

TEXAS BUSINESS REVIEW

A MONTHLY SUMMARY OF BUSINESS AND ECONOMIC CONDITIONS IN TEXAS

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

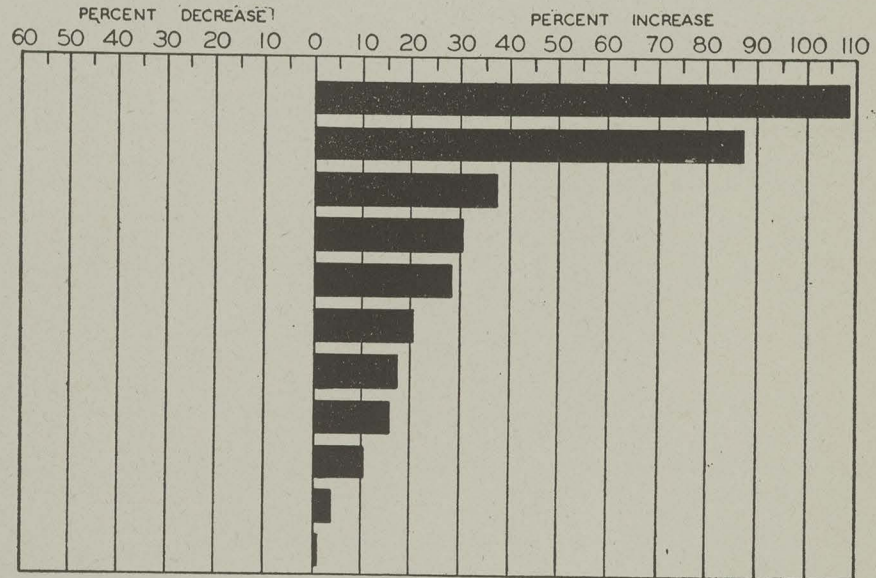
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October 1946

HIGHLIGHTS OF TEXAS BUSINESS

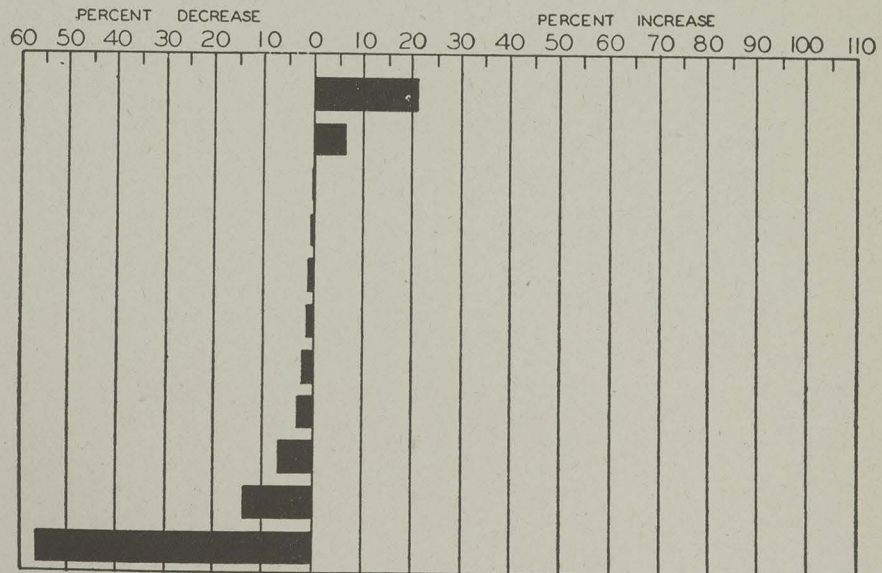
SEPTEMBER 1946 COMPARED WITH SEPTEMBER 1945

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



SEPTEMBER 1946 COMPARED WITH AUGUST 1946

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



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FIGURES FOR THE MONTH

	Sept. 1946	Aug. 1946	Sept. 1945
INDEX OF TEXAS BUSINESS ACTIVITY (1935-39=100)*.....	181.5	191.4	166.5
Index of department and apparel store sales (10).....	313.4	383.5	233.3
Index of miscellaneous freight carloadings in Southwestern District (20).....	131.2	135.2	124.0
Index of crude oil runs to stills (5).....	151.2	153.4	114.0
Index of electric power consumption (15).....	248.1	260.0	243.5
Index of employment (25).....	113.5	113.9	112.3
Index of pay rolls (25).....	203.3	203.4	192.1
TRADE			
Retail sales of 1,124 independent stores.....	\$39,732,495	\$37,378,686	\$29,025,511
Ratio of credit sales to net sales in department and apparel stores.....	49.6%	53.1%	44.6%
Ratio of collections to outstandings in department and apparel stores.....	59.5%	63.8%	63.8%
Advertising linage in 25 newspapers.....	22,122,497	22,280,706	17,286,855
Postal receipts in 54 cities.....	\$2,372,787	\$2,544,642	\$2,353,068
PRODUCTION			
Industrial electric power consumption for 10 companies (thousands of kilowatt hours).....	510,962	527,983	491,784
Man-hours worked in 512 manufacturing establishments.....	2,709,403	2,754,164	2,889,023
Crude oil runs to stills (42-gallon barrels).....	42,462,631	44,678,625	32,153,000
Gasoline stocks at refineries (thousands of barrels).....	15,116	15,219	16,899
Fuel oil stocks at refineries (thousands of barrels).....	17,615	14,756	12,069
Cotton consumption (running bales).....	18,678	18,899	14,574
Cotton linters consumed (running bales).....	1,136	1,340	971
Cottonseed crushed (tons).....	52,065	30,220	61,529
Manufacture of dairy products (1000 lbs. milk equivalent).....	80,677	87,847	90,917
Cement production (barrels).....	1,011,000	977,000	685,000
Lumber production in Southern pine mills (weekly per unit average in board feet).....	185,399	194,212	183,448
Construction contracts awarded.....	\$28,827,694	\$65,913,262	\$13,841,640
Construction contracts awarded for residential building.....	\$8,987,228	\$10,353,070	\$1,450,620
Building permits issued in 44 cities.....	\$18,049,351	\$18,367,683	\$9,474,370
Number of loans made by savings and loan associations.....	2,096	2,194	1,400
Amount of loans made by savings and loan associations.....	\$7,808,324	\$8,175,192	\$3,933,279
Telephones in service (end of month).....	759,237	754,831	665,543
Crude petroleum production (daily average in barrels).....	2,089,500	2,119,700	1,859,100
AGRICULTURE			
Farm cash income.....	\$135,219,000	\$111,413,000	\$111,964,000
Shipments of livestock (carloads).....	8,025	9,788	10,691
Rail shipments of poultry (carloads).....	31	29	15
Rail shipments of eggs (shell equivalent).....	181	309	421
Interstate receipts of eggs at Texas stations (shell-equivalent).....	90	54	37
FINANCE			
Loans, reporting member banks in Dallas District (thousands).....	\$702,000	695,000	446,000
Loans and investments, reporting member banks in Dallas District (thousands).....	\$1,963,000	\$2,007,000	\$1,873,000
Demand deposits adjusted, reporting member banks in Dallas District (thousands).....	\$1,470,000	\$1,473,000	\$1,314,000
Time deposits, reporting member banks in Dallas District (thousands).....	\$312,000	\$312,000	\$267,000
Bank debits in 20 cities (thousands).....	\$2,517,372	\$2,574,335	\$1,926,917
Corporation charters issued (number).....	182	331	83
Ordinary life insurance sales (thousands).....	\$62,982	\$73,147	\$33,719
TRANSPORTATION			
Revenue freight loaded in Southwestern District (carloads).....	263,576	283,667	256,708
Export and coastal cars unloaded at Texas ports.....	8,407	14,698	9,033
Miscellaneous freight carloadings in Southwestern District (carloads).....	152,448	161,936	144,366
Air express shipments (number).....	21,744	22,065	12,761
LABOR			
Total manufacturing employment.....	311,900	315,400	319,900
Nonagricultural civilian labor force in 21 cities.....	1,319,497	1,317,653	—
Unemployment in 21 cities.....	86,380	96,790	49,876
Placements in employment in 21 cities.....	25,388	23,862	25,625
GOVERNMENT			
Cash receipts of State Comptroller.....	\$30,337,760	\$29,761,004	\$21,832,419
Federal internal revenue collections.....	\$112,030,497	\$66,341,245	\$117,160,883
PRICES			
Index of consumers' prices in Houston (1935-39=100).....	142.8	139.8	127.6
Index of food prices in Houston (1935-39=100).....	173.5	168.8	140.5

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

The Business Situation in Texas

Business activity in Texas fell sharply in September, according to the *index of Texas business activity* prepared by the Bureau of Business Research. The 5.2% decline for the month wiped out the gains of the past two months and put business back where it was in June. It was also the largest monthly decline since the first month after V-J Day. Last year between August and September there was a 20.0% drop, due to the abrupt ending of the war in late summer. This sudden fall a year ago accounts for the fact that Texas business activity in September 1946 was 9.0% higher than activity in September 1945, and was the first month of 1946 to stand above the corresponding month of 1945. Compared with the prewar period (1935-39), Texas Business last month was still up 81.5%.

The downturn in business this past month in Texas was unmistakable. All six of the primary business indicators combined in the over-all state index were off for September. Declines in *employment* and *pay rolls* were fractional (0.4% and 0.05%, respectively). The seasonally-adjusted indexes of *crude oil runs to stills*, *miscellaneous freight carloadings* in the Southwestern District, and *electric power consumption* registered respective decreases of 1.4%, 3.0%, and 4.6%. Biggest of all, however, was the 18.3% fall in the index of *department and apparel store sales* after seasonal adjustment.

At this time a year ago all six indicators dropped sharply with the end of the war. Electric power consumption declined 4.8%, miscellaneous freight carloadings and department and apparel store sales an identical 15.3%, employment 21.9%, crude oil runs to stills 24.2%, and pay rolls 30.7%. These losses indicate the drop in September this year was considerably less than the decrease a year ago, but conditions a year ago were so different that seasonal comparisons are impossible.

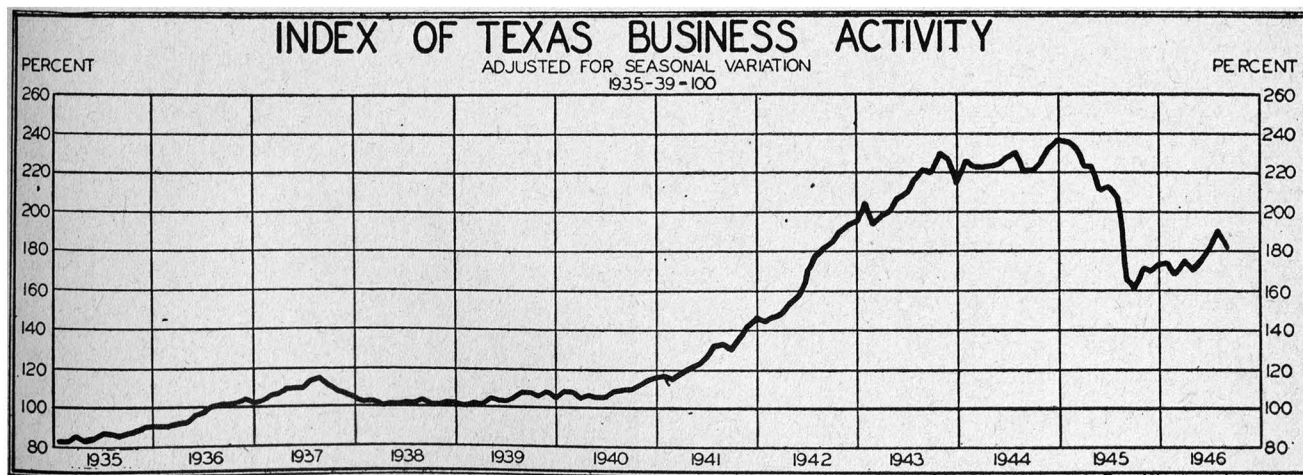
During the past 12 months business in Texas has risen rather steadily. There were declines in the general State

index in March and May of this year but all six of the primary indexes were higher in September 1946 than in September 1945. Gains in employment (1.1%) and electric power consumption (1.9%) were modest. Pay rolls and miscellaneous freight carloadings were both up 5.8%. Crude oil runs to stills with an increase of 32.1% and the dollar sales of department and apparel stores with a jump of 34.3% made the biggest advances for the 12-month period.

Comparisons between the levels of the leading State business indexes in September 1946 and in the years from 1935-39 clearly show the nature of the present prosperity. The largest increase in these comparisons is the 213.4% rise in the dollar index of Texas department and apparel store sales. Almost 60% of this increase can be traced to the advance in prices and an unknown percentage to the trading-up resulting from shortages and larger money incomes. This latter factor is reflected in the 103.3% increase in pay rolls over the prewar period. The rising tide of industrialization is marked by the gains of 148.1% in electric power consumption and 51.2% in crude oil runs to stills. The growth of production and trade is indicated by the 31.2% advance in miscellaneous freight carloadings in this area. All of these changes have taken place with only a 13.5% rise in employment.

THIS MONTH

The Bureau of Business Research adds fertilizer tax tag sales to the discussion of agriculture in the REVIEW and inaugurates a new division on waterborne commerce in the transportation section. Both of these series serve to round out the general picture of Texas business and economic conditions presented each month in the REVIEW.



Among the secondary indexes of Texas business the same shifts appear—(1) decreases between August and September this year which were greater than those that accompanied the ending of hostilities a year ago, (2) gains in most series for the past 12 months, and (3) substantially higher levels in September 1946 than in the prewar (1935-39) period. Between August and September of this year *southern pine production* eased off 4.9%, *crude petroleum production* 1.7%, *bank debits* 7.6%, and *farm cash income* 31.7% after seasonal adjustment. The 18.5% rise in the value of *building permits* was exceptional. Last year between these same months *southern pine production* declined 7.2%, *crude petroleum production* 16.6%, *bank debits* 6.9%, and *farm cash income* 29.7%. The value of building permits also rose 76.3% to exceed this year's gain. From September 1945 to September 1946, however, *southern pine production* went up 2.4%, *crude petroleum production* 12.4%, the value of *building permits* 79.6%, *bank debits* 30.6%, and *farm cash income* 20.8%. Compared with the 1935-39 period, *crude petroleum production* last month was up 65.9%, the value of *building permits* 274.7%, *bank debits* 214.3%, and *farm cash income* 103.8%. The 64.4% drop in *southern pine production* was not typical of the broader movements in Texas business.

The trade picture last month was not favorable. Although the dollar *retail sales* of all independent stores in Texas rose 6.9% over the August total, there was some rise in prices with the loosening of federal control and still only about two-thirds of the usual seasonal increase between August and September. It should be noted that retail trade in both July and August was unusually high, and that September sales this year were 36.9% above those of September 1945. With the cutbacks in dollar sales volume there was likewise a sizable curtailment of sales on *credit*. In September credit sales represented 49.6% of the total sales of Texas department and apparel stores, while a month earlier the ratio was 53.1%. Credit clearly played an important part in the first burst of retail selling after V-J Day. In September a year ago the ratio of credit to net sales was only 44.6%. There was also a sharp drop in the ratio of *collections* to outstanding accounts during the past month. In August the ratio was 63.8% for the State's department and apparel stores and in September it was 59.5%. During the preceding 12 months it had only fallen from 65.4% (August 1945). *Newspaper advertising lineage*, a good barometer of trade, was down fractionally (0.7%) between August and September this year, as compared with a rise of 5.3% between the same months a year ago. In the past 12 months lineage has risen 24.1%. *Postal receipts*, a less sensitive indicator of trade conditions, dropped 6.8% for the month and rose very little (0.9%) for the year. Between August and September last year receipts fell 5.0%.

