permits \$	2,491,831	+ 62	+422
Bank debits (000's) \$	58,187	+ 30	+ 15
End-of-month deposits (000's)* \$	60,390	+ 31	+ 13
Annual rate of deposit turnover	12.3	+ 4	+ 34
Placements in employment	841	+ 78	+ 8
Air express shipments	229	- 28	+ 3

<b>MINERAL WELLS: (pop. 7,801)</b>			
Building permits \$	71,873	- 23	- 95
Bank debits (000's) \$	5,535	+ 4	- 4
End-of-month deposits (000's)* \$	10,227	+ 18	+ 2
Annual rate of deposit turnover	6.5	+ 10	+ 7
Placements in employment	86	- 30	+ 25
Air express shipments	17	- 29	- 19

<b>NACOGDOCHES: (pop. 12,327)</b>			
Postal receipts \$	8,400	+ 27	+ 13
Building permits \$	20,950	-	+ 53
Bank debits (000's) \$	10,153	+ 1	+ 9
End-of-month deposits (000's)* \$	15,524	+ 9	x
Annual rate of deposit turnover	7.8	- 7	+ 5
Placements in employment	104	+ 1	- 6
Air express shipments	8	-	+ 33

<b>ODESSA: (pop. 29,495)</b>			
Retail sales		+ 2	+ 3
Department and apparel stores		- 11	+ 17
Postal receipts \$	33,025	+ 20	+ 6
Building permits \$	1,630,157	+182	+ 80
Bank debits (000's) \$	42,348	+ 41	+ 13
End-of-month deposits (000's)* \$	39,749	+ 44	+ 11
Annual rate of deposit turnover	13.5	0	+ 9
Placements in employment	513	+ 26	- 7
Air express shipments	182	- 22	- 3

<b>PARIS: (pop. 21,643)</b>			
Department and apparel store sales		- 28	+ 22
Postal receipts \$	13,362	x	- 7
Building permits \$	12,019	- 52	- 32
Bank debits (000's) \$	12,391	- 15	- 4
End-of-month deposits (000's)* \$	15,056	+ 4	x
Annual rate of deposit turnover	9.9	- 18	- 5
Placements in employment	303	- 10	- 13
Air express shipments	24	- 33	+ 26

<b>PLAINVIEW: (pop. 14,044)</b>			
Retail sales		- 3	x
Department and apparel stores		- 13	- 25
Postal receipts \$	10,905	+ 12	- 4
Building permits \$	81,000	- 72	- 54
Bank debits (000's) \$	17,885	+ 1	- 9
End-of-month deposits (000's)* \$	21,577	+ 21	- 2
Annual rate of deposit turnover	9.9	- 16	- 5
Placements in employment	104	+ 1	+ 6
Air express shipments	35	+ 52	+ 30

For explanation of symbols, see p. 23.

# LOCAL BUSINESS CONDITIONS

City and item	Mar 1952	Percent change	
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>PORT ARTHUR: (pop. 57,530)</b>			
Retail sales .....	.....	- 10	+ 21
Automotive stores .....	.....	- 13	+ 30
Department and apparel stores.....	.....	- 12	+ 33
Drug stores .....	.....	- 18	+ 3
Filling stations .....	.....	- 5	+ 55
Food stores .....	.....	+ 3	+ 3
Furniture and household appliance stores .....	.....	+ 3	+ 5
Lumber, building material, and hardware stores .....	.....	- 15	+ 20
Postal receipts .....	\$ 80,118	+ 1	+ 2
Building permits .....	\$ 214,468	- 20	+ 45
Bank debits (000's) .....	\$ 43,300	x	- 1
End-of-month deposits (000's)* .....	\$ 44,411	+ 12	- 1
Annual rate of deposit turnover .....	11.6	- 9	- 2
Placements in employment (area) .....	2,214	+ 32	+ 30
Nonagricultural civilian labor force (area) .....	76,750	x	- 1
Unemployment (area) .....	4,850	- 24	- 14
Percent of labor force unemployed (area) .....	6.3	- 25	- 14
Air express shipments .....	110	- 29	- 8

