

TEXAS BUSINESS REVIEW

A Monthly Summary of Business and Economic Conditions in Texas and the Southwest

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Business Review and Prospect

POLITICAL uncertainties continue to dominate the economic situation. Although business statistics are more favorable than otherwise and business sentiment has begun to show signs of improvement, no strong upward trend in business is expected until the legislative outlook becomes clearer than it is at present.

Conditions exist which could now and which ultimately doubtless will give a powerful impulse to business expansion. This potential business expansion is dependent primarily on two developments: first, an outlook for profitable operations in the industries which produce capital goods and durable consumption goods; and second, the complete restoration of international trade. It is more than likely that many months may elapse before definite and sustained improvement will occur in either or both these directions. In the meantime, some impetus may be given business through the work relief program and cheap money tendencies. Other temporary stimuli will probably appear from time to time as a result of the inflationary implications of certain governmental policies especially those relating to silver and gold.

An illustration of the potential demand for capital goods is found in the recent report of the Machinery and Allied Products Institute. The deferred demand for *capital equipment goods*, according to this authority, is placed at the equivalent of 18 billion dollars, sufficient to absorb every unemployed worker in the machinery building industries into full time employment for the next two years.

"It is a measure of what those in charge of American manufacturing plants know should be done to bring their properties sufficiently up to date to insure profitable operations at going price levels."

Matching this deferred demand for capital equipment goods is a pent up supply of private investment funds seeking profitable outlets. It therefore appears that normal recovery forces which are becoming increasingly more powerful will ultimately triumph over the obstacles which now stand in the way.

Such favorable outcome appears to be forecast also by a more enlightened public opinion concerning the "reform" legislation pending in Washington. There is ground for belief that public interest in constructive measures relating to industry and trade is growing

stronger and the apparent demand for punitive measures for alleged past offenses of industry and trade seems to be growing decidedly weaker. There is a growing recognition that "property rights" and "human rights" are mutually supplementary and not mutually exclusive, and that the greatest measure of human well being will result from a broad participation in the private ownership of property.

Fulfillment of the second requirement mentioned above for bringing about a strong upward trend in business—complete restoration of international trade—seems more remote than the first. It is possible, however, that the growing instability of foreign exchange may force a solution of this problem or compel the alternative course of even more extreme nationalism than exists among the commercial nations of the world today.

For the development of an enlightened public opinion on this problem, Peter Molyneaux, publisher of the *Texas Weekly* and a close student of international relations, recommends a book entitled, "Economic Planning and the Tariff" by James Gerald Smith. In the *Weekly* of April 20 he quotes from this book as follows:

"The principal responsibility for our present dilemma is the colossal blunder of our tariff policy in the face of the fact that we are the greatest creditor nation in the world. . . .

"What the world needs in order to extricate itself from the vicious circle of trade restriction and mercantilism is unilateral leadership. One of the chief reasons for the great expansion of world trade during the Nineteenth Century was the economic and financial leadership towards the principles of the freedom of markets exercised by Great Britain and the London money market. Today that power of leadership has largely passed from Great Britain to the United States. When this country recognizes and accepts its responsibility as an economic and financial leader of nations, there will be some hope of real tariff reform."

No other state stands to gain so much as Texas from a broad constructive program of expansion and to lose so much from one of restriction. This situation is true whether we view it from the standpoint of a market for our raw materials, which market is world-wide in scope; or from the standpoint of industrial development within

the State, resulting from the need of more economical utilization of the State's natural resources, taking advantage of its location with respect to ocean transporta-

tion and providing a wider range of employment to its growing population.

F. A. BUECHEL.

For Texas Data, See Statistical Tables at the End of this Publication.

Financial

From the monetary viewpoint, the most important Washington developments of the month included the final enactment of the Work Relief Act, the presidential proclamation boosting the price of domestic silver, the passage of the Patman Bonus Bill by the House, and the slow progress of the several Administration sponsored bills through the congressional mill. In the realm of banking the more significant recent developments have been a further expansion of deposits, continued huge excess reserves, some slight expansion of commercial loans, and a further easing of short term money rates.

The Work Relief Act carrying the gigantic appropriation of \$4,800,000,000, the largest single peace-time government appropriation in history, was finally enacted early in April. Details as to the administration and spending of this fund have not yet been made public. It is generally admitted, however, that this spending will get under way slowly and that business cannot expect to benefit materially from increased government expenditures before the third quarter, if then.

The major monetary significance of the Work Relief Act is found in that it guarantees for another year the continuation of huge government operating deficits. From December 1930, to April 1935, a period of $4\frac{1}{4}$ years, the direct debt of the federal government has increased by \$12,791,000,000, or by approximately \$100 per capita of population. It has repeatedly been pointed out that price inflation proceeds, slowly but steadily at first, from unbalanced central government budgets. The Work Relief Act assures that this process will be continued for at least another 18 months.

On April 10, President Roosevelt by executive proclamation raised the price at which the Treasury will purchase newly mined American silver from 64.64c an ounce to 71.11c an ounce. It will be recalled that this particular subsidy to the silver interests was initiated by the President on December 21, 1933, at which time the world marked price of silver was in the neighborhood of 42c an ounce. As a result of continued Treasury purchases of silver in the world markets under the Silver Purchase Act of 1934, the world price of the metal has steadily risen until, on April 9, it reached a level of 64 $\frac{1}{8}$ c. At this price, the fixed Treasury buying price of 64.64c offered but little advantage to the American silver producer. Accordingly, the President raised the price to 71.11c and, by implication at least, promised to raise it again as the world price approached the new buying level.

The silver purchase program of the Administration assuredly guarantees a rising world market for the white metal and it is a foregone conclusion that the President will raise his buying price for American silver again and again, the next raise probably coming within a few

days as the London market closed on April 23 at 70 $\frac{3}{4}$ c. Incidentally, the Treasury, on April 11, disclosed for the first time the progress made in acquiring silver. As of March 29, the Treasury held 457,500,000 ounces of silver worth \$591,500,000 (at a value of \$1.29 an ounce). Of this aggregate, 395,000,000 ounces had been acquired from all sources since June, 1934. At the valuation of \$1.29 an ounce, the Treasury yet requires to purchase 1,100,000 more ounces of silver in order to reach the specified 1 to 3 ratio of silver to gold, assuming no further increase in monetary gold stocks. The impossibility of obtaining this huge amount of metal within the predictable future suggests the probability of an official revaluation of silver at a price perhaps of \$2.18 an ounce. If such a move is generally believed to be imminent, one wonders how long it will be before the public begins to hoard silver coin.

As was expected, the House passed the Patman Bonus Bill by an overwhelming majority. The bill provides for the payment of the bonus, some \$2,000,000,000, in fiat currency. The Harrison Bonus Bill will probably be offered in the Senate as a substitute for the Patman measure. The Harrison Bill provides for payment of the bonus in short term negotiable government bonds, and, presumably, is acceptable to Mr. Roosevelt. Regardless of the bonus legislation approved by the Congress, however, many observers believe that the President as a matter of political expediency will approve the bonus payment.

Other than the Work Relief Act, Administration sponsored measures have made but little further progress through Congress. The Social Security Act, passed hastily by the House, will probably encounter stiff opposition in the Senate. The Rayburn-Wheeler Holding Company Bill seems certain of drastic revision. The life of the N.R.A. after June continues definitely uncertain. The Banking Act of 1935 with its provision for outright political control of the central banking system is assured of severe treatment in the Senate from Carter Glass despite the President's support of the measure.