The situation in *production* was far from reassuring. The only series to show increases from August to September were *cottonseed crushings* (72.3%) and *telephones in service* (0.6%). In the former series the advance was largely seasonal (the corresponding monthly rise a year earlier was 72.6%) and in the latter series

the gain was made out of the well-known backlog of orders for telephone service. The increase of *fuel oil stocks* at refineries was another indication that production was catching up with demand. All of the remaining 14 series on production showed decreases from August to September this year ranging from 1.1% for *cotton consumption* to 56.3% for the value of *construction contracts awards*.

The changes in the several production series between August and September 1945 were chiefly a measure of the immediate effect of the war's end upon production in Texas. A few series showed increases: the number of *loans* made by savings and loan associations (0.2%), *telephones in service* (0.3%), *construction contract awards* (2.6%), *cotton linter consumption* 4.6%, the value of *building permits* (37.3%), and *cottonseed crushings* (72.6%). The remaining 11 series turned downward without exception.

It is significant, however, that Texas industry did recover from the first shock of peace. Despite the decreases from August reported in September this year, only 4 of the 17 production series last month were below what they had been in September 1945. The exceptions were: *dairy manufacturing* (-11.3%), *cottonseed crushings* (-15.4%), *crude oil runs to stills* (-10.6%), and *man-hours worked* in Texas industry (-6.2%). All of the other series were up from 14.1% (*telephones in service*) to 519.5% (*residential construction contract awards*), except *lumber production* (+1.1%), and *industrial electric power consumption* (+3.9%).

The immediate situation of Texas *agriculture* was more favorable than that prevailing in trade or production. Seasonal marketings pushed *farm cash income* up 21.4% in September over August compared with a 24.8% rise for the same months of 1945. However, *shipments of livestock* fell in the confusion over the control of meat prices from 9,788 carloads in August of this year to 8,025 carloads in September, a decrease of 18.0% compared with a 27.5% increase between August and September a year ago. *Rail shipments of eggs* were also down more than usual last month—41.3% as compared with 33.2% a year earlier. This same scarcity of eggs lead to a 66.7% increase in *interstate egg receipts* at Texas stations, whereas September 1945 receipts were 17.8% less than those in August. On the brighter side was the 6.9% pickup in *poultry shipments* this past month over August. A year ago shipments of poultry dropped 34.8% in the same monthly comparison.

The changes in Texas agriculture during the past 12 months are a mixture of ups and downs. Farm cash income, aided in part by higher prices, went up 20.8%

The Bureau of Business Research is pleased to announce the publication of the 1945 *Proceedings of the Texas Statistical Council*. Copies of the *Proceedings* will be mailed to all members of the Council and are available to other interested persons upon request at the Bureau office.

from September 1945 to September 1946. Poultry shipments rose 106.7% in the same interval. This past month, however, livestock shipments were down 24.9% and egg shipments 57.0% compared with a year ago. Interstate receipts of eggs also climbed 143.2%.

September brought little cheer in the field of *finance*. Loans of reporting member banks in the Dallas District advanced 1.0% over August and *time deposits* were unchanged, but all other series were down for the month. The most substantial declines occurred in the number of new *corporation charters* (45.0%) and ordinary *life insurance sales*, where the boom in recent months has been greatest. Between August and September a year ago there were gains in both *time* and *demand deposits*, as well as loans.

Inflation and the general feeling of business optimism largely account for the upward movement in all of the Texas financial indicators during the past 12 months. Between September 1945 and September 1946, demand deposits rose 11.9%, time deposits 16.9%, *bank debits* 30.6%, loans 57.4%, life insurance sales 86.8%, and new corporations 119.3%.

All of the *transportation* indicators declined between August and September this year and last. The biggest drop (42.8%) this past month was in the number of *export and coastal cars unloaded*. Other declines were smaller: *revenue freight* (7.1%), *miscellaneous freight carloadings* (5.9%), and air express shipments (1.5%). Last year at this season the only sizable drop was the miscellaneous freight carloadings. Between September 1945 and September 1946 all series went up except export and coastal car unloadings (—6.9%). For the 12-month period air express shipments recorded the largest gain (70.4%).

The *labor* situation in Texas showed relatively little change in September of this year. *Manufacturing employment* was down 1.1% and the *nonagricultural civilian labor force* was up 0.1%. With the opening of school and the continued retirement of workers from the labor market urban *unemployment* was estimated to have decreased 10.8%, although *placements* rose 6.4%. The shifts in the labor situation 12 months ago were more drastic since they reflected primarily the end of hostilities in Asia. Unemployment which a year ago in September was put at 49,876 jumped to 86,380 this past month. Manufacturing employment and placements were off only 2.5% and 0.9% in the 12-month comparisons.

TRADE

Retail Trade

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

The total *retail sales* of independent stores in Texas increased 6.3% in September over August, and stood at

36.9% of September of last year. These percentages were computed from reports received by the Bureau from 1,124 establishments, representing all lines of retail business in the state. In view of the fact that there is normally a considerably larger seasonal rise in retail sales in September, this percentage actually represents a decline in business from August. In all but one of the last ten years the volume of September sales in comparison with August increased by a greater percentage than shown for 1946. In 1941 September sales were the same as August, but for the ten years the average increase for September was 10.9%.

A number of the *kinds of business* showed decreases in September in comparison with August. Sales of food stores decreased 6.2%, drug stores 3.5%, jewelry stores 9.2%, farm implement dealers 6.8%, hardware stores 1.7%, eating and drinking places 3.7%, and country general stores 3.2%. Other types of business showed increases over August, but in general these increases were less than would normally be expected for September.

Sales of all types of apparel stores increased 15.2%, with the stores selling men's and boys' clothing increasing 19.5%, and women's specialty shops 15.7%. Family clothing stores increased only 2.6% and shoe stores

RETAIL SALES OF INDEPENDENT STORES BY KINDS OF BUSINESS

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

Business	Number of reporting establishments	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	1,124	+ 36.9	+ 6.3
APPAREL	146	+ 22.9	+ 15.2
Family clothing stores	29	+ 5.8	+ 2.6
Men's and boys' clothing stores	52	+ 24.4	+ 19.5
Shoe stores	24	+ 23.9	+ 9.6
Women's specialty shops	41	+ 25.0	+ 15.7
AUTOMOTIVE*	100	+145.0	+ 3.8
Motor vehicle dealers	82	+163.8	+ 5.8
COUNTRY GENERAL	72	+ 11.5	— 3.2
DEPARTMENT STORES	54	+ 30.2	+ 8.0
DRUG STORES	106	+ 4.5	— 3.5
GENERAL MERCHANDISE	38	+ 15.6	+ 4.5
FILLING STATIONS	39	+ 16.1	+ 4.1
FLORISTS	25	+ 13.0	+ 0.8
FOOD*	166	+ 12.1	— 6.2
Grocery stores (without meat)	38	+ 5.9	— 14.3
Combination stores (groceries and meats)	100	+ 6.9	— 7.0
Other grocery and combination stores	16	+ 34.2	— 0.9
FURNITURE AND HOUSEHOLD*	77	+ 56.9	+ 3.0
Furniture stores	62	+ 53.4	+ 1.6
JEWELRY	29	+ 22.3	— 9.2
LUMBER, BUILDING MATERIALS, AND HARDWARE*	166	+ 53.6	+ 1.3
Farm implement dealers	18	+ 23.0	— 6.8
Hardware stores	49	+ 34.0	— 1.7
Lumber and building material dealers	97	+ 64.9	+ 3.4
EATING AND DRINKING PLACES*	61	+ 8.0	— 3.7
Restaurants	38	+ 9.9	— 3.6
ALL OTHER STORES	45	+ 18.9	+ 3.4

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

9.6%. Department stores increased 8.0%. The stores making up these groups showed the highest percentages of increase, but since the seasonal increase is unusually large for apparel and department stores in September, the adjustment for seasonal variation leaves these stores with a substantial decline for the month.

The seasonally-adjusted index of department and apparel store sales prepared by the Bureau dropped 18.3% in September from the high point of 383.5 reached in August. However, in spite of this sharp decline in the index, the September level was at a higher point than at any time prior to July 1946. The volume of sales in July and August was unusually high for all types of stores, and particularly for department and apparel stores, with the result that the indexes for these two months registered spectacular increases.

The decline in September sales was in no case enough to erase the gain made in retail sales over a year ago. For every type of business the volume of sales in September 1946 was above the level of September 1945. Sales of motor vehicle dealers were 163.8% above a year ago, obviously representing the increased number of cars available, even though sales increased only 5.8% from August 1946. Other durable consumer goods showed substantial gains over a year ago, such as furniture and household equipment, 56.9%, and lumber, building materials, and hardware stores 53.6%. In this latter group lumber and building material dealers reported an increase of 64.9%.

The stores selling chiefly nondurable goods showed a smaller increase over September 1945. Sales of food stores were up 12.1%, eating and drinking places 8.0%, filling stations 16.1%, florists 13.0%, drug stores 4.5%, general merchandise 15.6%, apparel stores 22.9%, and department stores with the largest increase in this group, 30.2%.

Sales increased in all but three of the crop reporting districts of the State. The Northern High Plains (District 1-N) decreased 9.3%, the Western Cross Timbers (District 3) decreased 3.9%, and the Lower Rio Grande Val-

ley (District 10-A) decreased 13.8%. Four districts increased less than the average for the State, and the remaining five districts increased by greater percentages than the average for the State.

In comparison with a year ago, all districts showed increases. The greatest increase was in the Southern High Plains (District 1-S) with an increase of 50.5%. Five other districts increased more than the average for the State, and six districts increased less than the State average. However, the smallest increase was 24.8% in the Red Bed Plains (District 2), which is not significantly less than the average for the State of 36.9%.

The increase in sales in September in comparison with August varied directly with the size of the population group. The largest cities, over 100,000 population, showed an increase of 9.7%; the second size group, 50,000-100,000 population, increased 5.8%; the population group 2,500-50,000 population increased only 1.6%; and the sales in places under 2,500 population decreased 3.7%. The largest increase for an individual city was in Dallas with 14.6%, followed closely by Fort Worth with 13.6%. Five cities reported decreases in sales in comparison with August.

In comparing September 1946 with September 1945 the largest increase was recorded for the population group 50,000-100,000, with 43.5%. The cities with populations over 100,000 ranked second with 36.9%. The 2,500-50,000 group increased 30.8%, and the cities under 2,500 increased 23.9%. The largest increase over a year ago for an individual city was in Austin with 50.9%, followed closely by El Paso with 50.3%. No city for which separate tabulations were made failed to show an increase over September 1945, and only

RETAIL SALES OF INDEPENDENT STORES BY DISTRICTS

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

District	Number of reporting establishments	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	1,124	+ 36.9	+ 6.3
Northern High Plains (District 1-N)	53	+ 26.1	- 9.3
Southern High Plains (District 1-S)	22	+ 50.5	+ 8.8
Red Bed Plains (District 2)	75	+ 24.8	+ 10.3
Western Cross Timbers (District 3)	32	+ 25.2	- 3.9
Black and Grand Prairies (District 4)	338	+ 36.4	+ 13.0
East Texas Timbered Plains (District 5)	95	+ 28.7	+ 2.1
Trans-Pecos (District 6)	26	+ 48.3	+ 10.5
Edwards Plateau (District 7)	42	+ 32.4	+ 3.2
Southern Texas Prairies (District 8)	178	+ 38.6	+ 1.6
Coastal Prairies (District 9)	172	+ 38.2	+ 0.5
Southern Texas Plains (District 10)	25	+ 36.8	+ 6.4
Lower Rio Grande Valley (District 10-A)	39	+ 43.6	- 13.8
Not specified	27	+ 26.9	+ 3.1

RETAIL SALES OF INDEPENDENT STORES BY CITY-SIZE GROUPS AND CITIES

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

City-size group and city	Number of reporting establishments	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	1,124	+ 36.9	+ 6.3
OVER 100,000 POPULATION	272	+ 38.1	+ 9.7
Dallas	59	+ 36.5	+ 14.6
Fort Worth	118	+ 41.9	+ 13.6
Houston	31	+ 34.9	- 1.1
San Antonio	64	+ 37.3	+ 3.2
50,000-100,000 POPULATION	161	+ 43.5	+ 5.8
Amarillo	18	+ 16.5	- 6.0
Austin	23	+ 50.9	+ 7.9
Beaumont	47	+ 52.5	+ 9.3
Corpus Christi	22	+ 44.3	- 6.6
El Paso	14	+ 50.3	+ 10.6
Galveston	12	+ 28.3	- 2.4
Waco	25	+ 26.1	+ 9.3
2,500-50,000 POPULATION	491	+ 30.8	+ 1.6
Abilene	16	+ 38.5	+ 7.9
Lubbock	14	+ 56.2	+ 8.8
Port Arthur	37	+ 31.3	+ 0.01
Plainview	12	+ 23.1	- 18.3
Temple	23	+ 6.6	+ 2.4
Tyler	12	+ 43.8	+ 4.5
Other	365	+ 29.6	+ 0.5
UNDER 2,500 POPULATION	200	+ 23.9	- 3.7

two increased less than 15%. These two were Wichita Falls with an increase of 14.0% and Temple with 6.6%.

The ratio of credit sales to total sales in 55 department and apparel stores reporting to the Bureau stood at 49.6% for September, compared to 44.6% a year earlier. The ratio of credit sales to net sales has been higher than the same month a year ago for every month of 1946, which is consistent with the trend towards an increased use of credit in all parts of the country. The ratio of collections to accounts receivable outstanding declined with the increased volume of credit sales. For September 1946 the ratio was 59.5% compared with 63.6% for a year ago. The ratio of credit salaries to credit sales decreased with the increased volume of credit sales, standing at 0.9% in September 1946 and 1.0% a year earlier.

Every city for which separate tabulations were made except Dallas showed an increase in the ratio of credit sales to net sales, where the ratio for September 1946 was down to 52.8% in comparison with 56.9% in September 1945. Beaumont reported the highest ratio of credit sales to net sales (60.1%), Waco was second with 53.8%, and the 52.8% for Dallas was third in spite of the fact that it was considerably below the ratio a year earlier. The ratio of collections to accounts

receivable was lower than a year ago for every city except two; Austin increased from 69.1% to 69.4%, and Corpus Christi from 76.1% to 81.3%. Credit salaries as a percentage of credit sales for September 1946 varied considerably for the different cities, with a low of 0.7% for Dallas, and a ratio just double, or 1.4%, for Corpus Christi.