## RAYMONDVILLE: (pop. 9,136)

Postal receipts .....	\$ 4,097	- 4	- 7
Building permits .....	\$ 2,905	- 2	- 90
Bank debits (000's) .....	\$ 4,899	+ 14	- 12
End-of-month deposits (000's)* .....	\$ 10,088	+ 74	- 4
Annual rate of deposit turnover .....	5.7	- 34	- 7
Placements in employment .....	127	- 48	- 14

## SAN ANTONIO: (pop. 408,442)

Retail sales .....		- 7	+ 8
Apparel stores .....		- 12	+ 17
Automotive stores .....		- 12	+ 3
Department stores† .....		- 3	x
Department and apparel stores .....		- 4	+ 23
Drug stores .....		x	- 1
Eating and drinking places .....		x	+ 2
Filling stations .....		+ 1	+ 1
Florists .....		- 38	- 23
Food stores .....		- 7	+ 5
Furniture and household appliance stores .....		+ 2	+ 16
Lumber, building material, and hardware stores .....		- 26	- 2
Office, store, and school supply dealers .....		- 1	+ 9
Postal receipts .....	\$ 473,511	+ 5	+ 8
Building permits .....	\$ 3,902,999	- 22	+ 7
Bank debits (000's) .....	\$ 379,924	- 3	+ 2
End-of-month deposits (000's)* .....	\$ 386,178	x	+ 7
Annual rate of deposit turnover .....	11.9	- 8	+ 3
Placements in employment .....	2,909	- 5	+ 5
Nonagricultural civilian labor force .....	199,475	+ 18	+ 2
Unemployment .....	8,075	+102	- 8
Percent of labor force unemployed .....	4.0	+ 67	- 11
Air express shipments .....	2,524	- 21	+ 10

## SEGUIN: (pop. 9,733)

Postal receipts .....	\$ 7,584	+ 24	+ 7
Building permits .....	\$ 78,800	+ 98	+ 73
Bank debits (000's) .....	\$ 6,602	- 2	- 2
End-of-month deposits (000's)* .....	\$ 14,610	+ 7	x
Annual rate of deposit turnover .....	5.4	- 8	- 2

For explanation of symbols, see p. 23.

City and item	Mar 1952	Percent change	
		Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>SAN ANGELO: (pop. 52,093)</b>			
Retail sales .....	-----	- 15	- 7
Department and apparel stores .....	-----	- 16	+ 13
Postal receipts .....	\$ 48,581	+ 9	+ 13
Building permits .....	\$ 988,017	- 31	+129
Bank debits (000's) .....	\$ 40,255	- 10	- 1
End-of-month deposits (000's)* .....	\$ 50,833	+ 4	- 1
Annual rate of deposit turnover .....	9.5	- 12	+ 3
Placements in employment .....	655	+ 4	+ 4
Nonagricultural civilian labor force .....	21,300	+ 3	- 1
Unemployment .....	1,050	+ 40	- 5
Percent of labor force unemployed .....	4.9	+ 36	- 4
Air express shipments .....	236	- 34	- 15

## SHERMAN: (pop. 20,150)

Retail sales .....		- 5	+ 1
Department and apparel stores .....		- 18	+ 38
Postal receipts .....	\$ 20,110	+ 4	+ 5
Building permits .....	\$ 68,777	- 42	- 31
Placements in employment .....	293	+ 32	- 29

## TAYLOR: (pop. 9,071)

Postal receipts .....	\$ 6,241	+ 3	- 1
Building permits .....	\$ 41,850	- 5	+ 74
Bank debits (000's) .....	\$ 10,684	- 15	- 6
End-of-month deposits (000's)* .....	\$ 13,174	+ 1	+ 4
Annual rate of deposit turnover .....	9.5	- 17	- 4
Placements in employment .....	97	- 16	- 5

## TEMPLE: (pop. 25,467)

Retail sales .....		- 1	+ 11
Department and apparel stores .....		- 26	+ 33
Postal receipts .....	\$ 23,095	+ 21	+ 4
Building permits .....	\$ 284,252	- 43	+ 74
Bank debits (000's) .....	\$ 17,279	- 19	+ 9
End-of-month deposits (000's)* .....	\$ 22,199	+ 8	- 1
Annual rate of deposit turnover .....	9.3	- 26	+ 8
Placements in employment .....	537	+ 34	+ 66
Air express shipments .....	94	+ 62	+135