Net demand deposits of the reporting member banks have continued to grow since the first of the year, increasing from \$13,685,000,000 on January 2, to \$14,244,000,000 on April 10. This growth, which has been almost continuous during the past two years, is largely the result of two factors: government borrowing from the banks to finance operating deficits, and heavy importations of gold. From January 2 to April 10, reporting member holdings of government obligations increased \$264,000,000 to a level of \$8,039,000,000 and net gold imports aggregated some \$371,000,000.

The velocity of deposit circulation, however, has shown little tendency to rise since the first of the year.

The Dow-Jones figures for March show a deposit turnover in New York City at the rate of 26.3 times per year, as compared with a rate of 25 times for February and 30.7 times for March, 1934. For 140 cities other than New York, the comparable figures were 22.2, 21.9, and 23.1 respectively.

Commercial lending of the reporting member banks has shown some tendency to expand since January 2, "other loans" increasing from \$3,144,000,000 to \$3,223,000,000 on April 10, a net gain of \$79,000,000. As yet, the improvement in this respect is too slight to be significant. During recent weeks, excess reserve balances of all member banks, have fluctuated between \$1,750,000,000 and \$2,000,000,000. As national bank notes are retired during the next several months, these excess reserves can be expected to decline, but they will rebound

sharply in July and August when the Treasury pays off its consol and Panama Canal bonds. The huge oversupply of loanable funds continues to make itself felt in lower high grade bond yields and easier short term money rates. Recently the New York call loan renewal rate was lowered to $\frac{1}{4}\%$, the lowest rate in the history of the market.

Strangely enough, the quantity of money in circulation has shown a pronounced tendency to rise since the end of the past year. Since December 19, the quantity of money in circulation adjusted for seasonal variation has increased by approximately \$230,000,000. This expansion, which has been quite steady, is difficult to explain, either on the basis of increasing business needs for cash or of a renewal of currency hoarding.

J. C. DOLLEY.

Petroleum, A Basic Texas Resource

Today the American nation is dominantly an industrial country. Agricultural products, like other raw materials, are transformed into articles of consumption largely by manufacturing industries using power machinery; and the markets for these products of our commercial agriculture are largely the industrial regions.

Modern industry and world-wide industrialization is based primarily upon the utilization not of agricultural but of mineral resources. The primary minerals are the fuel and power resources, the machine metals, and the minerals basic to the chemical industry. Mineral resources because of their essential nature play a preponderant part in the modern economic life of peoples and of nations. On account of their geological nature minerals are very irregularly distributed on the face of the earth; moreover, minerals are exhaustible resources, and thereby demand special consideration. Taking consideration of reserves of all mineral resources and of the significance of technical advancement, the world has a sufficient supply of mineral resources for generations to come.

Texas, in spite of the vastness and fundamental importance of its mineral resources, has not become mineral-conscious. In the same sense it may be said that Texas is not resource-conscious. In a number of natural resources, including oil and natural gas, sulphur and salt, in limestone and in certain clays, in soils and grazing lands, Texas is one of the richest, in some cases by far the richest, of any state in the nation. Moreover, dominant economic centers in the modern world are determined by the possession of a wide combination of resources and advantages rather than by a single resource.

Texas has been and still is mainly a raw material producing state; its large surpluses of raw materials are

mainly sent elsewhere to be manufactured into articles for consumption. While some manufacturing of agricultural products occurs in Texas, it is in the mineral industries that most advance and growth have taken place.

Texas in the future will look to the processing of more of its raw materials at home. The material welfare of its people will come to depend more and more upon industrial development within the State. Located as the State is with reference to the Gulf of Mexico, the future of the economic destiny of Texas or of any of its sections is very largely determined by its accessibility to water transportation and thereby to the great markets of the eastern seaboard and to the rest of the world.

In the future as in the recent past, abundant fuel and energy resources will be the commanding elements of the dominant phases of economic life whether in Texas or Pennsylvania, in England or in Germany. Today, nations with coal and oil command. In the future the oil and natural gas resources will dominate the basic features of Texas economic life. Upon wise policies for the effective utilization of these resources, perhaps more than upon any other factor, the economic destiny of Texas depends. Because of the vast reserves of oil and natural gas, of chemical raw materials and of the rich agricultural and range resources, Texas needs to become resource-conscious. This need will be strengthened as the opportunities for future development of Texas resources, and especially of the manufacture of raw materials within Texas, come to be more and more associated with and dependent upon water transportation which gives access to the world's markets.

ELMER H. JOHNSON.

Cotton

Cotton presents a medley of complications. The drought coupled with the Federal Government's land-releasing program reduced the 1934-1935 U. S. cotton

crop to the very low level of 9,469,000 bales. This presented a very bullish supply situation. On August 1, the indicated supply for the United States was only 16,-

941,000 bales, a reduction from the previous year of 3,549,000 bales. Cotton prices moved up to over 13 cents.

Yet in the face of this most bullish situation the Federal Government saw fit to put on a 12-cent loan in such a way as to start a holding movement which accumulated a supply in this country that made the 12-cent loan a maximum price. Eventually the accumulated supply was the big factor which recently broke the peg price and thus there was given another demonstration that even Uncle Sam with all his millions cannot for long peg the price of cotton by a holding movement. It is another demonstration that such a holding movement is another way of storing up trouble. The decrease in supply of over 3½ million bales of American cotton August 1 has now been reduced to a measly 800,000 bales. It is quite possible that the carry-over of cotton in the United States will be reduced very little this year in spite of the very short crop if the American peg price continues to be above the world price. Most of this cotton will be essentially Government cotton and the Government will be converted from a benevolent lender into the cotton growers' greatest competitor. Will our Government eventually destroy the cotton, force the farmers to further cut down production so it can sell, or put the cotton on the market and thus force a lower price? Have we not had sufficient examples both in this country and abroad during the past five years to demonstrate clearly that any Government scheme to hold cotton to raise prices carries in it the elements of its own destruction? Good merchants have learned long ago that the best way to raise the price of a commodity is to push the surplus into consumption rather than to hold it. Is it not obvious that if the Government had spent even half the money in pushing cotton into consumption that it has in trying to create scarcity by holding, we would have got rid of the surplus and had a higher price not only now but in the process of consumption as well?

Supplies of American cotton abroad have been reduced this year more than supplies in the United States. In other words, European port stocks and afloat to Europe are now only 908,000 bales compared with 1,805,000 on April 1 last year. Europe is eating heavily into its

stocks of American cotton. On the other hand, Europe is substituting foreign-grown cotton for American, in a very striking manner. According to Garside in the New York Cotton Exchange Service, "foreign mills are spinning cotton at a record high rate, and they are using far less American staple and much more foreign staple than usual." Normally American constitutes about 45 per cent foreign consumption. This year it will be only about 30 per cent.

Big "ifs" in the cotton situation now are: How far will the squeeze in the old crop months go, and will it bring foreign cotton into consumption in this country? Can prices be forced high enough to release Government-controlled cotton for consumption, or will such a squeeze merely reduce consumption and pile up carryover? How much will foreign cotton acreage be increased? What will the American crop be? And finally, will the processing tax be repealed?

SPINNERS MARGIN The spinners margins widened during March to put them in the best position for some months. The ratio margin rose from 155 in February to 162 for March. The ratio margin was 162 in March last year. The pence margin averaged 4.09 d during March compared with 3.90 d for February and 4.07 d for March last year. Both cotton and yarn declined during March, but cotton declined relatively more than yarn.

BALANCE SHEET Total supplies of cotton in the United States April 1 were 10,082,000 bales compared with 10,895,000 bales a year ago. The decrease in supplies of cotton in the United States and of American in European ports and afloat to Europe during the past year was 1,710,000 bales.