Department stores with annual sales over \$500,000 reported the largest ratio of credit sales to net sales

CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES (in percent)

Classification	Number of reporting stores	Ratio of credit sales to net sales*		Ratio of collections to outstandings†		Ratio of credit salaries to credit sales‡	
		Sept. 1946	Sept. 1945	Sept. 1946	Sept. 1945	Sept. 1946	Sept. 1945
ALL STORES	55	49.6	44.6	59.5	63.6	0.9	1.0
BY CITIES:							
Austin	6	44.3	36.7	69.4	69.1	1.2	1.4
Beaumont	3	60.1	50.4	60.6	63.5	0.9	1.0
Corpus Christi	3	50.6	39.0	81.3	76.1	1.4	1.7
Dallas	6	52.8	56.9	59.1	63.4	0.7	0.7
El Paso	3	46.7	37.5	54.2	55.1	1.2	1.2
Fort Worth	4	52.5	40.1	52.5	66.5	1.0	1.1
Houston	5	47.4	36.9	59.2	59.9	1.2	1.7
San Antonio	4	41.6	32.9	58.0	62.9	1.1	1.3
Waco	5	53.8	45.8	59.8	65.1	0.9	1.2
Other	16	44.1	35.2	70.8	69.3	0.9	1.2
BY TYPE OF STORE:							
Department stores (annual sales over \$500,000)	16	52.6	42.6	59.6	64.6	0.9	1.2
Department stores (annual sales under \$500,000)	10	45.7	35.1	67.0	65.0	0.9	1.3
Dry goods - apparel stores	3	39.6	33.1	60.7	66.1	1.7	1.6
Women's specialty shops	16	44.5	53.4	56.6	60.6	0.8	0.6
Men's clothing stores	10	47.1	35.2	71.1	69.7	0.9	1.3
BY VOLUME OF NET SALES (1945):							
Over \$2,500,000	16	51.1	47.5	58.1	62.9	0.8	0.9
\$1,000,000-\$2,000,000	11	46.4	36.0	66.5	67.7	0.6	1.0
\$500,000-\$1,000,000	14	43.5	35.5	67.3	66.2	0.7	0.8
Less than \$500,000	14	37.0	29.5	68.2	68.0	1.3	1.4

*Credit sales divided by net sales.

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

‡Salaries of the credit department divided by credit sales.

POSTAL RECEIPTS

City	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	\$2,372,787	\$2,544,642	\$2,353,068	+ 0.9	- 6.8
Abilene	27,418	26,750	26,050	+ 5.3	+ 2.5
Amarillo	50,731	57,160	56,501	-10.2	-11.2
Austin	100,937	119,443	97,830	+ 3.2	-15.5
Beaumont	42,103	45,630	42,249	- 0.3	- 7.7
Big Spring	10,099	9,772	13,522	-25.3	+ 3.3
Borger	6,331	8,122	5,835	+ 8.5	-22.1
Brownsville	7,343	9,550	9,849	-25.4	-23.1
Brownwood	10,596	10,505	18,198	-41.8	+ 0.9
Bryan	7,638	7,276	8,113	- 5.9	+ 5.0
Childress	2,790	3,001	5,665	-50.8	- 7.0
Cleburne	4,872	4,503	5,201	- 6.3	+ 8.2
Coleman	3,969	2,848	4,522	-12.2	+39.4
Corpus Christi	56,741	63,618	70,850	-19.9	-10.8
Corsicana	7,823	11,941	9,609	-18.6	-34.5
Dallas	609,956	658,658	532,086	+14.6	- 7.4
Del Rio	3,970	4,460	5,823	-31.8	-11.0
Denison	8,019	8,799	8,600	- 6.8	- 8.9
Denton	10,330	10,671	10,944	- 5.6	- 3.2
Edinburg	4,508	4,766	4,385	+ 2.8	- 5.4
El Paso	86,171	91,249	91,331	- 5.6	- 5.6
Fort Worth	261,997	257,081	216,666	+20.9	+ 1.9
Gainesville	5,080	5,324	6,350	-20.0	- 4.6
Galveston	47,105	47,327	44,041	+ 7.0	- 0.5
Gladewater	3,354	3,628	3,227	+ 3.9	- 7.6
Graham	3,388	3,023	3,442	- 1.6	+12.1
Harlingen	10,959	10,691	16,120	-32.0	+ 2.5
Houston	390,373	434,362	379,210	+ 2.9	-10.1
Jacksonville	5,066	4,496	4,594	+10.3	+12.7
Kenedy	1,680	1,952	1,841	- 8.7	-13.9
Kerrville	3,975	5,015	4,343	- 8.5	-20.7
Laredo	13,362	14,944	18,419	-27.5	-10.6
Longview	11,838	13,022	13,145	- 9.9	- 9.1
Lubbock	36,392	32,419	34,959	+ 4.1	+12.3
McAllen	7,635	8,242	7,365	+ 3.7	- 7.4
Midland	11,112	10,692	14,270	-22.1	+ 3.9
Orange	10,859	11,574	12,831	-15.4	- 6.2
Pampa	8,762	8,452	10,790	-18.8	+ 3.7
Paris	9,346	9,192	16,616	-43.8	+ 1.7
Plainview	6,371	6,247	6,061	+ 5.1	+ 2.0
Port Arthur	17,858	26,508	21,941	-18.6	-32.6
San Angelo	19,151	23,085	23,916	-19.9	-17.0
San Antonio	231,257	248,810	245,873	- 5.9	- 7.1
Seguin	3,968	3,559	4,085	- 2.9	+11.5
Sherman	11,185	11,065	12,504	-10.5	+ 1.1
Snyder	2,487	1,808	2,526	- 1.5	+37.6
Sweetwater	7,116	5,930	6,222	+14.4	+20.0
Temple	12,399	11,138	15,137	-18.1	+11.3
Texarkana	24,275	31,593	30,927	-21.5	-23.2
Texas City	6,312	7,564	5,397	+17.0	-16.6
Tyler	23,886	24,059	26,572	-10.1	- 0.7
Vernon	5,923	5,877	6,300	- 6.0	+ 0.8
Victoria	8,054	8,754	10,840	-25.7	- 8.0
Waco	53,395	54,059	54,068	- 1.2	- 1.2
Wichita Falls	34,522	34,428	45,307	-23.8	+ 0.2

(52.6%), while dry goods stores reported the smallest (39.6%). When the reporting stores were grouped according to volume of net sales, the ratio of credit sales varied directly with the volume of sales. For the stores with an annual volume of \$2,500,000 in 1945 the ratio was 51.1%, for \$1,000,000-\$2,500,000 it was 46.4%, for \$500,000-\$1,000,000 it was 43.5% and for less than \$250,000 it was 37.0%.

Gasoline taxable sales in Texas, after establishing a new record in July with a total of 174,919,050 gallons, fell off 10.2% to 157,110,177 gallons in August, according to data released by the State Comptroller. In August 1945 taxable sales amounted to 140,879,206 gallons. The August figure represented a gain of 11.5% over August of last year. Sales to the federal government in August increased 66.8% from July, but were 92.6% below August 1945. A year ago sales to the federal government totaled 286,954,803 gallons, but in August 1946 they were only 21,229,597 gallons.

Reports from 25 Texas newspapers showed a decline of 0.7% in *newspaper advertising linage* between August and September of this year, but in comparison with September 1945 linage increased 24.1%.

Postal receipts in 54 Texas cities decreased 6.8% in September 1946 from August, but were 0.9% higher than a year ago. Twenty-two cities showed increases over the preceding month, and 32 showed decreases. In spite of the fact that postal receipts in September 1946 were slightly higher than a year previously, only 17 cities showed increases during this period, compared to 34 that showed decreases. The increases were in general registered in the larger cities, which resulted in the total receipts in the 54 cities increasing, even though a larger number of cities reported decreases.

Wholesale Trade

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

Wholesale sales reported by 141 Texas establishments to the Bureau of the Census increased 4% in August from July, with three types of business showing decreases and three showing increases. Also thirteen firms not classified according to type of business showed increases. The greatest increase was in automotive supplies with 12%, followed by groceries and food and general hardware, both with 6%. Machinery, equipment and supplies decreased 12%, drugs and sundries (including the liquor departments of other trades) decreased 9%, and electrical goods decreased 5%.

In comparison with a year ago all wholesale establishments showed an increase of 45% in sales, with every type of business increasing. The smallest increase registered was 21% in drugs and sundries, and the largest was 114% in electrical goods.

Inventories of all wholesale establishments increased 1% in August over July, with four types of business

WHOLESALESALES

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

Business	Number of reporting firms	Percent change	
		Aug. 1946 from Aug. 1945	Aug. 1946 from July 1946
TOTAL	141	+ 45	+ 4
Automotive supplies	12	+ 57	+12
Drugs and sundries*	17	+ 12	- 9
Electrical goods	24	+114	- 5
Groceries and foods (except farm products)	51	+ 29	+ 6
General hardware	16	+ 49	+ 6
Machinery, equipment, and supplies (except electrical)	5	+ 52	-12
All other	16	+ 70	+32

*Includes liquor departments of other trades.

showing increases and two showing decreases. Inventories of the unclassified group decreased 11%. The largest increase was in automotive supplies (15%) Machinery, equipment and supplies increased 7%, groceries and foods increased 6%, and drugs and sundries increased 2%. Electrical goods and general hardware both decreased by 2%.

In comparison with a year earlier inventories increased 38%, with increases in all types of business. Electrical goods showed the greatest increase with 104% and automotive supplies showed the smallest with 3%.

WHOLESALESALES INVENTORIES

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

Business	Percent change	
	Aug. 1946 from Aug. 1945	Aug. 1946 from July 1946
TOTAL	+ 38	+ 1
Automotive supplies	+ 3	+15
Drugs and sundries*	+ 21	+ 2
Electrical goods	+104	- 2
Groceries and foods (except farm products)	+ 41	+ 6
General hardware	+ 31	- 2
Machinery, equipment, and supplies (except electrical)	+ 33	+ 7
All other	+ 60	-11

*Includes liquor departments of other trades.

Foreign Trade

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

Exports from Galveston, Texas City, and Houston, as reported by the Galveston and Houston Maritime Associations totaled 638,759 tons in August. This was a 6.8% greater tonnage than that reported for July and continued the June upswing. The export movements at Houston and Texas City decreased 14.6% and 25.2%, respectively, in August from July but Galveston exports

(the largest for the three cities) shot up 25.3%. The leading commodities in the Galveston gain were cotton, flour, and wheat, while it was the declines in these items through Texas City and Houston that caused the fall in their traffic.

EXPORTS FROM GALVESTON, HOUSTON, AND TEXAS CITY (in tons)

Source: Galveston and Houston Maritime Associations, Inc.

Port and product	Aug. 1946	July 1946	Percent change
			Aug. 1946 from July 1946
TOTAL	638,759	597,907	+ 6.8
GALVESTON, TOTAL	419,523	334,903	+ 25.3
Carbon black	119	33	+260.6
Cotton	28,564	18,568	+ 53.8
Flour	40,211	19,783	+103.3
Asphalt	1,238	473	+161.7
Metals	236	321	- 26.5
Rice	1,754	2,359	- 25.6
Potash	165	202	- 18.3
Sulphur	124,795	117,030	+ 6.6
Wheat	163,109	131,109	+ 24.8
Other	58,776	45,025	+ 30.5
TEXAS CITY, TOTAL	37,668	50,336	- 25.2
Flour	3,362	9,919	- 66.1
Potash	2,444	1,000	+144.4
Wheat	25,733	37,320	- 31.0
Other	6,129	2,097	+192.3
HOUSTON, TOTAL	181,568	212,668	- 14.6
Carbon black	5,082	8,426	- 39.7
Cotton	22,010	30,509	- 27.9
Flour	8,664	10,030	- 13.6
Livestock	474	677	- 30.0
Metals	6,359	6,216	+ 2.3
Rice	101	4,266	- 97.6
Asphalt	776	451	+ 72.1
Sulphur	4,329	599	+722.7
Wheat	39,419	45,559	- 13.5
Other	94,354	105,935	- 10.9

PRODUCTION

Manufacturing

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

Crude oil runs to stills in September 1946 were 5.0% below the figure for the previous month. The index of crude runs to stills adjusted for seasonal variation, showed a decrease of 1.4% from August to September 1946 and stood at 151.2% of the 1935-39 level. Crude runs totaled 42,462,631 barrels in September 1946, as compared with 44,678,625 in August, and 32,153,000 in September, according to the State Railroad Commission. Refinery operations in September this year were well above September 1945, at which time crude oil runs to stills dropped 27.0% from the month before.

Refinery stocks of gasoline in Texas at the end of September 1946 were practically the same as at the end of the previous month. Distillate stocks, however, registered an increase of 14.0% in September over the previous month, and residual stocks jumped 26.2%. In comparison with September 1945, gasoline stocks were 10.6% lower this September, but distillate stocks were up 59.5% and residual stocks 33.1%.

REFINERY STOCKS*

(in thousands of barrels)

Source: The Oil and Gas Journal

Section and item	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TEXAS					
Gasoline	15,116	15,219	16,899	-10.6	- 0.7
Distillate	9,361	8,214	5,868	+59.5	+14.0
Residual	8,254	6,542	6,201	+33.1	+26.2
TEXAS GULF COAST					
Gasoline	12,463	12,648	14,351	-13.2	- 1.5
Distillate	8,753	7,606	5,427	+61.3	+15.1
Residual	7,518	5,784	5,217	+44.1	+30.0
INLAND TEXAS					
Gasoline	2,653	2,571	2,548	+ 4.1	+ 3.2
Distillate	608	608	441	+37.9	0.0
Residual	736	758	984	-25.2	- 2.9

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

Consumption of cotton in Texas during September 1946 was slightly below (1.1%) the figure for the previous month, but the consumption of linters registered a decrease of 15.2% from the August 1946 figure. Cotton consumption was up 28.2% from September 1945, and the consumption of linters was 17.0% higher.

CONSUMPTION OF COTTON AND COTTON LINTERS

(in running bales)

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

Commodity	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Cotton	18,678	18,899	14,574	+28.2	- 1.1
Linters	1,136	1,340	971	+17.0	-15.2

Cottonseed received at mills in Texas during September 1946 was 24.7% above the figure for the previous month, while the cottonseed crushed in Texas mills showed an increase of 72.3% over the August 1946

COTTONSEED PRODUCTION

(in tons)

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

Item	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Received at mills	92,147	73,921	114,894	-19.8	+24.7
Crushed	52,065	30,220	61,529	-15.4	+72.3
Stocks at end of month	141,097	101,015	171,102	-17.5	+39.7

figure. Stocks at the end of September 1946 were 39.7% above those for August of this year. Cottonseed receipts, crushings, and stocks were all from 15 to 20% below September 1945 levels.

The *manufacture of dairy products* in Texas in total milk equivalent for September 1946 registered a decline of 8.2% from the August figure. Creamery butter declined 4.7%, ice cream 23.0%, American cheese 4.3%, whereas the production of other dairy products (ice cream, condensed milk, etc.) rose 25.8%. Compared with September 1945, the total milk equivalent of manufactured dairy products this September was down 11.3%.

MANUFACTURE OF DAIRY PRODUCTS

Product	Unit	Sept. 1946	Aug. 1946	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL MILK EQUIVALENT*	1,000 lbs.	80,677	87,847	90,917	-11.3 - 8.2
Creamery butter	1,000 lbs.	1,492	1,565	1,908	-21.8 - 4.7
Ice cream†	1,000 gal.	2,428	3,152	2,744	-11.5 -23.0
American cheese	1,000 lbs.	775	810	981	-21.0 - 4.3
All other	1,000 lbs.	4,818	3,829	4,449	+ 8.3 +25.8

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

†Includes sherbets and ices.