## TEXARKANA: (pop. 40,628)‡

Retail sales‡ .....		- 12	+ 9
Department and apparel stores .....		- 9	+ 30
Postal receipts‡ .....	\$ 43,500	- 4	+ 19
Bank debits (000's)‡ .....	\$ 38,686	+ 15	+ 17
End-of-month deposits (000's)* .....	\$ 24,645	+ 1	+ 1
Annual rate of deposit turnover .....	10.7	+ 13	+ 6
Placements in employment .....	1,222	+ 18	+ 21
Nonagricultural civilian labor force .....	42,500	+ 8	+ 1
Unemployment .....	2,500	- 29	- 11
Percent of labor force unemployed .....	4.8	- 46	- 28
Air express shipments‡ .....	89	- 21	- 13

## TYLER: (pop. 38,968)

Retail sales .....		- 12	+ 9
Department and apparel stores .....		- 10	+ 24
Postal receipts .....	\$ 54,430	+ 21	+ 6
Building permits .....	\$ 489,350	+ 23	+ 9
Bank debits (000's) .....	\$ 55,245	+ 7	+ 8
End-of-month deposits (000's)* .....	\$ 54,242	+ 7	+ 1
Annual rate of deposit turnover .....	12.2	0	+ 7
Placements in employment .....	412	- 30	+ 31
Air express shipments .....	134	- 28	- 10

For explanation of symbols, see p. 23.

# LOCAL BUSINESS CONDITIONS

City and item	Percent change		
	Mar 1952	Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>WACO: (pop. 84,706)</b>			
Retail sales .....	.....	- 15	+ 8
Apparel stores .....	.....	- 9	+ 25
Automotive stores .....	.....	- 19	+ 5
Department stores† .....	.....	+ 7	+ 9
Department and apparel stores .....	.....	- 11	+ 22
Florists .....	.....	- 25	- 8
Furniture and household appliance stores .....	.....	+ 1	- 41
General merchandise stores .....	.....	- 11	+ 21
Lumber, building material, and hardware stores .....	.....	- 38	- 6
Office, store, and school supply dealers .....	.....	- 18	x
Postal receipts .....	\$ 94,745	+ 12	+ 6
Building permits .....	\$ 1,016,350	- 26	- 54
Bank debits (000's) .....	\$ 67,825	- 12	+ 2
End-of-month deposits (000's)* .....	\$ 88,312	+ 12	+ 1
Annual rate of deposit turnover .....	9.2	- 20	+ 2
Placements in employment .....	802	+ 5	+ 13
Nonagricultural civilian labor force .....	43,900	- 1	+ 1
Unemployment .....	2,000	+ 43	+ 25
Percent of labor force unemployed .....	4.6	+ 44	+ 24
Air express shipments .....	176	- 32	- 1

xChange is less than one half of one percent.

\*Excludes deposits to credit of banks.

†Reported by the Federal Reserve Board of Dallas.

‡Figures include Texarkana, Arkansas (pop. 15,875) and Texarkana, Texas (pop. 24,753).

City and item	Percent change		
	Mar 1952	Mar 1952 from Mar 1951	Mar 1952 from Feb 1952
<b>TEXAS CITY: (pop. 16,620)</b>			
Retail sales .....	.....	- 2	+ 21
Department and apparel stores .....	.....	- 8	+ 11
Postal receipts .....	\$ 11,177	+ 8	- 7
Building permits .....	\$ 479,518	+ 49	+ 16
Bank debits (000's) .....	\$ 21,383	+ 4	- 3
End-of-month deposits (000's)* .....	\$ 20,353	+ 6	- 5
Annual rate of deposit turnover .....	12.3	- 13	- 2
Placements in employment (area) .....	904	+ 17	+ 6
Nonagricultural civilian labor force (area) .....	51,400	+ 5	x
Unemployment (area) .....	1,700	- 6	+ 3
Percent of labor force unemployed (area) .....	3.3	- 11	+ 3