Calculated changes in the index price of cotton based on these changes in supply indicate an advance of 352 points in the index price over April last year. When changes in the index number and the spinners margin are put into the calculation, the calculated price of middling 7/8-inch spot cotton in New Orleans is about 16.25 cents. The price calculations based on average supply-price changes indicate a price of about 13.70 cents.

A. B. Cox.

Livestock Shipments

LIVE-STOCK Shipments of Texas livestock during March were only slightly lower than during the similar month last year. Total forwardings to Fort Worth and interstate points were 3,215 cars against 3,308 cars in March 1934. Year-to-year comparisons of carload shipments of the different classes of livestock were as follows: cattle, 2,104 versus 2,166; calves, 539 versus 419; hogs, 412 versus 400; and sheep 140 versus 323. Aggregate shipments during the first three months of the current year were 10,495 cars against 10,490 cars during the corresponding period last year.

With the exception of Fort Worth, shipments of cattle to the large markets decreased materially in comparison

with last year. For example, less than half as many Texas cattle went to Los Angeles and only one-seventh as many to Kansas City as were forwarded to these markets in March 1934. On the other hand, shipments to the grazing areas of California and Arizona showed a phenomenal increase over a year ago. This was probably due to the unfavorable condition of ranges in West Texas and the excellent range conditions in the Pacific Southwest.

The customary annual migration of Texas cattle to the Flint Hills of Kansas and the Osage country of Oklahoma began in March. Shipments to Oklahoma were

twice those of March last year while those to Kansas were less than half as large. These variations probably reflect the relative condition of ranges in these states during March.

Sections of the state from which shipments exceeded those of March last year were the Trans-Pecos country and South Texas, while substantial declines occurred in forwardings from the High Plains and Low Plains areas of Northwest Texas.

POULTRY AND EGGS

Total rail shipments of poultry and eggs from Texas to interstate points during March were only about half those of March 1934. Reports from all shipping stations in the State from which forwardings originate give a total of 76 cars against 148 cars last year. Of the shipments during March of the current year, 54 cars were poultry and 22 cars were eggs, while last year the comparable figures were 96 and 52 cars respectively.

Retail Trade and Credit

GENERAL RETAILING

A National Retail Organization.—The big shots in retailing have organized the American Retail Federation to represent all 1,500,000 retail stores in the United States. Certainly, general retailing needs a single, potent organization to look after its interests in a national way, but retailing is still far from a happy, unified family. The differences of groups within the field of retailing are as great as if they were external conflicting industries.

Says Business Week: Recalling old differences which have been accentuated recently, prominent independent retailers question whether the federation in the reform now announced will get coöperation and support from that vast army of independent and small merchants that still accounts for the bulk of our retail business. They point out that, with department and chain stores in 100 per cent control of the executive committee, the less articulate independents will feel that they can't make themselves heard.

They suggest that, having elected a chain store man as president, representation on the executive committee should be on the basis of sales volume done by the various types of retail outlets; that, otherwise, it will be a federation in name only and open to the suspicion that it is a smoke screen for hiding the propaganda of the big fellows.

Legalized Retail Price-Maintenance bills have never passed the National houses, but they are springing up in the States. California started the idea, and Oregon and Washington joined her to make the Pacific Coast complete. Then it jumped to New Jersey in the east, and recently 17 other states have considered such bills.

The main idea is that a manufacturer may require the retailer, by contract, to resell only at a stated price. Offering goods for sale at any other price is a violation of the contract and is considered as unfair competition and is actionable at the suit of any person damaged thereby.

It is too big a subject to be discussed in detail, but in general it can be said that *small stores* like it because it forces the large and small stores to sell at the same price; that *wholesalers* like it because it relieves them from pressure of lowering prices to meet retailer demands; that *manufacturers* of branded goods like it, because it keeps their goods from becoming price footballs as loss-leaders; that *chains and department stores*

dislike it because it prevents their cashing in on the lower prices which volume permits; that *consumers* dislike it because it tends to increase prices.

There is by no means any unity of opinion regarding this type of legislation and what it will do. "Certain groups such as the manufacturers of drugs, cosmetics, foods, and other highly competitive consumer goods—manufacturers of standard trade-marked lines—contend that the California Fair Trade Act has enabled them to obtain more efficient and more economical distribution of their products without resulting in any increase in retail prices."—*Business Week*.

On the other hand, the N.R.D.G.A. says, "We are informed that in California, where a state price-fixing act was passed four years ago, its provisions have been practically inoperative, and that the question of its constitutionality is now pending before the Supreme Court of that state."—*N.R.D.G.A. Bulletin*.

In general, it can be said that probably no such bill could be drawn which would satisfy everyone; that such bills are difficult to enforce and that such bills run counter to the common economic philosophy which allows the efficient, low-cost operator to prosper at the expense of his efficient competitor. It seems evident that if a national bill were passed, some manufacturers would adopt the chance to hold their commodities to a stated price, and others would allow sales of their products at any price. The effect would probably be something of a chaotic stand-off.

Texas Retailing, 1933:

Census of Distribution			
Towns	Sales	Stores	Population
30,000 and over.....	43.2%	31.1%	24.6%
10,000 to 30,000.....	10.9%	9.0%	7.0%
5,000 to 10,000.....	10.3%	9.3%	5.7%
Under 5,000	35.6%	50.6%	62.7%
	100.0%	100.0%	100.0%

It is significant that over a third of the retail business in Texas is still carried on in the hundreds of small towns under 5,000 population.

Sales Indexes for March are not of much value because of the late Easter. Department stores, —8 per cent for March, 1935, compared with March, 1934; variety stores, —2½ per cent; rural merchandise, +2 per cent.

Rackets.—The retailer always has been and always will be a favorite mark for swindlers. New rackets are always cropping up. Crooks are just as smart as you are.

Don't be casual. Report anything which looks dubious to your local credit bureau, better business bureau or the state association office. When attacked, buffalos used to put the females and the young in the center and form a circle around them, heads out. It's hard to beat a gang coöperating like that. The lone wolf is the animal most vulnerable to attack. Information and preparedness are your best weapons of defense, for a burglar doesn't have much chance if you are waiting for him.

N.R.A.—Expires June 15 and it may be renewed, changed or scrapped. If it is scrapped *Standard Statistics* indicates that certain price changes can be expected, including somewhat lower prices for retailing. Watch the progress of the N.R.A. bill with that in mind.

Retailers should show profit under the stimulus of the new government spending. I wonder if it would be a good plan to set up extra reserves for taxation against the day when you will have to pay the bill?

Penney's.—Sales were 18 per cent greater in 1934 than in 1933 and net profit 13 per cent higher. Penney now has 1,474 stores. The writer was in Oklahoma City recently and noted that the Penney store there has one of the most efficient store fronts that he has yet seen. Successful organizations are worth watching.

Trade-Ins.—Retailers are inviting trouble in extending the trade-in type of sale. All they have to do is to talk to the automobile retailers to know how bad that situation can get. New articles offered on a trade-in basis include: washing machines, vacuum cleaners, radios, furniture, shoes, suits, shirts, eyeglasses, rugs, etc. Take it easy.

Sales Peaks.—What can be done to flatten out the sales by weeks of the months? The tendency of consumers to buy heavily the first two weeks of the month is increasing. Just one more problem for the perplexed retailer to deal with. What do you think?

Wrong Direction.—Retailing is moving in the wrong direction when it supports this sort of thing.

"The Board of Directors of the N.R.D.G.A. *opposed* HR 5735 which provides for the labeling, marking, and tagging of all boots and shoes to show the seven principal component materials."

Chains in Europe.—Denmark—no retail company is allowed more than one shop in a parish or municipality.

France—multiple shops are especially taxed.