Lumber production in southern pine mills, as reported by the Southern Pine Association for September 1946 showed a decrease of 4.5% from the previous month, in terms of average weekly production per unit. Average weekly shipments per unit were down 2.8% and average unfilled orders per unit at the end of the month were up 7.7%. Production was 1.1% higher in September this year than a year ago, but shipments dropped 7.2%, and unfilled orders were down 17.6%. The index of southern pine production for September 1946 was 64.4% of the 1935-39 period.

LUMBER PRODUCTION IN SOUTHERN PINE MILLS

(in board feet)

Source: Southern Pine Association

Item	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Average weekly production per unit	185,399	194,212	183,448	+ 1.1	- 4.5
Average weekly shipments per unit	185,873	191,154	200,357	- 7.2	- 2.8
Average unfilled orders per unit, end of month	911,405	846,077	1,103,753	-17.4	+ 7.7

Cement production of Texas plants during September 1946 exceeded that of the previous month by 3.5% and totaled 1,011,000 barrels. Compared with the 685,000 barrels produced in September 1945, the increase was 47.6% above last year. Shipments for September amounted to 1,021,000 barrels, representing a

gain of 37.2% over the comparable month of 1945 but slightly less (0.1%) than shipments made last month. Stocks on hand at the end of September totaled 366,000 barrels, a decline of 2.7% from the month before and 42.6% less than stocks reported on hand a year ago.

CEMENT PRODUCTION

(in thousands of barrels)

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

Item	Aug. 1946	Sept. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Production	1,011	977	685	+47.6	+ 3.5
Shipments	1,021	1,022	744	+37.2	- 0.1
Stocks	366	376	638	-42.6	- 2.7

Wheat grindings of Texas mills in August 1946 amounted to 3,634,000 bushels, a decline of 3.5% from July, whereas the decline for the comparable period last year was only 1.3%. Wheat grindings for August this year were 12.2% less than the 4,138,000 bushels ground in the same month of 1945. *Flour production* was down 1.6% from the August 1945 total, and the 1,677,000 sacks produced during August 1946 was 4% less than the number reported in July.

WHEAT GRINDINGS AND FLOUR PRODUCTION

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

Item	Unit	Aug. 1946	July 1946	Aug. 1945	Percent change	
					Aug. 1946 from Aug. 1945	Aug. 1946 from July 1946
Wheat ground	1,000 bu.	3,634	3,764	4,138	-12.2	- 3.5
Wheat flour	1,000 sks.	1,677	1,746	1,705	- 1.6	- 4.0

The number of *active cotton spinning spindles* reported by the textile industry for September 1946 totaling 239,990 indicates a gain of 1.0% over the number in use last year. From August to September of this year there was a decrease of only 48 spindles. *Spinning spindles in place* at the end of the month totaled 242,140 compared with 242,792 in August and 240,452 in September 1945. These figures indicate that practically no change in either active spindles or spindles in place was made in Texas textile mills during the past year. The average spindle hours increased 9.5% from August to September, amounting to 403 for the latter month, and were 17.5% above the number reported for the comparable month of 1945.

COTTON SPINNING ACTIVITY

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

Item	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Spinning spindles in place*	242,140	242,792	240,452	+ 0.7	- 0.3
Spindles active	239,990	240,038	237,684	+ 1.0	- 0.02
Average spindle hours	403	368	343	+17.5	+ 9.5

*End of the month.

Construction

(Because of the accumulated deficiency of building in all sections of the State, data on the volume of construction work are an extremely important part of the business situation. Building permits or contracts awarded are generally used to measure building activity, but it must be kept in mind that data on both permits and contracts reflect the value of new work begun, rather than the volume of actual construction activity in a particular month. Loans by savings and loan associations reflect the financing of residential housing. At the present both building permits and contracts awarded are affected by government restrictions.)

Building permits issued in 45 Texas cities in September 1946 totaled \$18,049,351, a decrease of only 1.7% from the August figure but 90.5% higher than the total for September 1945. The seasonally-adjusted index of building permits prepared by the Bureau was 374.7% of the 1935-39 base period in September and was 18.5% above the August 1946 figure.

BUILDING PERMITS

City	Sept. 1946	Aug. 1946	Sept. 1945
TOTAL	\$18,049,351	\$18,367,683	\$ 9,474,370
Abilene	342,569	186,840	321,986
Amarillo	650,920	471,185	398,782
Austin	1,875,193	1,302,940	410,687
Beaumont	441,210	404,284	76,148
Big Spring	60,580	45,475	33,605
Borger	118,200	53,000	80,750
Brownsville	54,453	112,079	74,443
Bryan	93,270	198,846	26,650
Childress	23,700	15,400	17,025
Cleburne	67,950	29,775	40,200
Coleman	45,225	26,050	8,300
Corpus Christi	741,161	1,280,621	304,739
Dallas	3,162,240	5,927,191	1,503,192
Denison	88,824	56,448	29,000
Denton	108,100	153,050	28,150
Edinburg	44,140	16,191	56,985
El Paso	517,709	336,335	308,525
Fort Worth	1,265,571	1,577,662	655,885
Gainesville	55,305	68,450	12,600
Galveston	516,249	166,633	562,697
Graham	10,400	5,200	2,000
Harlingen	108,560	81,700	39,000
Houston	3,478,511	1,640,159	2,016,698
Jacksonville	43,000	41,400	11,650
Kenedy	5,075	600	10,850
Kerrville	121,681	70,950	13,005
Longview	46,820	119,550	55,335
Lubbock	543,956	436,402	224,568
McAllen	54,650	77,510	62,100
Marshall	62,047	88,650	32,748
Midland	174,250	127,750	112,200
New Braunfels	28,580	78,390	14,205
Palestine	53,779	110,970	31,964
Paris	63,845	35,761	12,751
Plainview	77,000	66,000	48,775
Port Arthur	140,442	195,644	135,464
San Antonio	1,378,558	1,586,090	1,202,713
Seguin	18,425	30,900	23,500
Sherman	122,483	72,576	51,443
Sweetwater	38,275	64,835	20,060
Texas City	36,452	20,345	29,635
Tyler	460,022	298,847	96,686
Victoria	27,775	178,012	14,650
Waco	584,993	348,083	204,995
Wichita Falls	97,203	162,904	57,026

Loans made by 119 insured savings and loan associations in Texas in September, totaling 2,096, were 4.5% under the August total but 49.7% above the number of loans made in September 1945. Small decreases in number of loans were shown by each of the classifications included in the report. Purchase loans totaling 1,154, representing more than half the loans made, were down 3.8% for the month but were 34.7% greater than the number made a year ago.

The number of construction loans increased more during the year and showed less decline from last month than any other group. General increases compared with September a year ago were as follows: construction 140.2%, purchase 34.7%, refinance 80.0%, recondition 33.8%, and miscellaneous loans 16.0%.

The amount of loans totaled \$7,808,324 for the month, a decrease of 4.5% from August but 98.5% more than the amount for September 1945. The average loan of \$3,725 compared with \$3,726 in August and \$3,809 for September 1945. The size of the average purchase loan was \$4,097 in September 1946, while the average for the same month of last year was \$2,982.

LOANS MADE BY SAVINGS AND LOAN ASSOCIATIONS*

Source: Federal Home Loan Bank of Little Rock

Type	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
NUMBER, TOTAL	2,096	2,194	1,400	+ 49.7	- 4.5
Construction	466	479	194	+140.2	- 2.7
Purchase	1,154	1,200	857	+ 34.7	- 3.8
Refinance	135	135	75	+ 80.0	0.0
Recondition	174	198	130	+ 33.8	-12.1
Other	167	182	144	+ 16.0	- 8.2
AMOUNT, TOTAL	\$7,808,324	\$8,175,192	\$3,933,279	+ 98.5	- 4.5
Construction	2,142,049	2,064,985	730,837	+193.1	+ 3.7
Purchase	4,728,641	5,115,069	2,555,759	+ 85.0	- 7.6
Refinance	467,322	378,356	221,186	+111.3	+23.5
Recondition	162,867	187,580	204,161	- 20.2	-13.2
Other	307,445	429,202	221,336	+ 38.9	-28.4

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

September construction contracts totaling \$28,827,694 for all building reported by the Texas Contractor dropped an average of 56.3% from August to September compared with an increase of 18.8% from July to August. Contracts for the month were only 2.6% above

CONSTRUCTION CONTRACTS

Source: Texas Contractor

Type of building	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	\$28,827,694	\$65,913,262	\$13,841,640	+108.3	- 56.3
Engineering	10,981,722	33,292,156	4,283,795	+156.4	- 67.0
Nonresidential	8,858,744	22,268,036	8,107,225	+ 9.3	- 60.2
Residential	8,987,228	10,353,070	1,450,620	+519.5	- 13.2

awards made in September 1945 but were still more than double (108.3% above) the total reported for September 1945.

Engineering contracts showed the greatest decrease of any type of construction. The September contracts of \$10,981,722 were 67.0% below the August total but 156.4% above the comparable month of last year. The volume of nonresidential building decreased 60.2% to \$8,858,744 in September, remaining but 9.3% higher than the 1945 figure for contracts in this classification. Compared with the previous month, residential contracts decreased less than any other group, reporting a decline of 13.2% from August. The year-to-year comparison of this type of building, however, shows an increase of 519.5% over September 1945.

Public Utilities

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

Electric power consumption in Texas, as reported by 10 electric power companies, for September 1946 was 3.2% below the figure for the previous month. The index of electric power consumption for September 1946 (adjusted for seasonal variation) was 248.1% of the 1935-39 period, and was 3.2% below August 1946.

The production of electric energy for public use in Texas totaled 720,683,000 kilowatt hours in August 1946, according to data released by the Federal Power Commission. This figure was 3.8% above July 1946 production and 3.1% above that of September 1945.

ELECTRIC POWER CONSUMPTION*

(in thousands of kilowatt hours)

Use	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	511,000	527,983	491,789	+ 3.9	- 3.2
Commercial	109,222	109,358	99,400	+ 9.9	- 0.1
Industrial	251,710	260,389	249,331	+ 1.0	- 3.3
Residential	78,289	78,951	67,841	+15.4	- 0.8
Other	71,779	79,285	75,211	- 4.6	- 9.5

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

The number of *telephones in service* in 40 Texas cities at the end of September 1946 was practically the same as in the previous month. However, practically all of the centers in the accompanying table registered a substantial increase over the September 1945 figures.

Biggest August-to-September gains from a percentage standpoint were recorded by Beaumont (2.0%), McAllen (2.5%), Orange (3.2%), and Sweetwater (6.2%). For the 12-month period Borger's 46.9% jump was outstanding. Other cities with increases of more than 2.0% in the number of telephones in service included Corsicana, Edinburg, Lubbock, McAllen, McKinney, Orange, San Benito, and Tyler.

TELEPHONES IN SERVICE

Source: Southwestern Bell Telephone Company

City	Sept. 30 1946	Aug. 31 1946	Sept. 30 1945	Percent change	
				Sept. 30 1946 from Sept. 30 1945	Sept. 30 1946 from Aug. 31 1946
TOTAL	759,237	754,831	655,543	+14.1	+ 0.6
Abilene	9,963	9,968	8,787	+13.4	- 0.1
Amarillo	18,779	18,983	17,998	+ 4.3	- 1.1
Austin	32,367	32,078	28,649	+13.0	+ 0.9
Beaumont	21,623	21,207	19,346	+11.8	+ 2.0
Big Spring	3,503	3,496	3,371	+ 3.9	+ 0.2
Borger	3,855	3,800	2,625	+46.9	+ 1.4
Brownsville	3,730	3,714	3,192	+16.9	+ 0.4
Cleburne	2,724	2,723	2,308	+18.0	+ 0.04
Corpus Christi	24,150	24,089	21,634	+11.6	+ 0.3
Corsicana	4,141	4,076	3,890	+22.2	+ 1.6
Dallas	145,035	143,403	126,167	+15.0	+ 1.1
Denison	5,348	5,276	4,521	+18.3	+ 1.4
Edinburg	1,438	1,428	1,145	+25.6	+ 0.7
Fort Worth	72,193	71,776	63,324	+14.0	+ 0.6
Gainesville	2,777	2,728	2,681	+ 3.6	+ 1.8
Galveston	20,856	20,793	18,830	+10.8	+ 0.3
Harlingen	3,899	3,878	3,643	+ 7.0	+ 0.7
Houston	168,276	167,164	145,019	+16.0	+ 0.7
Kingsville	2,069	2,105	1,966	+ 5.2	- 1.7
Laredo	5,108	5,080	4,644	+10.0	+ 0.6
Longview	5,753	5,646	5,106	+12.7	+ 1.9
Lubbock	12,836	12,761	10,669	+20.3	+ 0.6
Marshall	4,299	4,272	3,743	+14.9	+ 0.6
McAllen	3,048	2,973	2,470	+23.4	+ 2.5
McKinney	2,378	2,340	1,964	+21.1	+ 1.6
Midland	4,393	4,329	3,669	+19.7	+ 1.5
Mineral Wells	2,828	2,791	3,002	- 5.8	+ 1.3
Orange	4,247	4,114	3,516	+20.8	+ 3.2
Pampa	4,493	4,491	3,758	+19.6	+ 0.04
Paris	5,051	4,965	4,708	+ 7.3	+ 1.7
Port Arthur	15,703	15,545	13,171	+19.2	+ 1.0
San Antonio	83,054	82,455	72,883	+14.0	+ 0.7
San Benito	1,888	1,879	1,101	+26.1	+ 0.7
Sweetwater	2,344	2,207	2,148	+ 9.1	+ 6.2
Temple	4,495	4,468	4,036	+11.4	+ 0.6
Tyler	10,164	10,019	8,408	+20.9	+ 1.4
Vernon	2,533	2,521	2,251	+12.5	+ 0.5
Victoria	4,343	4,318	4,161	+ 4.4	+ 0.6
Waco	18,114	18,054	15,774	+14.8	+ 0.3
Wichita Falls	15,939	16,223	15,766	+ 1.1	- 1.8

Natural Resources

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

Daily average production of crude oil in Texas for September 1946 of 2,089,500 barrels was slightly less (1.4%) than for the preceding month but was 12.4% above the figure for September 1945. When adjusted for seasonal factors the index of crude dropped 1.7% from August. In September 1946 the index was 165.9% of the 1935-39 average.

Oil well completions in Texas, from January through September 1946 were somewhat above the figure for the corresponding months in 1945. Largest number of completions in September 1946 was in North Central Texas which also had by far the largest number of dry holes.

Second in number of completions was West Texas, which led in number of oil wells for the month. Texas Gulf Coast had 128 completions with 88 oil wells, 8 gas wells, and 32 dry holes.

WELL COMPLETIONS

Source: *The Oil and Gas Journal*

District	September*				Jan.-Sept. (all wells)	
	Total	Oil	Gas	Dry	1946	1945
TEXAS	607	376	33	198	5,912	5,348
North Central Texas	226	117	7	102	2,123	1,639
West Texas	144	118	1	25	1,280	1,334
Panhandle	26	15	10	1	243	417
Eastern Texas	45	27	6	12	539	250
Texas Gulf Coast	128	88	8	32	1,291	1,217
Southwest Texas	38	11	1	26	436	491

*For 4 weeks ending September 28, 1946.