## WICHITA FALLS: (pop. 68,042)

Postal receipts .....	\$ 83,247	+ 1	- 8
Building permits .....	\$ 1,680,631	+364	+ 45
Bank debits (000's) .....	\$ 83,479	+ 4	+ 3
End-of-month deposits (000's)* .....	\$ 104,730	+ 11	x
Annual rate of deposit turnover .....	9.6	- 6	+ 4
Placements in employment .....	806	+ 23	+ 7
Nonagricultural civilian labor force .....	41,275	+ 4	x
Unemployment .....	1,375	+ 48	- 2
Percent of labor force unemployed .....	3.3	+ 43	- 3
Air express shipments .....	200	- 34	+ 1

(Continued from page 17)

vacations to personnel of stations and papers in cities throughout the country in exchange for advertising space and radio time. Free vacation coupon booklets have also proved an effective inducement to visitors, for they enable one member of a party to take his vacation at almost no expense. The chambers of commerce in the Valley have also done valuable work in entertaining visitors after their arrival.

It is impossible to detail the work of the various chambers of commerce in tourist promotion. Regional chambers, especially the South Texas Chamber of Commerce, have done some excellent work. The programs of some local chambers have been hampered by insufficient funds or by lack of accommodations or attractions, but most of them have done reasonably well with what was available to them. Most chamber of commerce effort in this direction has gone into the publication and circularization of literature about their communities and into sponsoring and publicizing interesting events in their vicinities. Some, such as the chambers of commerce in Corpus Christi, El Paso, Houston, and San Antonio, have done much more. These organizations have, among other things, placed advertisements in national magazines and have acted in closer-than-usual cooperation with travel agencies in cities both in and outside Texas.

In all those places and elsewhere in Texas where effective promotional campaigns have been conducted, results have shown that Texas has a great deal of appeal as a vacation land. If the public is made aware of what Texas has to offer the tourist, the state's vacation business

should increase enormously. But it is doubtful that even the most effective regional programs can achieve the results that advertising the state as a whole, with all its varied attractions, would obtain. It is not the purpose of this article to recommend that a state advertising program be conducted for the purpose of attracting new industries or residents to Texas. But a state advertising program for tourism would eliminate waste and needless competition among the various resort areas and communities. The object should be to persuade more people to visit Texas. When they do come to Texas is the time for the different resort centers to make the individual efforts to draw as much of the tourist trade as they can accommodate.

It is almost impossible to overestimate the value of the tourist industry to any area. Investment in physical plant is relatively small when compared with that required for other industries yielding as large an income. And, further, tourism does not use up natural resources. Tourists consume only services, and these can always be easily replaced. Traveling for recreation should continue to increase as it has in the recent past. The factors favoring the maintenance of this trend are present. Texas has an excellent foundation in its already prosperous vacation business, and it should, by providing an adequate number of higher quality accommodations and conducting effective publicity campaigns, put itself in a position to take advantage of the growth of the vacation market.