Germany—The 5 and 10 cent store chains have been given 3 months to sell out and fold up. Special tax is imposed on chain stores. Woolworth is prohibited from opening any new units.

Norway—Trading license permits trading in only one fixed place.

Switzerland—Extension of stores to open new departments or more uniform price stores is prohibited.—*Domestic Commerce.*

Labor.—The Gimbel strike in Milwaukee was settled on April 6 with a few general concessions all around. The store was picketed quite regularly by 125-150 people during the Easter selling period, but the whole thing was quite peaceful. Delivery, elevator, and telephone service were not affected, much to the relief of

the store. It is significant that only 35 strikers interfered with the operation of a store with a personnel of over 1,000 employees! Improve your relations with your staff!

GENERAL CREDIT

Credit Trends.—Study the March report of the Bureau in the tables at the back of the *Review*. Credit sales are definitely expanding. For March, 1935, women's specialty shops have increased the proportion of credit sales 3.6 per cent over March of last year and men's clothing stores 5.6 per cent.

This is all very well, but look at the collection ratios! Men's clothing shops are down 2 per cent and women's specialty shops are 4.0 per cent below last year. Not so good!

Letters of Credit.—Lit Bros. report in *Retailing* the following scheme: People who have sound credit but lack ready cash are, after investigation, given a letter of credit signed by the treasurer of the store extending a specified amount of credit—\$25, \$50, \$100, or more. This letter must be presented at the time of each purchase, and the salesperson enters the amount directly on the letter. A slight charge is made for this budget service. It is a dignified method of making a deferred payment purchase.

Posting.—Note the article in the April *Bulletin of N.R.D.G.A.* Results of a survey of 107 stores carry this information:

Average number of monthly bills per biller.
Average number of monthly postings per biller.
Average weekly salary per biller.
Bonus or penalty system used.

COLLECTIONS

Consumer Debt Study.—The Department of Commerce study discovered that accounts receivable were delinquent six months or more in the following proportions:

Department stores	11.0%
Women's clothing stores.....	13.3%
Landlords	15.7%
Men's clothing	18.1%
Furniture	18.2%
Electric dealers	29.8%
Grocery stores	33.3%
Undertakers	50.3%
Dentists	55.9%
Doctors	62.4%

The last three indicate that necessity and good business do not mix very well. In spite of the humanity of the case, it is obvious that those who do pay, support those who do not, and perhaps this condition prevents the general lowering of prices for such services.

Of the stores, all credit is due to the department store group for their good collection showing. The grocers certainly need help! No wonder so many of them shift to a cash business or go bankrupt.

Good Article.—There is a good article in the January *Bulletin of N.R.D.G.A.* on the collection system used by Kresge Department Store of Newark, N. J. At one point in the article the credit manager refers to the

"50 per cent of charge customers who had been paying their bills from 60 to 90 days after they were rendered!"

INSTALLMENTS

Alexander Kaylen's study of installment selling in *Retailing* had this question: "Were your losses from installment sales excessive after the 1929 crash?"

Answers:

Department Stores—Yes, 13; No, 55.

Furniture Stores—Yes, 23; No, 24

Kaylen's conclusion: That the 1929 situation would repeat itself if another financial debacle were to be visited upon this country.

LARGE STORES

Lay-Aways.—Dizitz Department Store in Birmingham, Alabama, reports its lay-away experience:

Volume: 7 per cent of total sales:

Departments (in order of lay-away use):

Women's Ready-to-Wear

Toys and Gifts

Piece Goods

Linens

Silks

House Furnishings

Furniture

Men's Clothing

Basement: accounts for about one-third of lay-aways.

Seasonality:

	Lay-Away Sales	
January	\$11,100	5.0%
February	18,000	8.0%
March	24,800	11.0%
April	10,600	4.7%
May	9,500	4.2%
June	12,300	5.5%
July	15,000	6.7%
August	31,000	13.8%
September	22,200	10.0%
October	28,000	12.4%
November	22,000	9.7%
December	20,000	9.0%
	\$224,500	100.0%

Best Months:

February and March—Spring dresses.

August, September, and October—Fall dresses.

November, December—Gifts.

Cost of operation: The Lay-Away department has seven employees and costs about \$400.00 a month.

Profit: Store estimated 10% on these sales.

Store Cooling.—Begin to look into the question of cooling your store. You will have to do it eventually—why not do it early and get some credit for it?

Shopping News.—Chicago newspapers have been gunning for the free newspapers carrying department store ads for about two years. Lately, they won a skirmish when a judge issued an injunction forcing the free papers to deliver the papers in person or to fasten them to a doorknob "to avoid cluttering up back porches and hallways." There are many ways to skin a cat. I

venture to predict that free advertising papers will continue to be with us.

One Executive.—Took a walk through his store and this is what he saw:

"Hosiery displays that were flat and uninteresting; a jewelry counter with pieces lying carelessly grouped on a neutral background that dulled their luster; rows of handbags lying at the same angle to each other in a monotonous array, far from enticing.

"Display cards with no more news on them than 'Chiffon hose—\$1.10,' and 'Pure silk slips—\$1.69'; cards with words misspelled; card holders so high they seemed not even remotely connected with the merchandise.

"In one department, much too crowded, a rough table had been pressed into service to display very fine hand-made linens.

"A table of rayon underwear in the same place it had been week after week.

"Clearance shoes shown with the new spring hosiery shades.

"A salesgirl with soiled hands selling a line of skin creams.

"A rack of 50c ties on a case of \$2.25 shirts.

"An electric kitchen mixer demonstration with the porcelain juice extractor conspicuously nicked.

"A table end with Cellophane-packed handkerchiefs piled above the side-wall so that they were constantly sliding (they do slip) on to the floor under customers' feet."—*Dry Goods Economist*.

If someone else had told him these things, he would not have believed him!

Alterations.—A movement is on foot in New York City to charge for men's clothing alterations. A good idea. Can it be done?

SMALL STORES

The P. O. Department.—Small stores can use direct mail and house-to-house delivery of handbills with success when they cannot afford newspaper space because of the waste in coverage. But newspapers and magazines have been screaming; therefore the Post Office Department says that there will be no more unaddressed mailings after July 1—meaning delivery of advertising matter to every address in a city or in any mail route. The newspapers say these mailings cut down their revenues and threaten the freedom of the press. We will probably agree with *Business Week* that this is a pretty silly argument. This is a group government and the newspapers have scored one for their side in this case.

TAXATION

The Supreme Court Again.—This is worth reading through. (The state of Kentucky sales tax was a graduated volume tax requiring all retailers to pay 1/20 of one per cent on the first \$400,000 and up to one per cent on all sales over \$1,000,000.)

Regarding this type of tax, the court said in part: "The tax is not confined to a particular method of merchandising. All retailers, individuals and corporate, selling

every description of commodities, in whatever form their enterprises are conducted, make up the taxable class. And the excise is laid in respect to the same activity of each of them—the making of sale. Although no difference is suggested, so far as concerns the transaction which is the occasion of the tax, between the taxpayer's first sale of the year and his thousandth, different rates may apply to them.

"The operation of the statute is unjustifiably unequal, whimsical and arbitrary, as much so as would be a tax on tangible personal property, say cattle, stepped up in rate on each additional animal owned by the taxpayer, or a tax on land similarly graduated according to the number of parcels owned.

"The gross sales of a merchant do not bear a constant relation to his net profits; net profits vary from year to year in the same enterprise; diverse kinds of merchandise yield differing ratios of profit; gross and net profits vary with the character of the business as well as its volume. Expert witnesses endeavored to establish that net profits or net worth grow with increased sales. But their testimony not only indicated great variations within each class selected for comparison, but also showed that in some of the classes, representing the greater amount of sales, the net profit or addition to net worth is smaller than in a class having less aggregate sales.