AGRICULTURE

Income

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

Estimates prepared by the Bureau of Business Research indicate that Texas farmers and livestockmen received approximately \$135,219,000 in cash income during September as compared with \$111,413,000 received in August. This is an increase of 17.6% for the month as well as an increase of 17.2% over the September *farm cash income* of 1945. Compared with pre-war years (1935-39) income last month was up approximately 200%.

Notwithstanding the 17.6% rise in farm receipts over August, the index for September, when adjusted for seasonal variation, dropped 31.7% from its August level. In other words the August-to-September gain in dollar income, though substantial, failed to measure up to normal seasonal expectations.

During the first 9 months of 1946, farm cash income in Texas totaled \$797,511,000, or about 4.3% more than in the same months in 1945. District gains ranged from a 29.6% increase in the Trans-Pecos area to a decrease of 23.3% in the East Texas timbered plains. Total income for the year to date is shown by districts in the accompanying table.

The outlook for most fall crops this year is highly favorable, according to the United States Department of Agriculture. An increase of 58% over a 10-year average is expected for snap beans. The latter part of September gave evidence that the biggest crop of Texas grapefruit, oranges, and lemons in the history of the State would begin rolling to market soon. A 30-million box citrus harvest is expected this season, as compared with 28 million boxes last year. The forecast for the

FARM CASH INCOME*

District	Indexes, 1935-39=100 adjusted for seasonal variation			Amount, Jan.-Sept. (in thousands of dollars)	
	Sept. 1946	Aug. 1946	Sept. 1945	1946	1945
TEXAS	203.8	298.2	168.7	797,511	764,365
1-N	292.1	482.2	311.7	90,752	82,277
1-S	313.8	542.3	215.1	47,057	54,045
2	163.6	331.7	138.4	71,424	73,198
3	227.1	310.5	241.0	42,108	38,418
4	154.5	100.8	105.9	116,844	102,727
5	66.3	97.8	62.9	39,434	51,405
6	707.0	278.5	353.5	37,939	29,275
7	209.3	251.2	178.8	69,956	63,670
8	160.5	308.5	184.5	91,191	87,532
9	364.7	265.5	386.6	45,076	48,106
10	130.6	460.9	169.8	28,493	28,423
10-A	274.7	946.9	82.9	117,237	105,289

*Farm cash income as computed by the Bureau understates actual farm cash income by from 6 to 10%. This situation does not impair the accuracy of the indexes.

year's Texas cotton crop, however, took another drop as of October 1, when the Crop Reporting Board of the United States Department of Agriculture indicated that production would be 25,000 bales below the forecast of a month ago. The greatest crop yields in the nation's history are being realized as the growing season nears an end, and the Department of Agriculture reports that aggregate production of all crops will be 2.5% higher than the record-breaking high of 1942.

With predictions of record-breaking crops and the lifting of price control on meats, the outlook for farm cash income in Texas this year remains favorable. Government experts predict that the national farm income will be 150% larger than the 1939 income.

Prices

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

September *prices* of Texas farm products moved downward from the August and July levels with the exception of cotton, poultry, and dairy products. Of 22 commodities, 10 rose over the August price, 10 declined, and 2 remained unchanged. All grains declined with the exception of wheat, which remained unchanged. Practically all products were well above the September 1945 prices.

Cotton rose steady showing a 3.6% increase over the August price, rice was 2.6% higher, sheep 6.6%, horses 5.8%, mules 1.4%, eggs 18.8%, chickens 3.2%, and butterfat 3.1%. Hogs showed the greatest loss over the 31-day period with a drop of 22.2%. Other products declining in price were: veal calves (1.3%), beef cattle (0.7%), corn (5.1%), grain sorghum (7.4%) potatoes (8.0%), sweet potatoes (10.0%), and wool (2.4%).

For the 12-month period (September 1945-46) cotton increased 61.9%, cattle was up by 26.8%, veal calves

LOCAL BUSIN

ABILENE	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 38.5	+ 7.9
Department and apparel store sales		+ 17.4	+ 17.9
Postal receipts	\$ 27,418	+ 5.3	+ 2.5
Building permits	\$ 342,569	+ 6.4	+ 83.3
Telephones in service	9,963	+ 13.4	- 0.1
Air express shipments	102	+ 85.5	- 18.4
Bank debits to individual accounts (thousands)	\$ 24,194	+ 40.7	+ 1.0
Placements in employment	669	+ 57.0	+ 13.8
Unemployment	1,480	+ 97.3	- 2.6

AMARILLO	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 16.5	- 6.0
Postal receipts	\$ 50,731	- 10.2	- 11.2
Building permits	\$ 650,920	+ 63.2	+ 38.1
Telephones in service	18,779	+ 4.3	- 1.1
Air express shipments	351	+ 51.3	- 3.6
Bank debits to individual accounts (thousands)	\$ 59,489	+ 44.9	- 6.2
Placements in employment	717	+ 33.3	+ 12.0
Unemployment	1,300	+356.1	- 7.1

AUSTIN	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 50.9	+ 7.9
Department and apparel store sales		+ 28.1	+ 13.8
Postal receipts	\$ 100,937	+ 3.2	- 15.5
Building permits	\$1,875,193	+356.6	+ 43.9
Telephones in service	32,367	+ 13.0	+ 0.9
Air express shipments	463	+ 97.9	+ 14.9
Bank debits to individual accounts (thousands)	\$ 100,410	+ 41.1	+ 18.2
Placements in employment	909	+ 82.5	- 0.4
Unemployment	2,750	+107.4	- 2.2

BEAUMONT	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 52.5	+ 9.3
Department and apparel store sales		+ 18.2	+ 9.1
Postal receipts	\$ 42,103	- 0.3	- 7.7
Building permits	\$ 441,210	+479.4	+ 9.1
Telephones in service	21,623	+ 11.8	+ 2.0
Air express shipments	274	+ 81.5	+ 7.9
Bank debits to individual accounts (thousands)	\$ 61,039	+ 13.1	+ 0.02
Placements in employment (area) ..	2,324	- 22.6	- 3.6
Unemployment (area)	8,300	+315.0	- 14.4

CORPUS CHRISTI	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 44.3	- 6.6
Department and apparel store sales		+ 40.5	- 5.6
Postal Receipts	\$ 56,741	- 19.9	- 10.8
Building permits	\$ 741,161	+143.2	- 42.1
Telephones in service	24,150	+ 11.6	+ 0.3
Air express shipments	512	+ 55.6	+ 3.4
Bank debits to individual accounts (thousands)	\$ 59,854	+ 0.6	- 13.4
Placements in employment	659	+ 27.7	- 9.6
Unemployment	2,800	+154.5	- 9.7

CORSICANA	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Postal receipts	\$ 7,823	- 18.6	- 34.5
Telephones in service	4,141	+ 22.2	+ 1.6
Bank debits to individual accounts (thousands)	\$ 9,141	+ 32.8	+ 26.2

DALLAS	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 36.5	+ 14.6
Department and apparel store sales		+ 34.1	+ 18.0
Postal receipts	\$ 609,956	+ 14.6	- 7.4
Building permits	\$3,162,240	+110.4	- 46.7
Telephones in service	145,035	+ 15.0	+ 1.1
Air express shipments	6,960	+ 72.8	+ 4.8
Bank debits to individual accounts (thousands)	\$ 702,747	+ 43.1	- 3.2
Placements in employment	4,660	- 6.0	+ 7.6
Unemployment	9,000	- 28.0	- 21.7

EL PASO	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 50.3	+ 10.6
Department and apparel store sales		+ 18.1	+ 2.1
Postal receipts	\$ 86,171	- 5.6	- 5.6
Building permits	\$ 517,709	+ 67.8	+ 53.9
Air express shipments	1,189	+ 69.4	- 2.3
Bank debits to individual accounts (thousands)	\$ 89,801	+ 53.5	+ 9.7
Placements in employment	813	- 28.4	+ 2.0
Unemployment	2,150	+ 83.0	- 20.4

FORT WORTH	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 41.9	+ 13.6
Department and apparel store sales		+ 38.6	+ 26.3
Postal receipts	\$ 261,997	+ 20.9	+ 1.9
Building permits	\$1,265,571	+ 93.0	- 19.8
Telephones in service	72,193	+ 14.0	+ 0.6
Air express shipments	2,073	+ 48.2	+ 0.7
Bank debits to individual accounts (thousands)	\$ 229,853	+ 19.0	- 11.5
Placements in employment	3,270	+ 27.4	+ 3.0
Unemployment	9,000	+ 31.0	- 6.3

GALVESTON	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores..		+ 28.3	- 2.4
Postal receipts	\$ 47,105	+ 7.0	- 0.5
Building permits	\$ 516,249	- 8.3	+209.8
Telephones in service	20,856	+ 10.8	+ 0.3
Air express shipments	358	+ 38.2	+ 7.5
Bank debits to individual accounts (thousands)	\$ 49,509	+ 18.5	- 10.0
Placements in employment (area) ..	1,154	- 22.1	- 9.4
Unemployment (area)	2,300	+360.0	- 4.2

CONDITIONS

HOUSTON

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores	.....	+ 34.9	- 1.1
Department and apparel store sales	.....	+ 19.2	+ 3.4
Postal receipts	\$ 390,373	+ 2.9	- 10.1
Building permits	\$3,478,511	+ 72.5	+112.1
Telephones in service	168,276	+ 16.0	+ 0.7
Air express shipments	3,287	+ 99.9	- 4.3
Bank debits to individual accounts (thousands)	\$ 692,835	+ 23.7	- 0.4
Placements in employment (area)	4,764	+ 16.5	+ 31.0
Unemployment (area)	18,000	+125.0	- 1.6

JACKSONVILLE

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Postal receipts	\$ 5,066	+ 10.3	+ 12.7
Building permits	\$ 43,000	+269.1	+ 3.9

LUBBOCK

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores	.....	+ 56.2	+ 8.8
Postal receipts	\$ 36,392	+ 4.1	+ 12.3
Building permits	\$ 543,956	+142.2	+ 24.6
Telephones in service	12,836	+ 20.3	+ 0.6
Air express shipments	190	+183.6	- 0.5
Bank debits to individual accounts (thousands)	38,583	+ 40.1	+ 1.1
Placements in employment	468	- 16.1	- 7.3
Unemployment	1,200	+242.9	- 14.3

PLAINVIEW

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores	.....	+ 23.1	- 18.3
Postal receipts	\$ 6,371	+ 5.1	+ 2.0
Building permits	\$ 77,000	+ 57.9	+ 16.7

PORT ARTHUR

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores	.....	+ 31.3	+ 0.01
Postal receipts	\$ 17,858	- 18.6	- 32.6
Building permits	\$ 140,442	+ 3.7	- 28.2
Telephones in service	15,703	+ 19.2	+ 1.0
Air express shipments	165	+132.4	+ 3.1
Bank debits to individual accounts (thousands)	\$ 26,309	+ 27.0	- 10.1
Placements in employment (area)	2,324	- 22.6	- 3.6
Unemployment (area)	8,300	+315.0	- 14.4

SAN ANGELO

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Postal receipts	\$ 19,151	- 19.9	- 17.0
Air express shipments	233	+ 92.6	+ 3.1
Bank debits to individual accounts (thousands)	\$ 23,913	+ 26.1	- 2.2

SAN ANTONIO

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores	.....	+ 37.3	+ 3.2
Department and apparel store sales	.....	+ 31.2	+ 1.1
Postal receipts	\$ 231,257	- 5.9	- 7.1
Building permits	\$1,378,558	+ 14.6	- 13.1
Telephones in service	83,054	+ 14.0	+ 0.7
Air express shipments	1,392	+ 4.3	- 6.1
Bank debits to individual accounts (thousands)	\$ 197,952	+ 27.4	- 4.5
Placements in employment	2,345	- 1.9	+ 2.5
Unemployment	14,000	+250.0	- 11.1

TYLER

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores	.....	+ 43.8	+ 4.5
Postal receipts	\$ 23,886	- 10.1	- 0.7
Building permits	\$ 460,022	+375.8	+ 53.9
Telephones in service	10,164	+ 20.9	+ 1.4
Air express shipments	358	0	- 19.9
Bank debits to individual accounts (thousands)	\$ 30,427	+ 28.7	- 4.8

WACO

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores	.....	+ 26.1	+ 9.3
Department and apparel store sales	.....	+ 21.2	+ 15.6
Postal receipts	\$ 53,395	- 1.2	- 1.2
Building permits	\$ 584,993	+185.4	+ 68.1
Telephones in service	18,114	+ 14.8	+ 0.3
Air express shipments	190	+ 71.2	+ 12.4
Bank debits to individual accounts (thousands)	\$ 48,180	+ 73.7	+ 17.2
Placements in employment	745	- 28.6	- 3.0
Unemployment	3,300	+ 65.0	- 5.7

WICHITA FALLS

	Sept. 1946	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
Retail sales of independent stores	.....	+ 14.0	+ 8.5
Postal receipts	\$ 34,522	- 23.8	+ 0.3
Building permits	\$ 97,203	+ 70.5	- 40.3
Telephones in service	15,939	+ 1.1	- 1.8
Air express shipments	224	+ 40.0	- 14.8
Bank debits to individual accounts (thousands)	\$ 37,078	+ 22.6	- 1.4
Placements in employment	410	- 22.4	- 1.7
Unemployment	2,085	+170.1	- 10.1

20.8%, hogs 12.9%, sheep 7.7%, eggs 15.5%, and butterfat up 38.7%. During the same period potatoes fell 45.8% in price while prices of horses, mules, and turkeys during the last 12 months showed smaller declines.

PRICES OF TEXAS FARM PRODUCTS

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

Commodity	Unit	Sept. 15 1946	Aug. 15 1946	Sept. 15 1945
Cotton	lb.	\$ 0.348	\$ 0.336	\$ 0.215
Cottonseed	ton	63.00	63.00	53.44
Corn	bu.	1.50	1.58	1.17
Grain sorghum	cwt.	2.50	2.70	2.05
Oats	bu.	.89	.90	.67
Rice	bu.	1.95	1.90	1.73
Wheat	bu.	1.80	1.80	1.47
Barley	bu.	1.34	1.32	.98
Potatoes	bu.	1.15	1.25	2.12
Sweet potatoes	bu.	2.70	3.00	2.27
Beef cattle	cwt.	14.00	14.00	11.04
Milk cows	head	95.00	94.00	81.76
Veal calves	cwt.	14.90	15.10	12.33
Hogs	cwt.	15.80	20.30	13.99
Sheep	cwt.	8.10	7.60	7.52
Horses	head	55.00	52.00	56.36
Mules	head	75.00	74.00	82.56
Wool	lb.	.41	.42	.40
Eggs	doz.	.418	.352	.362
Butterfat	lb.	.66	.64	.476
Chickens	lb.	.257	.249	.255
Turkeys	lb.	.280	.270	.294

For the first month since July 1940, the *prices paid* by farmers (including interest and taxes) on a nationwide basis declined in September. The decline from August was 2.0% as compared with a rise of 0.6% between the same two months a year ago. Since September 1945 farmers have seen the prices which they pay for commodities used on the farm and for family living advance 13%. Last month the national index of prices paid was 31% higher than in the 10-year period 1929-39, 68% higher than in the 5-year period 1934-39, and 110% higher than in the 5-year period 1910-14. There is no doubt that farmers today are living on a new plane.