FLETCHER H. ETHERIDGE

# BAROMETERS OF TEXAS BUSINESS

	Mar 1952	Feb 1952	Jan 1952	Dec 1951	Mar 1951
<b>GENERAL BUSINESS ACTIVITY</b>					
†Index of Texas Business Activity (100.0).....	263†	269	261	256	252
Index of bank debits in Texas cities .....	660	674	648	622	639
Income payments to individuals in the U. S. (billions—seasonally adjusted at annual rate) .....		257.1	257.7	258.6	245.5
Index of wholesale prices in the U.S. (1947-49, unadjusted) .....	112.3	112.6	113.2	113.5	116.5
Index of consumers' prices in Houston (unadjusted) .....	194.3	194.3	195.4	196.0	192.4
Index of consumers' prices in the U.S. (unadjusted) .....	188.0	187.9	189.1	189.1	184.5
Index of postal receipts in Texas cities .....	348	366	366	345	316
†Index of miscellaneous freight carloadings in the Southwestern Dis- trict (17.6) .....	143	155	152	138	143
Business corporation charters issued (number) .....		291	262	273	264
Business failures (number) .....	5	6	8	6	10
<b>TRADE</b>					
†Index of total retail sales (adjusted for price changes, 47.7) .....	216†	230	225	225	241
Index of total retail sales in Texas .....	451	482	474	475	497
Durable-goods stores .....	620	665	631	651	697
Nondurable-goods stores .....	374	393	397	389	400
Index of total retail sales in the U.S. ....		400	392	382	392
Durable-goods stores .....		562	523	495	579
Nondurable-goods stores .....		348	350	346	331
Ratio of credit sales to net sales in department and apparel stores .....	64.2	65.2	60.4	59.8	64.2
Ratio of collections to outstandings in department and apparel stores .....	47.8	47.0	46.5	44.8	49.3
Index of gasoline sales .....		273	276	256	252
<b>PRODUCTION</b>					
†Index of industrial electric power consumption (14.6) .....	537	536	510	507	413
†Index of crude runs to stills (4.5) .....	220	213	209	193	203
Index of wheat grindings .....		97	98	88	108
Index of cottonseed crushed .....	133	131	128	115	94
Index of southern pine production .....		119	133	105	129
Index of dairy product manufacturing .....	69	69	66	51	62
†Index of urban building permits (adjusted for price changes, 3.8) .....	184	199	181	126	226
Index of urban building permits .....	377	408	374	262	462
†Index of crude petroleum production (8.6) .....	243	230	221	231	219
Index of natural gas production .....		499	530	542	489
†Index of total electric power consumption (3.0) .....	570	544	527	529	458
Index of industrial production in the U.S. ....		222	220	218	222
Index of cement production .....		335	338	297	291
Construction contracts awarded (thousands) .....		\$ 81,994	\$ 68,579	\$ 83,201	\$120,607
<b>AGRICULTURE</b>					
Index of farm cash income .....	202	188	340	541	240
Index of prices received by farmers (unadjusted) .....	345	350	355	365	396
Index of prices paid by farmers in the U.S. (parity index—unadjusted, 1910=100) .....	288	288	287	284	280
Parity ratio for Texas .....	120	122	124	129	141
Index of prices received by farmers—livestock (unadjusted) .....	401	415	406	418	482
Index of prices received by farmers—all crops (unadjusted) .....	303	300	317	326	331
<b>FINANCE</b>					
Loans, reporting member banks in Dallas district (millions) .....	\$ 1,527	\$ 1,548	\$ 1,548	\$ 1,531	\$ 1,471
Loans and investments, reporting member banks in Dallas district (millions) .....	\$ 2,843	\$ 2,880	\$ 2,898	\$ 2,897	\$ 2,647
Demand deposits adjusted, reporting member banks in Dallas district (millions) .....	\$ 2,292	\$ 2,344	\$ 2,386	\$ 2,313	\$ 2,195
Bank debits in 20 cities (millions) .....	\$ 5,394	\$ 4,931	\$ 5,556	\$ 5,787	\$ 5,233
Revenue receipts of the State Comptroller (thousands) .....	\$ 47,432	\$ 50,629	\$ 56,719	\$ 42,313	\$ 51,479
Federal Internal Revenue collections (thousands) .....	\$290,155	\$245,198	\$238,908	\$108,556	\$227,222
<b>LABOR</b>					
Total manufacturing employment (thousands) .....	415.0	406.0	411.5	414.0	389.9
Durable-goods employment (thousands) .....	198.3	198.9	195.8	197.5	176.7
Nondurable-goods employment (thousands) .....	216.7	217.1	215.7	216.5	213.2
Nonagricultural civilian labor force in 17 labor market areas (thousands) .....	1,576	1,569	1,569	1,586	1,485
Unemployment in 17 labor market areas .....	52,290	54,615	53,950	43,950	45,490
Placements in 17 labor market areas .....	31,499	31,747	31,871	30,876	33,352
Percent of labor force unemployed .....	3.3	3.5	3.4	2.8	3.1

All figures are for Texas unless otherwise indicated. All indexes are based on the average months for 1935-39 except where indicated and are adjusted for seasonal variation (except annual indexes).

Manufacturing employment estimates have been adjusted to first quarter 1951 benchmarks.

†The index of business activity is a weighted average of the indexes indicated by a dagger (†). The weight given each index in computing the composite is given in parentheses.

†Preliminary.