"In several recent cases we sustained the classification of chain stores for taxation at rates higher than those applicable to single stores, and graduated upward on each store as the total number of units in one ownership increased. We found this classification reasonable because of advantages incident to the conduct of multiple stores and obvious differences in chain methods of merchandising as contrasted with those practiced in the operation of one store. The instant case presents a classification of quite another kind. The Kentucky statute ignores the form of organization and the method of conducting business. The taxable class is retail merchants, whether individuals, partnerships or corporations; those who sell in one store or many; those who offer but one sort of goods and those who through departments deal in many lines of merchandise. The law arbitrarily classifies these vendors for the imposition of a varying rate of taxation, solely by reference to the volume of their transactions, disregarding the absence of any reasonable relation between the chosen criterion of classification and the privilege the enjoyment of which is said to be the subject taxed. It exacts from two persons different amounts for the privilege of doing exactly similar acts because the one has performed the act oftener than the other. We hold the act unconstitutional and reverse the judgment."

Department stores should heave a sigh of relief!

The Michigan Supreme Court upheld the state chain store tax law of \$10 to \$250 a store on from 2 to 25 stores with a flat rate of \$250 on all above 25. The case will probably go to the Supreme Court of the United States.

The Dallas News Says: "It becomes evident that in any case of chain store taxation, frequently obnoxious, especially so when the taxation is a palpable effort not

to tax but to destroy legitimate enterprise, care must be exercised in defining the meaning of a chain store.

"In Texas, for instance, there are many industrial enterprises with duplicated plants in the North and South, intended to serve different areas without undue cost in freight rates. In an undefined chain-store tax bill, such enterprises might be subject to unusual hardships never intended."

Colorado Sales Tax.—Interesting features of this particular state law which calls for a 2 per cent sales tax on all sales over 9 cents, except bread and milk, where the exemption is 14 cents, are:

1. The retailer is allowed 5 per cent to cover collection costs.

2. Hotel sellers, all persons who sell at retail from other than a regular, established store, must post a \$500 bond forfeitable if they do not report regularly to the state treasurer.

3. House-to-house canvassers must put up a bond of \$500 each and make the same reports.

Such a law begins to make sense.

Other Sales Taxes.—Arizona, South Dakota, and Washington have also adopted a 2 per cent sales tax. Texas has not acted on revenue measures yet.

CONSUMER COOPERATIVES

In England.—About 7,000,000 people belong to retail coöperative societies representing about 60 per cent of the families in Great Britain. Coöperative sales increased 6.7 per cent in 1934. A national promotion to carry Consumer Coöperatives to the rural areas has been undertaken by the wholesaler society in behalf of its retail members.

In the United States.—6,600 Consumer coöperative societies with 1,800,000 members. Increase in membership, 40 per cent in 6 years. Sales, \$365,000,000 in 1934.

The Coöperative League.

To Think About.—The Cloquet Coöperative Society of Cloquet, Minnesota, operates four general merchandise stores, one filling station, and a coal department.

Sales first six months of 1934.....	\$344,879
Gross margin	14.49%
Expenses	10.23%
Stock-Turn (times per year).....	12.29

There is plenty to think about in these figures.

E. G. SMITH.

CREDIT RATIOS

Greater liberality in credit extension as compared with a year ago is shown by the March credit ratios in more than 60 Texas stores. The average ratio of credit sales to net sales in this group of stores was 61.3 per cent in March against 57.8 per cent in the similar month last year, an increase of 3.5 per cent. The ratio of collections to outstanding accounts, however, at 36.1 per cent was more than 1 per cent below that of a year ago.

There is considerable variation in these ratios as between the different cities. In Abilene, for example, the ratio of credit sales to net sales during March was 56.3 per cent while, for Dallas it was 64.3 per cent; and the

ratios of collections to outstandings for the two cities were 25.9 per cent and 35 per cent respectively. It appears therefore that Dallas has both a more liberal credit policy and a more rapid turnover of credit accounts than Abilene.

There is also considerable variation in the liberality of credit extensions and in the ratio of collections in the

different types of stores. The large and small department stores showed about the same percentage of credit sales to net sales during March, but the large ones had much better success in collections. The two sets of ratios in the other three types of stores, dry goods-apparel stores, women's specialty shops and men's clothing stores, increased in the order in which the stores are given.

MARCH CREDIT RATIOS IN TEXAS RETAIL STORES

(Expressed in Per Cent)

	Number of Stores Reporting		Ratio of Credit Sales to Net Sales		Ratio of Collections to Outstandings		Ratio of Credit Salaries to Credit Sales	
	1935	1934	1935	1934	1935	1934	1935	1934
All Stores	62	61	61.3	57.8	36.1	37.2	1.4	1.4
Stores Grouped by Cities:								
Abilene	5	4	56.3	57.5	25.9	29.6	1.9	1.6
Austin	3	3	59.5	59.3	42.0	42.6	1.1	1.2
Beaumont	3	3	61.9	56.9	36.9	35.0	1.7	1.9
Dallas	8	8	68.2	64.3	35.0	38.6	1.3	1.4
Fort Worth	6	6	57.3	55.7	32.1	32.8	1.6	1.5
Houston	7	7	57.9	54.1	41.3	37.1	1.6	1.3
San Antonio	3	3	60.7	55.5	39.6	44.5	0.9	1.1
Waco	4	4	62.0	60.0	34.8	32.7	1.5	1.2
All Others	23	23	57.1	54.4	34.9	36.0	2.0	1.8
Stores Grouped According to Type of Store:								
Department Stores (Annual Volume Over \$500,000)	18	18	59.9	56.4	37.2	37.5	1.4	1.4
Department Stores (Annual Volume Under \$500,000)	19	19	60.8	58.3	29.8	31.5	2.0	1.8
Dry Goods-Apparel Stores	4	4	60.7	59.4	30.9	33.1	2.0	2.2
Women's Specialty Shops	12	11	66.5	62.9	35.3	39.3	1.1	1.0
Men's Clothing Stores	9	9	67.2	61.6	38.2	40.2	2.0	1.9
Stores grouped according to Volume of Net Sales during 1934:								
\$3,500,000 down to \$2,000,000	7	7	59.9	58.1	39.4	39.7	1.1	1.3
\$2,000,000 down to \$1,000,000	9	9	59.2	59.1	34.2	36.9	1.5	1.2
\$1,000,000 down to \$300,000	17	17	52.5	52.0	43.4	45.5	2.0	1.6
Less than \$300,000	29	28	61.6	56.8	34.7	39.0	2.3	2.4

NOTE: The ratios shown for each year, in the order in which they appear from left to right, are obtained by the following computations: (1) Credit sales divided by net sales. (2) Collections during the month divided by the total of accounts unpaid on the first of the month. (3) Salaries of the credit department divided by credit sales.

The data are reported to the Bureau of Business Research by Texas retail stores.

Subscription to the TEXAS BUSINESS REVIEW \$1.00 per year

TEXAS COMMERCIAL FAILURES

	Mar. 1935*	Feb. 1935	Mar. 1934*	First Quarter 1935	1934
Number	29	19	21	72	79
Average Weekly					
Number	6	5	4	6	6
Liabilities	\$404,000	\$184,000	\$435,000	\$967,000	\$1,206,000
Assets	\$183,000	\$68,000	\$321,000	\$405,000	\$682,000
Average Liabilities per Failure	\$13,931	\$9,684	\$20,714	\$13,431	\$15,266

*Five weeks.

NOTE: From Dun & Bradstreet, Inc.