Since the national index of prices received declined by the identical percentage (2%) between August and September, the national parity ratio remained unchanged at 122, compared with 113 a year ago. Expressed in terms of their base period, these ratios indicate that farmers in the United States enjoyed a 22% larger real income last month and a 13% larger real income in September 1945 than they did in the year prior to World War I.

Marketing

(The level of farm income is affected not only by changes in prices, but by the volume of products farmers send to market in a given month. Data on shipments of farm products must also be used to explain the changes in the level of farm income from month to month.)

Total shipments of Texas livestock, poultry, and eggs dropped sharply in September. The only increases shown were in sheep and frozen and dried eggs.

September rail *shipments of livestock* were 18.0% less than August shipments this year, whereas in 1945 between the same months there was an increase of 27.5%. The September drop followed a 17.7% decrease in August from July. Livestock markets in Texas, as well as elsewhere, were disturbed by the return of O.P.A. meat price controls. Hog shipments fell drastically (72.0%), while cattle dropped 27.7%. Movement of sheep by rail rose 11.8%. All interstate shipments declined during the month, with decreases ranging from 71.5% for hogs to 4.9% for sheep. Intrastate movements all increased for September over August movements, calves being the highest with a 157.0% increase. There were no reports of any intrastate hog movements.

Rail shipments of all livestock totaled 8,025 carload lots this month, compared with 9,788 carloads shipped in August. In other words there were 50,670 fewer animals shipped this month than last. With price controls off and the apparently large demand for meat over the nation, there should be a considerable increase in shipments within the next few weeks.

SHIPMENTS OF LIVESTOCK

(in carloads)*

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

Classification	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL SHIPMENTS	8,025	9,788	10,691	-24.9	-18.0
Cattle	4,627	6,316	5,864	-21.1	-26.7
Calves	1,257	1,320	2,067	-39.2	-4.8
Hogs	89	317	180	-50.6	-72.0
Sheep	2,052	1,835	2,580	-20.5	+11.8
INTERSTATE PLUS FORT WORTH	6,490	8,965	9,615	-32.5	-27.6
Cattle	3,776	5,783	5,437	-30.6	-34.7
Calves	1,090	1,255	1,902	-42.7	-13.1
Hogs	89	312	169	-47.3	-71.5
Sheep	1,535	1,615	2,107	-27.1	-4.9
INTRASTATE MINUS FORT WORTH†	1,535	823	1,076	+42.7	+86.5
Cattle	851	533	427	+99.3	+59.7
Calves	167	65	165	-1.2	-157.0
Hogs		5	11		
Sheep	517	220	473	+9.3	+135.0

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

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

Shipments of poultry and eggs by rail decreased in September from August, chickens going off 17.5% and eggs 41.3% for the month. There were 23.5 carloads of chickens shipped this September as compared with 28.5 carloads moved in August. There were no reports on turkey movements last month and 7.5 carloads were reported in September. Carload lots of eggs fell from 308.5 to 181 over the same period. Intrastate movements of chickens were off 50.0% for the month while

RAIL SHIPMENTS OF POULTRY AND EGGS FROM TEXAS STATIONS

(in carloads)

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

Classification	Sept. 1946	Aug. 1946	Sept. 1945
TOTAL SHIPMENTS			
Chickens	23.5	28.5	12
Turkeys	7.5	0	3
Eggs—shell equivalent*	181	308.5	421
Shell	5	10.5	39
Frozen	16	9	35
Dried	18	35	39
INTRASTATE SHIPMENTS			
Chickens	4	8	6
Turkeys	1	0	2
Eggs—shell equivalent*	34	31	81
Shell	4	7	29
Frozen	3	4	6
Dried	3	2	5
INTERSTATE SHIPMENTS†			
Chickens	19.5	20.5	6
Turkeys	6.5	0	1
Eggs—shell equivalent*	147	277.5	340
Shell	1	3.5	10
Frozen	13	5	29
Dried	15	33	34

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

†The destination above is the first destination as shown by the original waybill. Changes in destination brought about by diversion factors are not shown.

eggs showed a 9.7% increase. Interstate shipments of chickens and eggs declined for the month; frozen egg shipments, however, were up 160.0%.

Compared with September 1945, total chicken shipments were up by 11.5 carloads, while eggs were off by 240 cars.

Interstate receipts of eggs by rail at Texas stations totaled 90 cars for the month, a gain of 36 cars (66.7%) over the total August receipts. The September figure represented a 53-car or 143.2% increase over September 1945. Shell egg receipts were up 54 cars (166.8%). Receipts for frozen eggs were down 9 cars (81.8%). No movements of dried eggs were reported.

INTERSTATE RECEIPTS OF EGGS BY RAIL AT TEXAS STATIONS

(in carloads)

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

Type	Sept. 1946	Aug. 1946	Sept. 1945
TOTAL RECEIPTS—SHELL EQUIVALENT*			
Shell	90	54	37
Frozen	86	32	29
Dried	2	11	4
Dried	0	0	0

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

The Bureau of Business Research has recently released a supplemental listing to the 1946 edition of the Directory of Texas Manufacturers on chick hatcheries in Texas. Copies of the chick hatcheries list can be obtained from the Bureau upon request. Other supplemental lists will be announced in the REVIEW as they are prepared.

Crop Report

(The monthly crop reports of the United States Department of Agriculture are important to businessmen because they directly influence farm income through prices and marketings and indicate what future marketings, prices, and income are likely to be.)

The prospective production of grain sorghum, peanuts, and sweet potatoes showed marked improvement in the October report of the United States Department of Agriculture. Pecan prospects and cotton production were down from previous estimates, while corn and rice production was unchanged. Cotton, corn, and pecans were exceptional in that most other Texas crops are now expected to turn in higher yields than in the decade 1935-44. Pasture conditions generally were better than average in October.

The first forecast of Texas citrus production for the coming season indicated 24,500,000 boxes of grapefruit and 5,300,000 boxes of oranges. Last year's record-breaking production of 24,000,000 boxes of grapefruit and 4,800,000 boxes of oranges will be substantially exceeded if present estimates are realized.

Fertilizer Sales

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

Fertilizer sales in Texas during August were 8,904 tons compared with 3,500 tons in the same month of 1945 and 1,703 tons in August 1944. This increase took place despite the transportation difficulties and labor shortages encountered by the industry as well as the shortage in fertilizer supplies.

During the first 8 months of this year 225,705 tons of fertilizer were sold in Texas, an increase of 47.2% over the same months of 1945.

Cold Storage

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

The occupancy rate in *public cold storage* warehouses dropped somewhat between September 1 and October 1, while in private warehouses and meat-packing establishments virtually no change was shown in the amount of space occupied. The percentage of total space occupied

in public cold storage coolers dropped from 86% to 73% between September 1 and October 1 of this year; freezer occupied space decreased from 88% to 79%. On October 1, 1945 the percentages were 70% and 74% of capacity.

Private and semiprivate warehouses reported the cooler and freezer space 100% occupied at the beginning of October 1 of the year, unchanged from September 1. Approximately 75% of the cooler space was occupied at the same time last year.

COLD STORAGE HOLDINGS

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

Item	Unit (000's)	Oct. 1 1946	Sept. 1 1946	Oct. 1 1945	Percent change	
					Oct. 1 1946 from Oct. 1 1945	Oct. 1 1946 from Sept. 1 1946
Cream :						
Fluid	lbs.	500	500	208	+140.4	0.0
Plastic	lbs.	1,124	1,063	204	+451.0	+ 5.7
Creamery butter ..	lbs.	1,163	1,633	2,570	- 54.8	-28.8
American cheese ..	lbs.	4,476	3,538	4,658	- 3.9	+26.5
Shell eggs	cases	121	178	94	+ 28.7	-32.0
Frozen eggs	lbs.	9,989	11,629	15,767	- 36.7	-14.1
Poultry	lbs.	2,519	2,969	1,516	+ 66.2	-15.2

COLD STORAGE SPACE

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

Type	Net piling space* (1,000 cu. ft.)	Percent of space occupied		
		Oct. 1 1946	Sept. 1 1946	Oct. 1 1945
Public cold storage warehouses :				
Cooler	4,553	73	86	70
Freezer	3,965	79	88	74
Private and semiprivate ware- houses :				
Cooler	312	100	100	77
Freezer	71	100	100	---
Meat-packing establishments :				
Cooler	2,453	97	97	98
Freezer	1,039	83	84	95

*Space survey October 1, 1943.

Cooler space in the meat-packing establishments showed no change over the past month, remaining at 97%. Little change occurred in the freezer space, which was 84% occupied on September 1 and 83% occupied on October 1.

Cold storage holdings of fluid cream for the month remained unchanged, plastic cream holdings were 5.7% higher, and American cheese 26.5% above the September 1 holdings. Declines were shown in shell eggs (32.0%) frozen eggs (14.1%), and poultry (15.2%).

Cotton

(The cotton balance sheet shows the basic demand and supply factors affecting cotton, which is an outstanding element in the farm income of the State.)

Probably the cotton market has gone from over-enthusiasm to over-pessimism. The bull speculation was indicated for some time prior to the break, and it is generally known now that the break in cotton prices was caused not by short sellers but by long speculators trying to reduce their holdings.

The break in cotton prices and the clouded industrial outlook have distinctly cooled the fever of speculation for the time being. Thence forward, cotton must go on its own strength. This should not be a cause for gloom, for the basic market strength of cotton is stronger than at any time during the year to date. The already strong statistical position of American cotton has been greatly strengthened by the break in prices in that both domestic sales and export sales have been increased. Moreover, prices of foreign growths of cotton did not follow the break in prices of American cotton.

The October break in cotton prices from above 35 cents in 1919 to a November low of 30 cents following the first World War was succeeded in May 1920 with a high of nearly 43 cents. The statistical position of American cotton is stronger now than then by a half million bales. The cotton balance sheet this year for all cotton in the United States shows only 16,084,000 bales as compared with 16,553,000 bales in 1919. The present rate of consumption is 10 million bales per year. Exports could easily reach 3,500,000 bales. The rate of distribution is now greater than in October 1919.

COTTON BALANCE SHEET FOR THE UNITED STATES AS OF OCTOBER 1, 1946

(figures in thousands of running bales except as noted)

Year	Carryover Aug. 1	Imports to Oct. 1*	Final ginnings	Total	Consumption to Oct. 1	Exports to Oct. 1	Total	Balance Oct. 1
1937-38	4,498	14	17,978	22,490	1,206	838	2,044	20,446
1938-39	11,533	29	12,212	23,774	1,093	590	1,683	22,091
1939-40	13,033	22	11,928	24,983	1,255	644	1,899	23,084
1940-41	10,596	14	12,741	23,351	1,289	156	1,445	21,906
1941-42	12,376	69	11,061	23,506	1,750	255	2,005	21,501
1942-43	10,590	---	13,818	24,408	1,891	---	1,891	22,517
1943-44	10,687	---	11,478	22,165	1,714	---	1,714	20,451
1944-45	10,727	---	11,953	22,680	1,634	---	1,634	21,046
1945-46	11,160	9†	9,779	20,948	1,415	275†	1,690	19,258
1946-47	7,522	18†	8,724	16,264	1,674	412†	2,086	14,178

*Figures are in 500-lb. bales.

†Imports and exports to September 1.

FINANCE

Bank Credit

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

Changes in the earning assets of weekly reporting member banks in the Dallas Federal Reserve District have been moderate during recent months, but compared with a year ago these changes indicate a trend away from holdings of U. S. Government securities, particularly long-term Government securities, and toward greater reliance on nongovernmental securities and loans. On September 25 total loans of these banks stood at \$702 million, an increase of more than \$250 million during the year. During the same period nongovernmental security holdings rose from \$56 million to \$73 million. In contrast, holdings of U. S. Treasury bills, certificates of indebtedness and Treasury notes declined about \$200 million, the decline being offset in part by small additions to holdings of Treasury bonds. As a result of these changes total loans and investments of the weekly reporting banks amounted to \$1,963 million on September 25, an increase of about 5% during the year. Demand deposits of \$1,470 million at the end of September were \$150 million greater than those a year earlier, but about half of this increase was offset by a reduction of U. S. Government deposits.

SUMMARY STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANK OF DALLAS

(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

Item	Sept. 25 1946	Aug. 28 1946	Sept. 26 1945	Percent change	
				Sept. 25 1946 from Sept. 26 1945	Sept. 25 1946 from Aug. 28 1946
ASSETS					
Gold certificate reserves	480,763	487,471	476,407	+ 0.9	— 1.4
U.S. Government securities	907,538	900,704	882,143	+ 2.9	+ 0.8
Discounts and ad- vances	4,360	6,340	500	+772.0	—31.2
Other cash	10,493	11,055	8,943	+ 17.3	— 5.1
Other assets	102,213	101,882	81,354	+ 25.6	+ 0.3
TOTAL ASSETS	1,505,367	1,507,452	1,449,347	+ 3.9	— 0.1
LIABILITIES					
Federal Reserve notes	600,426	602,773	606,489	— 1.0	— 0.4
Deposits	798,681	797,734	761,077	+ 4.9	+ 0.1
Other liabilities	83,509	84,393	63,228	+ 32.1	— 1.0
TOTAL LIABILITIES	1,482,616	1,484,900	1,430,794	+ 3.6	— 0.2
Capital paid in	6,716	6,705	5,947	+ 12.9	+ 0.2
Surplus	11,977	11,977	7,332	+ 63.4	0.0
Other capital accounts	4,058	3,870	5,274	— 23.1	+ 4.9
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	1,505,367	1,507,452	1,449,347	+ 3.9	— 0.1

CONDITION OF WEEKLY REPORTING MEMBER BANKS

Source: Board of Governors of the Federal Reserve System

Item	Percent change		
	Sept. 25 1946 from Sept. 26 1945	Sept. 25 1946 from Aug. 28 1946	Sept. 26 1946 from Aug. 29 1945
ASSETS			
Loans and investments	+ 4.8	- 2.2	- 0.8
Loans	+57.4	+ 1.0	+ 1.1
Treasury bills	-26.6	- 7.8	-20.0
Treasury certificates of indebtedness	-19.0	- 9.9	- 2.2
Treasury notes	-37.8	- 4.9	0.0
United States bonds	+ 2.6	- 0.8	+ 0.6
Other securities	+30.4	+ 4.3	+ 1.8
Reserve with Federal Reserve Banks	+ 5.7	- 1.0	- 1.9
Cash in vault	- 3.7	0	+ 3.8
Balances with domestic banks	- 7.2	- 4.6	- 9.3
LIABILITIES			
Demand deposits adjusted	+11.9	- 0.2	+ 1.4
Time deposits	+16.9	0	+ 2.3
United States Government deposits	-31.2	-16.6	-17.9
Interbank deposits:			
Domestic banks	- 8.7	- 4.3	- 3.3
Foreign banks	0.0	-25.0	0.0
CAPITAL ACCOUNTS	+13.7	+ 0.7	+ 0.8

Bank Debits

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

Bank debits in Texas, after showing a sharply upward trend during the 12 months following the cessation of hostilities with Japan, fell off somewhat during Sep-

BANK DEBITS*

(in thousands of dollars)

Source: Board of Governors of the Federal Reserve System

City	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	2,517,372	2,574,335	1,926,917	+30.6	- 2.2
Abilene	24,194	23,958	17,200	+40.7	+ 1.0
Amarillo	59,489	63,406	41,056	+44.9	- 6.2
Austin	100,410	84,916	71,147	+41.1	+18.2
Beaumont	61,039	61,029	53,950	+13.1	+ 0.02
Corpus Christi	59,854	69,084	59,488	+ 0.6	-13.4
Corsicana	9,141	7,242	6,883	+32.8	+26.2
Dallas	702,747	725,951	491,147	+43.1	- 3.2
El Paso	89,801	81,878	58,510	+53.5	+ 9.7
Fort Worth	229,853	259,708	193,128	+19.0	-11.5
Galveston	49,509	55,030	41,792	+18.5	-10.0
Houston	692,835	695,593	559,987	+23.7	- 0.4
Laredo	14,458	15,175	11,199	+29.1	- 4.7
Lubbock	38,583	38,157	27,532	+40.1	+ 1.1
Port Arthur	26,309	29,276	20,722	+27.0	-10.1
San Angelo	23,913	24,545	18,959	+26.1	- 2.2
San Antonio	197,952	207,301	155,427	+27.4	- 4.5
Texarkana†	21,600	21,509	17,165	+25.8	+ 0.4
Tyler	30,427	31,959	23,650	+28.7	- 4.8
Waco	48,180	41,119	27,736	+73.7	+17.2
Wichita Falls	37,078	37,590	30,239	+22.6	- 1.4

*Debits to deposit accounts except interbank accounts.

†Includes two banks in Arkansas, Eighth District.

tember but were still 30.6% above those in September 1945. As a result of the decline this Bureau's index of bank debits in Texas, which has been adjusted for seasonal variations, dropped from 340% of the 1935-39 average in August to 314% in September. In all of the 20 large reporting cities throughout the State, however, the volume of debits in September was greater than in the same month last year. In Waco and El Paso, which experienced the largest increases, the gains amounted to 74% and 54%, respectively, while gains in excess of 40% occurred in Abilene, Amarillo, Austin, Dallas, and Lubbock.

Corporations

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

Information furnished by the Secretary of State indicates that the number of new corporation charters issued in Texas during September was the lowest since January and the capitalization was the smallest for any month this year. The number of new charters issued dropped from 331 in August to 182 in September and capitalization of the new corporations, amounting to \$4,900,000 in September, was less than half the August amount. Merchandising firms continued to be more numerous than any other single type, 43 merchandising firms obtaining charters during the month. Only eight of the new firms were capitalized in excess of \$100,000 during September as compared with twenty in August.

CORPORATION CHARTERS ISSUED BY CLASSIFICATION

Source: Secretary of State

Classification	Sept. 1946	Aug. 1946	Sept. 1945
DOMESTIC CORPORATIONS			
Capitalization (1,000 dollars)	4,907	11,109	1,679
Number	182	331	83
Banking-finance	3	4	3
Construction	6	13	*
Manufacturing	22	54	6
Merchandising	43	107	22
Oil	5	7	1
Public services	1	29	1
Real estate	8	29	13
Transportation	9	13	4
All others	46	40	33
No capital stock	39	35	*
FOREIGN CORPORATIONS			
Number	28	43	6

*Not tabulated separately.

CORPORATION CHARTERS ISSUED BY CAPITALIZATION

Source: Secretary of State

Capitalization	Sept. 1946	Aug. 1946	Sept. 1945
Over \$100,000	8	20	5
\$5,000-\$100,000	98	209	47
Less than \$5,000	34	58	31
Capitalization not specified	3	9	*
No capital stock	39	35	*

*Not tabulated in 1945.

Life Insurance Sales

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

Sales of ordinary life insurance in Texas amounted to \$63 million during September, a decline of \$10,000,000 from August but \$30,000,000 above the amount sold in September 1945.

Failures

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

Dun and Bradstreet, Incorporated, reported only one business failure in Texas during September; liabilities of the failed firm amounted to \$75,000,000. During the first nine months of the current year only six failures have been reported.

BUSINESS FAILURES

Source: Dun and Bradstreet, Inc.

	Sept. 1946	Aug. 1946	Sept. 1945
Number	1	1	0
Liabilities*	75	89	0
Assets*	110	72	0
Average liabilities per failure*	75	89	0

*In thousands.

Veterans' Loans

(At the present time there is considerable interest in the volume of government guaranteed or insured loans to veterans as a factor in the business and economic adjustment to peacetime conditions.)

More applications for Veterans Administration-guaranteed loans were received throughout the Southwest in September than during any other period since the inception of the G. I. loan program.

The five regional offices of the Veterans Administration reported receipt of 3,723 loan applications during September.

Of that number 3,161 were guaranteed or insured, while 390 were withdrawn or denied.

The breakdown by regional offices for September follows:

Office	Received	Guaranteed or insured
Dallas	1,459	1,211
Houston	917	977
Lubbock	492	295
San Antonio	480	344
Waco	375	334
Total	3,723	3,161

From the inception of the loan program through September 28, 1946, regional offices of the Veterans Administration in Texas guaranteed or insured a total of 18,130 loans, with a loan value of \$89,387,158 and with VA commitments totaling \$42,057,853. Of the total, home loans numbered 14,965, farm 1,029, and business 2,136.

TRANSPORTATION

Rail

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

As reported to the Bureau of Business Research by the Car Service Division of the Association of American Railroads all of the categories of freight included in the report declined in September from the August figure. The over-all decline amounted to 7.1%. The number of freight cars loaded in this period declined 20,091 carloads. Ore, coke, and forest products had registered tremendous gains of 49.8%, 17.3%, and 24.3%, respectively, during August over the preceding month. However, this gain made in August was turned to a loss during September, for ore and coke particularly. Forest products showed a negligible negative change of only 0.7%; ore and coke declined 14.1% and 9.9% respectively. The livestock carloadings experienced the greatest change with a decline of 27.5% for the month.

The index of miscellaneous freight carloadings for September compiled by the Bureau of Business Research showed a negative change, after adjustments were made for seasonal variation, of 3.0%. The change over the same month of last year was a 5.8% increase in the index. After adjustments for seasonal variation were made, the index for September 1946 stood at 131.2% of the 1935-39 average. The decline in carloadings probably is a result of the shipping tie-up at the ports since cars for export are not loaded when it is uncertain as to transshipment dates.

REVENUE FREIGHT LOADED IN SOUTHWESTERN DISTRICT (in carloads)

Source: Car Service Division, Association of American Railroads

Item	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	263,576	283,667	256,708	+ 2.7	- 7.1
Grain and grain products	19,954	21,186	23,031	-13.4	- 5.8
Livestock	8,173	11,267	11,554	-29.3	-27.5
Coal	24,264	26,825	25,748	- 5.8	- 9.6
Coke	671	745	708	- 5.2	- 9.9
Forest products	25,158	25,322	20,018	+25.7	- 0.7
Ore	2,210	2,572	1,946	+13.6	-14.1
Merchandise (l.c.l.)	30,698	33,814	29,337	+ 4.6	- 9.2
Miscellaneous	152,448	161,936	144,366	+ 5.6	- 5.9

The export and coastal carloads unloaded showed a 42.8% decline for September 1946 over the preceding month. The decrease was 6,291 carloads. Port Arthur was the hardest hit of any of the Texas cities with a decline of 48.8%. Texas City and Beaumont felt the least decline with 3.0% and 8.3% respectively. Compared with September of last year, the total number of

cars unloaded at the five ports decreased 6.9%—all ports reporting declines. The maritime strike, of course, is the factor contributing to the tremendous decline from the August figure.

Again in September, as in August, Port Arthur was the only port where coastal freight was unloaded. The total for September 1946 was 243 cars as compared with 256 cars in August, a 3.1% decline.

EXPORT AND COASTAL CARLOADS UNLOADED*

Source: Car Service Division, Association of American Railroads

Port and type	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	8,407	14,698	9,033	- 6.9	- 42.8
Beaumont	166	182	25	+564.0	- 8.8
Galveston	5,013	9,056	5,484	- 8.6	- 44.6
Houston	1,961	3,828	2,823	- 30.5	- 48.8
Port Arthur	515	857	204	+152.5	- 39.9
Texas City	752	775	497	+ 51.3	- 3.0
EXPORT TOTAL	8,159	14,442	8,984	- 9.2	- 43.5
Beaumont	166	182	25	+564.0	- 8.8
Galveston	5,013	9,056	5,484	- 8.6	- 44.6
Houston	1,961	3,828	2,823	- 30.5	- 48.8
Port Arthur	267	601	155	+ 72.3	- 55.6
Texas City	752	775	497	+ 51.3	- 3.0
COASTAL TOTAL	248	256	49	+406.1	- 3.1
Port Arthur	248	256	49	+406.1	- 3.1

*Excluding coal.

Water

(Since a sizable volume of traffic moves into and out of the State by water, statistics on water-borne commerce are an important indicator not only of transportation but of general business activity.)

The only figures for the September movement of cargo through Texas ports received by the Bureau this month cover the traffic at Brownsville. There the principal imports for the month were bananas from Mexico, totaling 506,194 stems. On the export side were 5,110 bales of cotton and 1,715 tons of miscellaneous cargo.

The coastwise movement was made up of 77,334 barrels of crude oil exports and 88 tons of miscellaneous and general cargo imports.

Air Express

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

Almost one-half of the cities reporting to the Railway Express Agency showed an increase in the number of air express shipments for September over August. Austin showed the greatest positive change of any of the Texas cities with an increase of 14.9%. Midland registered the greatest total change with a decline in the volume of shipments of 39.5%. The net change for all reporting cities was a 1.5% decline. The total number of shipments declined to 21,744 in September from the August total of 22,065.

AIR EXPRESS SHIPMENTS

(in number of shipments)

Source: Railway Express Agency

Cities	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	21,744	22,065	12,761	+ 70.4	- 1.5
Abilene	102	125	55	+ 85.5	- 18.4
Amarillo	351	364	232	+ 51.3	- 3.6
Austin	463	403	234	+ 97.9	+ 14.9
Beaumont	274	254	151	+ 81.5	+ 7.9
Big Spring	58	58	43	+ 34.9	0.0
Brownsville	2,797	3,095	1,595	+ 75.4	- 9.6
Corpus Christi	512	495	329	+ 55.6	+ 3.4
Dallas	6,960	6,643	4,027	+ 72.8	+ 4.8
El Paso	1,189	1,217	702	+ 69.4	- 2.3
Fort Worth	2,073	2,059	1,399	+ 48.2	+ 0.7
Galveston	358	333	259	+ 38.2	+ 7.5
Houston	3,287	3,433	1,644	+ 99.9	- 4.3
Laredo	433	466	151	+186.8	- 7.1
Lubbock	190	191	67	+183.6	- 0.5
Midland	72	119	35	+105.7	- 39.5
Port Arthur	165	160	71	+132.4	+ 3.1
San Angelo	233	226	121	+ 92.6	+ 3.1
San Antonio	1,392	1,483	1,334	+ 4.3	- 6.1
Texarkana	63	62	41	+ 53.7	+ 1.6
Tyler	358	447	*	—	- 19.9
Waco	190	169	111	+ 71.2	+ 12.4
Wichita Falls	224	263	160	+ 40.0	- 14.8

*Airport opened February 1946.

LABOR

Employment

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

Employment in Texas in September 1946 declined slightly (0.4%), reversing its recent trend, according to reports collected from 1,485 establishments by the Bureau of Business Research in co-operation with the Bureau of Labor Statistics, United States Department of Labor. The September decline was indicative of the national situation, which showed an employment decline of 600,000 persons during September. The national decline was attributed to students leaving vacation jobs and to reduction in farm work.

The decline in Texas employment during September was general, since 14 of the 23 groups showed some decline. Most decreases were small, except in food products manufacturing (12.8%) and finished lumber products (13.6%). Retail trade employment made the largest increase of the month (5.2%).

Total employment in September of this year was 10.4% over what it was in September 1945. Group comparisons of September 1945 with September 1946 indicate that employment in nearly all groups was con-

ESTIMATES OF TOTAL MANUFACTURING EMPLOYMENT

(in thousands)

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

Industrial group	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	312.1	315.4	319.9	- 2.4	- 1.0
Food	62.1	64.7	58.6	+ 6.0	- 4.0
Textile mill products and other fiber manufactures	8.5	8.4	7.1	+19.7	+ 1.2
Apparel and other finished textile products	22.9	23.2	21.0	+ 9.0	- 1.3
Furniture and finished lumber products	11.3	11.1	10.3	+ 9.7	+ 1.8
Lumber and timber basic products	27.7	27.7	25.7	+ 7.8	0.0
Paper and allied products	3.8	3.8	3.6	+ 5.6	0.0
Printing, publishing, and allied industries	17.7	17.6	15.1	+17.2	+ 0.6
Chemicals and allied products	18.6	18.7	20.3	- 8.4	- 0.5
Products of petroleum and coal	39.5	39.6	37.6	+ 5.1	- 0.3
Stone, clay, and glass products	9.9	10.1	7.7	+28.6	- 2.0
Iron and steel and their products	16.9	17.2	15.9	+ 6.3	- 1.7
Transportation equipment except automobiles	22.6	22.7	50.9	-55.6	- 0.4
Nonferrous metals and their products	9.8	9.7	8.3	+18.1	+ 1.0
Machinery, except electrical	29.0	29.7	29.1	- 0.3	- 2.4
Miscellaneous industries	4.0	4.0	3.0	+33.3	0.0
All others	7.8	7.2	5.7	+36.8	+ 8.3

siderably above the year-ago marks. Increases ranged from 2.5% for commercial products to 55.1% for stone and clay products and 63.6% for petroleum refining. Petroleum refining employment was considerably higher than a year ago, because there were extensive strikes in the industry in September 1945.