COTTON MANUFACTURING IN TEXAS

	Mar. 1935	Feb. 1935	Mar. 1934	First Quarter 1935	1934
Bales of Cotton					
Used	3,947	3,365	6,274	11,379	17,424
Yards of Cloth:					
Produced*	4,954	4,849	6,355	13,341	17,410
Sold*	4,364	3,177	4,657	12,902	19,075
Unfilled Orders*	8,478	9,007	11,355
Active Spindles	133,400	136,369	165,413
Spindle Hours*	27,461	29,147	51,494	89,119	147,429

*In thousands.

NOTE: Reported to the Bureau of Business Research by 17 Texas cotton mills.

TEXAS RETAIL SALES*

	Number of Stores Reporting	Percentage Change in Dollar Sales		
		Mar., 1935 from Feb., 1935	Mar., 1935 from Mar., 1934	Year-to-date 1935 from Year-to-date 1934
Abilene	5	+37.0	-15.3	-5.9
Austin	8	+33.8	-0.7	+4.7
Beaumont	5	+30.7	-1.4	+4.1
Corsicana	3	+24.0	-8.0	-0.8
Dallas	10	+17.9	+3.9	+8.4
El Paso	3	+39.0	-3.8	-1.4
Fort Worth	6	+24.4	-7.7	-0.6
Houston	9	+26.2	-14.8	-5.0
Lubbock	3	+39.2	-19.1	-15.5
Port Arthur	3	+18.4	-25.3	-17.5
San Antonio	4	+29.7	-0.6	+5.4
Temple	3	+32.3	-7.7	+7.6
Tyler	3	+25.8	-2.8	-0.3
Waco	4	+30.7	-9.5	-3.0
Wichita Falls	3	+35.9	-7.8	-3.6
All Others	18	+35.6	-13.7	-4.7
STATE	90	+26.5	-5.4	+1.0
Department Stores (Annual Volume over \$500,000)	19	+29.5	-3.5	+1.7
Department Stores (Annual Volume under \$500,000)	32	+34.1	-13.3	-7.3
Dry Goods-Apparel Stores	10	+27.3	-14.0	-7.6
Women's Specialty Shops	16	+16.0	-4.2	+4.4
Men's Clothing Stores	13	+4.8	-5.7	+9.5

*The classification by towns includes all of the stores reporting as indicated in the classification by types of stores.

NOTE: Reported to the Bureau of Business Research by Texas retail stores.

STOCK PRICES

	Mar. 1935	Feb. 1935	Mar. 1934
Standard Indexes of the Securities Markets:			
421 Stocks Combined	63.9	67.8	77.1
351 Industrials	75.4	80.0	84.9
33 Rails	27.8	31.8	48.7
37 Utilities	53.2	54.5	75.3

NOTE: From Standard Statistics Co., Inc.

COMMODITY PRICES

	Mar. 1935	Feb. 1935	Mar. 1934
Wholesale Prices:			
U. S. Bureau of Labor Statistics (1926 = 100)	79.4	79.5	73.7
The Annalist (1913 = 100)	{ 123.5	124.3	108.2
	{ 73.1*	74.0*	64.5*
Dun's	\$172.46	\$176.81	\$163.42
Bradstreet's	\$ 9.66	\$ 9.80	\$ 9.17

Farm Prices:

U. S. Department of Agriculture (1910-1914 = 100)	108.0	111.0	84.0†
U. S. Bureau of Labor Statistics (1926 = 100)	78.3	79.1	61.3

Retail Prices:

Food (U. S. Bureau of Labor Statistics, 1913 = 100)	121.7	122.0	108.5
Department Stores (Fairchild's Publications, Jan. 1931 = 100)	86.3	86.6	89.6†

*On gold basis based on exchange quotations for France, Switzerland, Holland; Belgium included to March 12.

†Revised.

PETROLEUM

Daily Average Production

(In Barrels)

	Mar. 1935	Feb. 1935	Mar. 1934
Panhandle	63,650	61,650	55,300
North Texas	57,550	57,150	55,400
West Central Texas	25,750	25,750	26,750
West Texas	152,900	150,200	135,850
East Central Texas	52,150	51,650	43,650
East Texas	444,850	435,000	432,250
Conroe	47,400	47,450	48,400
Southwest Texas	60,050	59,100	46,050
Coastal Texas	133,000	128,250	111,850
STATE	1,037,300	1,016,200	955,500
UNITED STATES	2,574,550	2,522,200	2,351,650
Imports	130,964	125,536	108,143

NOTE: From American Petroleum Institute.

New Development in Texas

	Mar. 1935	Feb. 1935	Mar. 1934	First Quarter 1935*	1934*
Permits for new wells	1,122	924	678	3,283	2,278
Wells completed	974	788	688	2,735	2,021
Oil wells	757	587	510	2,059	1,394
Gas wells	31	16	18	73	67
Initial Production (In Thousands of Barrels)	2,899	2,488	2,098	7,971	6,435

*13 weeks.

NOTE: From The Oil Weekly.

Gasoline sales as indicated by taxes collected by the State Comptroller were: February, 1935, 66,593,000 gallons; January, 1935, 71,947,000 gallons; February, 1934, 58,631,000 gallons.

TEXAS CHARTERS

	Mar. 1935	Feb. 1935*	Mar. 1934	First Quarter 1935	1934
Capitalization†	\$1,900	\$1,679	\$1,264	\$6,607	\$5,135
Number	162	147	139	495	415
Classification of new corporations:					
Oil	38	40	36	122	101
Public Service	1	1	---	4	5
Manufacturing	21	31	21	84	57
Banking-Finance	10	7	6	26	20
Real Estate-					
Building	16	8	7	34	32
Transportation	1	3	3	7	8
Merchandising	47	33	36	131	104
General	28	24	30	87	88
Foreign Permits	30	23	29	86	96
Number-capitalized at less than \$5,000	57	54	62	179	178
Number-capitalized at \$100,000 or more	1	1	1	11	8*

*Revised.

†In thousands.

NOTE: Compiled from records of the Secretary of State.

BANKING STATISTICS

(In Millions of Dollars)

	Mar. 1935	United States	Feb. 1935	United States	Mar. 1934	United States
Dallas District						
Debits to individual accounts	\$735*	\$39,779*	\$576	\$27,420	\$491	\$28,043
Condition of reporting member banks on	Apr. 3, 1935		Feb. 27, 1935		Mar. 28, 1934	
Loans and Investments—total	427	18,509	413	18,321	407	17,472
Loans on Securities—total	48	2,974	49	2,995	64	3,514
To Brokers and Dealers:						
In New York	5	720	5	726	†	†
Outside New York	1	170	1	166	†	†
To Others	42	2,084	43	2,103	†	†
Acceptances and Commercial Paper	3	436	3	440	†	†
Loans on Real Estate	25	966	23	965	†	†
Other Loans	111	3,233	112	3,198	†	†
U. S. Government Direct Obligations	163	7,280	161	7,227	†	†
Obligations Fully Guaranteed by U. S. Gov't	36	702	24	660	†	†
Other Securities	41	2,918	41	2,836	†	†
Reserve with Federal Reserve Banks	70	3,047	86	3,454	79	2,572
Cash in Vault	9	270	9	286	9	242
Net Demand Deposits	317	14,087	312	14,175	279	11,794
Time Deposits	122	4,476	124	4,449	122	4,419
Government Deposits	52	1,016	52	1,019	58	1,413
Due from Banks	149	1,732	163	1,850	125	1,519
Due to Banks	141	4,285	149	4,462	134	3,447
Borrowings from Federal Reserve Banks				1		9

*5 weeks.

†Not available.

Debits for the Dallas Federal Reserve District during the first quarter of 1935 were \$1,862,000,000 as compared with \$1,502,000,000 during the same period of 1934. Debits for all Federal Reserve Districts during the first quarter of 1935 were \$96,606,000,000 as compared with \$80,953,000,000 during the same period of 1934.

NOTE: From Federal Reserve Board.

LUMBER

(In Board Feet)

	Mar. 1935	Feb. 1935	Mar. 1934
Southern Pine Mills:			
Average Weekly Production per Unit	229,478	229,216	215,471
Average Weekly Shipments per Unit	241,421	229,564	203,190
Average Unfilled Orders per Unit, End of Month	582,271	540,845	782,866

NOTE: From Southern Pine Association.

BUILDING PERMITS

	Mar. 1935	Feb. 1935	Mar. 1934	First Quarter 1935	First Quarter 1934
Abilene	\$ 1,944	\$ 6,170	\$ 970	\$ 26,389	\$ 42,045
Amarillo	28,773	10,307	8,378	60,384	76,315
Austin	221,254	176,590	85,406	2,133,647	145,494
Beaumont	37,350	14,269	17,690	100,484	38,575
Brownsville	-----	20,310	17,135	21,285	44,863
Brownwood	3,100	115	325	4,990	1,655
Cleburne	2,515	9,350	-----	18,815	4,450
Corpus Christi	54,437	23,487	13,215	114,005	89,474
Corsicana	6,000	8,870	27,450	21,895	44,800
Dallas	341,549	309,179	347,551	1,095,048	856,642
Del Rio	2,835	4,125	26,430	9,795	29,153
Denison	200	6,410	12,500	7,470	14,700
El Paso	19,712	42,390	11,525	77,659	73,566
Fort Worth	88,150	49,400	78,600	517,039	171,020
Galveston	27,307	208,968	36,624	261,448	93,774
Harlingen	7,225	5,840	5,600	17,492	22,130
Houston	318,768	443,179	301,840	1,283,447	714,760
Jacksonville	17,100	5,320	2,000	22,545	14,375
Laredo	4,135	2,150	1,200	9,035	1,900
Longview	154,600	486,000	39,000	1,008,600	95,320
Lubbock	5,213	16,505	7,706	31,281	19,794
McAllen	4,825	2,400	550	69,110	2,875
Marshall	6,750	4,712	7,725	13,472	11,150
Palestine	24,947	5,375	14,336	65,170	31,210
Pampa	20,727	16,200	6,250	62,627	17,425
Paris	5,670	5,130	10,094	18,845	14,394
Plainview	7,600	-----	9,200	7,600	22,400
Port Arthur	24,403	31,247	11,406	80,278	34,209
Ranger	-----	-----	-----	7,000	-----
San Angelo	11,900	10,967	16,750	31,497	22,711
San Antonio	244,378	45,241	66,281	503,805	204,718
San Benito	-----	6,325	238	7,575	25,289
Sherman	3,975	4,949	3,868	11,214	20,381
Snyder	-----	-----	-----	2,650	-----
Sweetwater	6,630	2,795	1,000	10,125	4,670
Tyler	76,152	70,831	55,074	268,358	123,408
Waco	61,927	13,834	15,067	105,015	50,121
Wichita Falls	41,289	69,859	4,995	120,699	30,480
TOTAL	\$1,883,340	\$2,138,799	\$1,263,979	\$8,225,143	\$3,212,896

NOTE: Reported to the Bureau of Business Research by Texas chambers of commerce.

CEMENT

(In Thousands of Barrels)

	Mar. 1935	Feb. 1935	Mar. 1934	First Quarter 1935	First Quarter 1934
Texas Plants					
Production	278	221	433	793	908
Shipments	327	229	346	796	883
Stocks	669	717	579	-----	-----
United States					
Production	4,299	3,053	5,257	10,554	13,204
Shipments	4,877	2,952	4,618	10,675	11,348
Stocks	21,319	21,897*	21,422*	-----	-----
Capacity					
Operated	18.9%	14.9%	23.0%	-----	-----

*Revised

NOTE: From U. S. Department of Interior, Bureau of Mines.

MARCH CARLOAD MOVEMENT OF POULTRY AND EGGS

Shipments from Texas Stations											
Cars of Poultry											
Live				Dressed				Cars of Eggs			
Chickens	Turkeys	Chickens	Turkeys	Chickens	Turkeys	Chickens	Turkeys	Chickens	Turkeys	Chickens	Turkeys
1935	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934
TOTAL	12	26	1	43	78	2	---	47	93	---	---
Intrastate	4	2	---	---	---	---	---	25	41	---	---
Interstate	8	24	1	43	78	2	---	22	52	---	---
Interstate Shipments Classified											
New York	2	18	1	14	33	---	---	8	9	---	---
Illinois	---	---	---	4	8	---	---	5	4	---	---
Massachusetts	1	---	---	4	10	---	---	1	---	---	---
New Jersey	---	---	---	---	5	2	---	---	15	---	---
Pennsylvania	---	---	---	8	9	---	---	---	1	---	---
Louisiana	---	2	---	---	---	---	---	4	5	---	---
Connecticut	---	---	---	5	5	---	---	---	---	---	---
Missouri	---	---	---	1	---	---	---	---	---	---	---
Georgia	---	---	---	---	1	---	---	1	2	---	---
California	3	4	---	4	3	---	---	3	4	---	---
Alabama	---	---	---	---	---	---	---	---	2	---	---
Florida	---	---	---	---	---	---	---	---	2	---	---
Rhode Island	1	---	---	2	3	---	---	---	---	---	---
Tennessee	---	---	---	1	---	---	---	---	1	---	---
Maryland	1	---	---	---	1	---	---	---	---	---	---
Nebraska	---	---	---	---	---	---	---	---	1	---	---
Iowa	---	---	---	---	---	---	---	---	1	---	---
Oklahoma	---	---	---	---	---	---	---	---	2	---	---
North Carolina	---	---	---	---	---	---	---	---	3	---	---
Receipts at Texas Stations											
TOTAL	---	---	---	---	---	---	---	29	33	---	---
Intrastate	---	---	---	---	---	---	---	26	33	---	---
Interstate	---	---	---	---	---	---	---	3	---	---	---
Interstate Receipts Classified											
Kansas	---	---	---	---	---	---	---	3	---	---	---

NOTE: These data are furnished the U. S. Department of Agriculture, Division of Crop and Livestock Estimates, by railway officials through agents at all stations which originate and receive carload shipments of poultry and eggs. The data are compiled by the Bureau of Business Research.

MARCH SHIPMENTS OF LIVESTOCK CONVERTED TO A RAIL-CAR BASIS†

	Cattle		Calves		Hogs		Sheep		Total	
	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934
Total Interstate Plus Fort Worth†	2,104	2,166	559	419	412	400	140	323	3,215	3,308
Total Intrastate Omitting Fort Worth	672	497	182	156	14	3	24	97	892	753
TOTAL SHIPMENTS	2,776	2,663	741	575	426	403	164	420	4,107	4,061

TEXAS CAR-LOT‡ SHIPMENTS OF LIVESTOCK JANUARY 1 TO APRIL 1

	Cattle		Calves		Hogs		Sheep		Total	
	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934
Total Interstate Plus Fort Worth†	7,107	6,489	1,683	1,721	1,209	991	436	1,289	10,435	10,490
Total Intrastate Omitting Fort Worth	2,488	1,153	539	549	64	21	112	296	3,203	2,019
TOTAL SHIPMENTS	9,595	7,642	2,222	2,270	1,273	1,012	548	1,585	13,638	12,509

†Fort Worth shipments are combined with interstate forwardings in order that the bulk of market disappearance for the month may be shown.

‡Rail-Car Basis: Cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.

NOTE: These data are furnished the United States Bureau of Agricultural Economics by railway officials through more than 1,500 station agents, representing every livestock shipping point in the State. The data are compiled by the Bureau of Business Research.

**COTTON BALANCE SHEET FOR THE UNITED STATES
AS OF APRIL 1**

(In Thousands of Running Bales Except as Noted)

	Carryover Aug. 1	Imports to Apr. 1*	Final Ginnings Report March 20†	Total	Consumption to Apr. 1	Exports to Apr. 1	Total	Balance Apr. 1
1927-1928	3,762	267	12,783	16,812	4,782	5,719	10,501	6,311
1928-1929	2,536	283	14,297	17,116	4,674	6,746	11,420	5,696
1929-1930	2,313	244	14,548	17,105	4,316	5,771	10,087	7,018
1930-1931	4,530	51	13,756	18,337	3,384	5,518	8,902	9,425
1931-1932	6,369	66	16,595	23,030	3,570	6,854	10,424	12,606
1932-1933	9,682	88	12,703	22,473	3,749	6,085	9,834	12,639
1933-1934	8,176	102	12,660	20,938	3,945	6,098	10,043	10,895
1934-1935	7,746	74	9,469	17,289	3,634	3,573	7,207	10,082

The cotton year begins August 1.

*In 500-pound bales.

†Gin run bales, counting round bales as half bales.

APRIL EMPLOYMENT AND PAYROLLS IN TEXAS CLASSIFIED BY CITIES AND EMPLOYMENT GROUPS

	No. of Estab- lish- ments	Workers			Percentage from Mar. 1935	Change from Apr. 1934	Average Weekly Wage per Worker		
		Apr. 1935	Mar. 1935	Apr. 1934			Apr. 1935	Mar. 1935	Apr. 1934
Abilene	26	1,289	1,289	1,260	0.0	+ 2.3			
Amarillo	29	662	645	665	+ 2.6	- 0.5			
Austin	18	650	641	577	+ 1.4	+ 12.7			
Beaumont	45	4,637	4,614	4,446	+ 0.5	+ 4.3			
Dallas	233	12,601	12,343	13,038	+ 2.1	- 3.4			
Denison	9	620	614	723	+ 1.0	- 14.3			
El Paso	78	1,967	1,923	2,113	+ 2.3	- 6.9			
Fort Worth	105	4,982	4,812	4,971	+ 3.5	+ 0.2			
Galveston	19	926	931	972	- 0.5	- 4.7			
Houston	162	13,594	13,510	13,659	+ 0.6	- 0.5			
Laredo	11	195	204	182	- 4.4	+ 7.1			
Port Arthur	13	7,228	7,155	6,911	+ 1.0	+ 4.6			
San Angelo	27	212	213	208	- 0.5	+ 1.9			
San Antonio	145	5,009	4,916	5,098	+ 1.9	- 1.8			
Sherman	22	773	769	926	+ 0.5	- 16.5			
Waco	35	1,209	1,250	1,215	- 3.3	- 0.5			
Wichita Falls	48	994	960	1,011	+ 3.5	- 1.7			
Miscellaneous	500	13,680	14,106	14,585	- 3.0	- 6.2			
STATE	1,525	71,228	70,895	72,560	+ 0.5	- 1.8			
Bakeries	20	1,172	1,221	1,192	- 4.0	- 1.7	\$16.03	\$17.32	\$16.83
Beverages	7	169	132	144	+ 28.0	+ 17.4	20.62	22.59	22.54
Brick, Tile, Terra Cotta	8	222	259	266	- 14.3	- 16.6	10.41	9.70	11.07
Cement Plants	9	886	816	881	+ 8.6	+ 0.6	19.08	20.18	15.58
Commercial Printing	29	543	525	551	+ 3.4	- 1.5	23.63	23.09	22.69
Confectioneries	15	409	395	432	+ 3.5	- 5.3	11.56	13.48	11.51
Cotton Compresses	5	630	615	621	+ 2.4	+ 1.4	16.64	16.08	15.00
Cotton Oil Mills	13	359	484	470	- 25.8	- 23.6	14.55	14.60	10.80
Cotton Textile Mills	6	1,344	1,490	1,783	- 9.8	- 24.6	11.76	11.25	13.32
Crude Petroleum Producing	5	6,295	6,598	6,523	- 4.6	- 3.5	32.01	33.79	30.99
Electric Railway Car Shops	9	288	275	268	+ 4.7	+ 7.5	24.60	24.84	23.88
Electric Railway Maintenance and Operation	6	1,690	1,697	1,669	- 0.4	+ 1.3	25.74	25.20	24.75
Flour Mills	8	505	503	457	+ 0.4	+ 0.5	17.92	18.23	18.07
Foundries, Machine Shops	33	4,046	4,036	3,745	+ 0.2	+ 8.0	22.72	22.77	23.71
Furniture Manufacturing	5	431	475	382	- 9.3	+ 12.8	15.93	15.98	13.48
Hotels	34	2,455	2,408	2,307	+ 2.0	+ 6.4	12.85	13.25	12.31
Ice Cream Factories	9	364	323	381	+ 12.7	- 4.5	19.91	19.74	20.74
Ice Factories	56	948	809	901	+ 17.2	+ 5.2	19.70	21.41	20.02
Laundries, Dry Cleaning	21	1,085	1,062	1,054	+ 2.2	+ 2.9	13.22	13.18	13.88
Meat Packing, Slaughtering	8	1,889	1,903	1,803	- 0.7	+ 4.8	21.33	20.98	18.13
Men's Clothing Manufacturing	20	1,622	1,731	1,824	- 6.3	- 11.1	11.36	11.70	11.74
Millwork	14	414	407	332	+ 1.7	+ 24.7	18.03	18.76	15.54
Newspaper Publishing	17	1,860	1,858	2,099	+ 0.1	- 11.4	29.78	30.39	29.86
Paper Box Manufacturing	7	249	268	225	- 7.1	+ 10.7	17.41	16.63	15.53
Petroleum Refining	26	12,854	12,749	13,282	+ 0.8	- 3.2	26.10	26.27	24.77
Power and Light Companies	326	5,988	5,977	6,135	+ 0.2	- 2.4	28.69	28.25	27.51
Quarrying	15	790	647	1,329	+ 22.1	- 40.6	22.38	20.28	18.21
Railroad Car Shops	17	1,836	1,835	2,094	+ 0.1	- 12.3	27.45	25.94	24.76
Real Estate	5	56	49	48	+ 14.3	+ 16.7	13.20	14.24	14.94
Retail Stores	371	9,440	9,006	9,054	+ 4.8	+ 4.3	18.10	18.31	17.95
Saw Mills	6	712	683	931	+ 4.2	- 23.5	14.21	13.88	10.83
Structural Iron Works	9	309	326	347	- 5.2	- 11.0	19.39	19.08	18.31
Wholesale Stores	188	4,465	4,387	4,143	+ 1.8	+ 7.8	25.06	25.06	24.11
Women's Clothing Manufacturing	7	400	380	596	+ 5.3	- 32.9	14.47	13.05	12.24
Miscellaneous	191	4,503	4,566	4,291	- 1.4	+ 4.9	20.33	19.28	20.53
STATE	1,525	71,228	70,895	72,560	+ 0.5	- 1.8	\$22.75	\$22.89	\$21.92
TOTAL WEEKLY PAYROLL*		\$1,620	\$1,623	\$1,591	- 0.2	+ 1.8			

*In thousands.

NOTE: Reported to the Bureau of Business Research, cooperating with the United States Bureau of Labor Statistics.