NONAGRICULTURAL CIVILIAN LABOR FORCE

Source: U. S. Employment Service

Area	Sept. 1946	Aug. 1946	Percent change
			Sept. 1946 from Aug. 1946
TOTAL	1,819,497	1,817,653	+ 0.1
Abilene	18,666	18,379	+ 1.6
Amarillo	27,700	27,400	+ 1.1
Austin	43,403	43,200	+ 0.5
Beaumont-Port Arthur-Orange	86,538	85,472	+ 1.2
Brownsville	12,590	13,245	- 5.0
Corpus Christi	53,500	53,500	0.0
Dallas	210,475	206,630	+ 1.9
El Paso	48,950	49,250	- 0.6
Fort Worth	122,400	121,400	+ 0.8
Galveston-Texas City	51,300	52,494	- 2.3
Houston-Baytown	305,200	304,418	+ 0.3
Longview	21,400	24,600	-13.0
Lubbock	25,190	25,163	+ 0.1
San Antonio	170,800	172,000	- 0.7
Texarkana	41,500	41,500	0.0
Waco	46,000	46,200	- 0.4
Wichita Falls	33,885	32,802	+ 3.3

PRELIMINARY COMPARISON OF EMPLOYMENT AND PAY ROLLS IN IDENTICAL ESTABLISHMENTS

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

Industrial group	Number of reporting establishments	EMPLOYMENT				PAY ROLLS			
		Number of wage earners*	Percent change			Amount (weekly)		Percent change	
			Sept. 1946	Aug. 1946		Sept. 1946	Aug. 1946	Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	1,485	116,191	116,640	+ 10.4	— 0.4	\$5,196,545	\$5,202,337	+ 15.8	— 0.1
MANUFACTURING									
Food products	112	6,305	7,227	— 12.8	— 12.8	239,544	281,403	— 11.4	— 14.0
Textiles	17	4,078	4,041	+ 22.3	+ 0.9	147,724	136,285	+ 43.3	+ 8.4
Apparel	32	3,155	3,204	+ 11.7	— 1.5	80,147	80,292	+ 27.2	— 0.2
Finished lumber products	20	1,484	1,718	+ 4.6	— 13.6	52,082	64,503	+ 5.9	— 19.3
Forest products	15	1,704	1,716	+ 7.3	— 0.7	57,814	57,886	+ 23.7	— 0.1
Paper products	9	1,469	1,400	+ 11.0	+ 4.9	63,138	61,252	+ 25.8	+ 3.1
Printing and publishing	30	1,012	1,005	+ 42.3	+ 0.7	50,385	47,526	+ 48.7	+ 6.0
Commercial products	58	3,619	3,626	+ 2.5	— 0.2	176,808	176,378	+ 3.4	+ 0.2
Petroleum refining	42	25,701	25,627	+ 63.6†	+ 0.3	1,511,375	1,455,459	+ 68.6†	+ 3.8
Stone and clay products	37	3,339	3,421	+ 55.1	— 2.4	131,198	123,278	+ 67.4	+ 6.4
Iron and steel products	31	3,723	3,904	+ 22.3	— 4.6	158,937	165,480	+ 27.4	— 4.0
Nonferrous metal products	11	1,259	1,203	+ 4.9	+ 4.7	62,441	59,262	+ 15.6	+ 5.4
Machinery (except electrical)	42	8,951	9,042	— 15.8	— 1.0	440,415	477,630	— 12.3	— 7.8
Other manufacturing	12	8,524	8,211	— 41.4	+ 3.8	417,530	400,455	— 43.1	+ 4.3
NONMANUFACTURING									
Crude petroleum production	44	7,544	7,736	+ 17.5	— 2.5	448,126	467,789	+ 16.7	— 4.2
Dyeing and cleaning	7	116	116	+ 12.2	0.0	4,190	4,131	+ 23.1	+ 1.4
Hotels	17	2,589	2,584	— 0.7	+ 0.2	58,630†	59,687†	+ 3.7	— 1.8
Insurance	101	2,156	2,160	+ 20.2	— 0.2	91,388	89,864	+ 30.7	+ 1.7
Laundries	10	364	369	— 9.6	— 1.4	8,264	8,344	— 8.4	— 1.0
Public utilities	240	6,699	6,741	+ 28.1	— 0.6	232,997	306,297	+ 21.8	— 7.6
Quarrying	12	1,460	1,494	+ 15.1	— 2.3	74,025	76,525	+ 20.5	— 3.3
Retail trade	449	17,849	16,970	+ 15.1	+ 5.2	505,090	470,840	+ 30.9	+ 7.3
Wholesale trade	118	2,853	2,886	+ 10.5	— 1.2	120,395	117,338	+ 22.6	+ 2.6

*Does not include proprietors, firm members, officers of corporations, or other principal executives. Manufacturing employment comprises production and related workers; nonmanufacturing employment comprises all employees.

†Increase caused by strikes in September, 1945.

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

Total manufacturing employment in Texas in September was estimated at 311,900 by the Bureau of Business Research in co-operation with the Bureau of Labor Statistics, United States Department of Labor. Compared with August this is a decrease of 1.1% or 3,500 persons. Manufacturing employment in September was 2.5% lower than the same month a year ago. This decrease was caused primarily by a 55.6% decline in the transportation group. Most other groups showed increases over a year ago, ranging from 5.1% for products of petroleum and coal to 36.8% for the "all others" group.

According to the United States Employment Service, the nonagricultural civilian labor force in 17 major Texas areas increased 0.1% from August to September of this year. Although the average increase was 0.1%, Longview showed a decrease of 13.0% and Brownsville showed a decrease of 5.0%.

Pay Rolls

(Pay roll figures are generally recognized as significant indicators of income and purchasing power by both economists and businessmen. Emphasis on the maintenance of purchasing power as a goal for the country's postwar economy gives particular importance to these figures at this time.)

Pay rolls in Texas declined 0.1% from August to September 1946, according to reports collected from

1,485 employers by the Bureau of Business Research in co-operation with the Bureau of Labor Statistics, United States Department of Labor. This slight reversal of the recent upward trend corresponds with a similar slight reversal in the employment trend from August to September. About half of the industrial groups showed increased pay rolls, while the others showed decreases. The largest increases were in textiles (8.4%) and retail trade (7.3%). Very large decreases occurred in finished lumber products (19.3%) and food products (14.9%).

Compared with a year ago, pay rolls were 15.8% higher in September of this year. A major strike in petroleum refining in September of last year caused pay rolls for that month to be small; consequently, petroleum refining pay rolls this September were 68.6% higher than a year ago. Stone and clay products showed an increase of 67.4% and printing and publishing increased 48.7%. The only groups with decreased pay rolls were food products, machinery (except electrical), other manufacturing, and laundries.

Hours and Earnings

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

HOURS AND EARNINGS*

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

Industrial group	Average weekly hours		Average hourly earnings (in cents)		Average weekly earnings (in dollars)		Percent change Sept. 1946 from Sept. 1945		
	Sept. 1946	Sept. 1945	Sept. 1946	Sept. 1945	Sept. 1946	Sept. 1945	Weekly hours	Hourly earnings	Weekly earnings
MANUFACTURING									
Food products	47.0	49.8	74.2	68.3	34.87	34.01	- 5.6	+ 8.6	+ 2.5
Textiles	41.5	42.8	84.3	75.1	34.98	32.14	- 3.0	+ 12.3	+ 8.8
Apparel	36.9	38.2	69.2	59.5	25.53	22.73	- 3.4	+ 16.3	+ 12.3
Finished lumber products	46.3	45.6	76.2	67.9	35.28	30.96	+ 1.5	+ 12.2	+ 14.0
Forest products	48.7	47.2	74.5	64.8	36.28	30.59	+ 3.2	+ 15.0	+ 18.6
Paper products	43.7	45.6	95.2	80.8	41.60	36.84	- 4.2	+ 17.8	+ 12.9
Printing and publishing	39.9	44.4	111.8	110.4	44.61	49.02	- 10.1	+ 1.3	- 9.0
Commercial products	44.5	49.3	110.9	92.7	49.35	45.70	- 9.7	+ 19.6	+ 8.0
Petroleum refining	41.3	45.4	142.5	126.0	58.85	57.20	- 9.0	+ 13.1	+ 2.9
Stone and clay products	44.8	47.9	87.1	73.7	39.02	35.30	- 6.5	+ 18.2	+ 10.5
Iron and steel products	42.7	43.4	101.9	91.2	43.51	39.58	- 1.6	+ 11.7	+ 9.9
Nonferrous metal products	44.4	43.7	112.7	141.4	50.04	61.79	+ 1.6	- 20.3	- 19.0
Machinery (except electrical)	45.0	44.8	107.2	99.9	48.24	44.76	+ 0.4	+ 7.3	+ 7.8
Other manufacturing	39.4	42.1	124.4	117.7	49.01	49.55	- 6.4	+ 5.7	- 1.1
NONMANUFACTURING									
Crude petroleum production	41.1	46.6	146.7	120.5	60.29	56.15	- 11.8	+ 21.7	+ 7.4
Dyeing and cleaning	47.9	48.7	71.4	71.1	34.20	34.63	- 1.6	+ 0.4	- 1.2
Hotels	42.6	45.3	37.2	35.0	15.85	15.86	- 6.0	+ 6.3	- 0.1
Laundries	45.8	47.2	44.8	44.6	20.52	21.05	- 3.0	+ 0.4	- 2.5
Public utilities	40.6	46.0	99.3	96.6	41.31	44.44	- 11.7	- 0.3	- 9.3
Quarrying	39.8	44.7	127.3	100.7	50.67	45.01	- 11.0	+ 26.4	+ 12.6
Retail trade	41.4	41.2	71.5	64.7	29.60	26.66	+ 0.5	+ 10.5	+ 11.0
Wholesale trade	42.6	46.3	94.4	77.7	40.21	35.98	- 8.0	+ 21.5	+ 11.8

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

Average weekly *hours worked* were generally lower in September 1946 as compared with August 1946 in the 14 manufacturing establishments reported. However, 9 of the industrial groups worked over 42 hours a week and only 5 of the groups worked less. The longest work week (48.7) was in the forest products industry. Most notable decreases in average hours worked in September 1946 compared with September 1945 were in printing and publishing (10.1%), commercial products (9.7%), and petroleum refining (9.0%). Increases in average hours worked between September 1946 and September 1945 occurred in finished lumber products, forest products, nonferrous metal products, and machinery (except electrical).

Hourly earnings between September 1945 and September 1946 showed increases in all manufacturing and nonmanufacturing groups, with the exception of nonferrous metal products (20.3% less) and public utilities (0.3% less). However, workers in the nonferrous metal products industry received an increase of 1.1% between August and September 1946.

Important increases in hourly earnings in the manufacturing groups were in commercial products (19.6%), stone and clay products (18.2%), and paper products (17.8%), while substantial increases in the nonmanufacturing groups were in quarrying (26.4%), crude petroleum products (21.7%) and wholesale trade (21.5%).

The *weekly take-home pay* in most industries remained above last year's figures, with the only large decrease in the manufacturing group being in nonferrous metal products (19.0% less).

In the nonmanufacturing group 4 industries showed gains, and four showed declines in average weekly earnings. Wholesale and retail trade, quarrying, and crude petroleum reported substantial increases, whereas public utilities reported the only large decline (9.3%).

Man-hours

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

Total *man-hours* worked in September 1946 in the reporting manufacturing establishments were only 6.2% lower than in September 1945; they were still, however, 1.6% less than reported in August 1946, compared with a 20.2% decline in the comparison last month of August 1946 with August 1945. The smaller 12-month decline is due not to any improvement in September over August 1946, but to the fact that man-hours worked in September 1945—the first full month following the war's end—dropped sharply from their wartime levels, with the beginning of the shift to peacetime activities. Detailed percentage changes found in the accompanying table show that food products (-21.7%), commercial products (-8.6%), and other manufacturing (-46.4%) were below comparable 1945 figures, while all other industrial groups showed increases in man-hours worked, ranging from 0.5% (finished lumber products) to 44.5% (stone and clay products).

MAN-HOURS WORKED IN IDENTICAL MANUFACTURING ESTABLISHMENTS

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

Industrial group	Number of reporting establishments	Percent change	
		Sept. 1946 from Sept. 1945	Sept. 1946 from Aug. 1946
TOTAL	400	- 6.2	- 1.6
Food products	84	-21.7	-15.6
Textiles	14	+19.2	+ 2.1
Apparel	25	+ 7.4	0.0
Finished lumber products	17	+ 0.5	-15.1
Forest products	14	+ 0.8	+ 1.9
Paper products	9	+ 7.6	+ 2.5
Printing and publishing	26	+38.7	+ 0.3
Commercial products	53	- 8.6	+ 0.9
Petroleum refining	34	+23.3	+ 2.7
Stone and clay products	35	+44.5	+ 1.7
Iron and steel products	29	+ 8.0	- 6.9
Nonferrous metals products	10	+ 4.7	+ 7.1
Machinery (except electrical)	38	-15.0	- 7.8
Other manufacturing	12	-46.4	+ 4.3

Industrial Relations

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

The maritime strike, reported to be the nation's greatest shipping strike, tied up nearly all Texas port activities for 16 days during September. The strike ended when a special government order permitted wage increases which the maritime workers had obtained through negotiation, but which has been barred by the Wage Stabilization Board. The fact that some maritime workers belonged to the C. I. O., and others to the A. F. of L., added to the confusion. In Galveston a local labor leader was convicted of constructive contempt of court as a result of difficulties growing out of the maritime strike.

Approximately 2,600 telephone workers in Houston were off their jobs as a result of a four-day walkout concerning a seniority dispute. The workers returned to their jobs after an agreement was reached to arbitrate the dispute. Workers at a manufacturing company in Denison returned to work after a three-day walkout in a dispute regarding the discharge of four employees.

A strike of city bus drivers in Beaumont and Port Arthur ended September 28, after a work stoppage of nearly two weeks. A one-day strike of 150 San Antonio garbage workers was settled when the city agreed to union demands of a pay increase of one dollar a day. Other strikes occurred in such widely varied businesses as a Beaumont newspaper and a San Antonio flour mill.

From the international viewpoint, in early September a strike of stevedores in Nuevo Laredo temporarily paralyzed the international movement of goods into Texas through Laredo.

Unemployment

(Estimates of unemployment in various areas of the State are currently made by the district supervisors of the United States Employment Service. Data on the payment of unemployment benefits also provide a rough measure of unemployment in Texas, although only employees in establishments employing 8 or more workers for

20 or more weeks per year are covered. Veterans' claim actions and disbursements are less inclusive, but throw light on the important problem of veteran re-employment.)

Unemployment in 17 Texas labor market areas, as reported by the United States Employment Service, declined 10.8% (10,410 fewer persons unemployed) between August and September 1946; but the September figure was still 73.2% above September last year, with 86,380 unemployed in September 1946 as compared to 49,876 unemployed in September 1945. For the first time in many months all 17 of the labor market areas showed declines from the preceding month with Dallas (21.7%), El Paso (20.4%), Brownsville (19.2%), Longview (19.2%), and Texarkana (19.1%) reporting the largest decreases in unemployment.

The amount of *benefits* paid out by the Texas Unemployment Compensation Commission declined in September for the fourth consecutive month. September 1946 payments of \$726,810 left a balance of \$154,760,400 in the Unemployment Trust Fund. Employers' contributions during the month were \$227,844 which was approximately 31% of the disbursements.

Although unemployment in the major labor market areas of the State has increased 73.2% since September 1945, employment over the State as a whole (as indicated in a foregoing section) has risen 10.4% over the same period. This situation is largely accounted for by the large increase in the size of the civilian labor force since V-J Day. Also of significance is the fact that the unemployment figures cover for the most part only the larger industrial areas of the State, whereas the employment data are State-wide.

Former employees of manufacturing establishments received the bulk (56.4%) of benefit payments during the third quarter of 1946, according to a recent quarterly report of benefit payments by major industry groups. Unemployed from retail and wholesale trade received 16.7% of all payments, those from service establishments, third among the major groups, took 4.8% and transportation unemployed 6.3%. Among the 15,442 first payments made during the quarter (i.e., to newly

UNEMPLOYMENT

Source: U. S. Employment Service

Area	Sept. 1946	Aug. 1946	Sept. 1945
TOTAL	86,380	96,790	49,876
Abilene	1,480	1,520	750
Amarillo	1,300	1,400	285
Austin	2,750	2,813	1,326
Beaumont-Port Arthur-Orange	8,300	9,700	2,000
Brownsville	1,315	1,628	450
Corpus Christi	2,800	3,100	1,100
Dallas	9,000	11,500	12,500
El Paso	2,150	2,700	1,175
Fort Worth	9,000	9,600	6,868
Galveston-Texas City	2,300	2,400	500
Houston-Baytown	18,000	18,300	8,000
Longview	1,900	2,350	1,500
Lubbock	1,200	1,400	350
San Antonio	14,000	15,750	4,000
Texarkana	5,500	6,800	6,300
Waco	3,300	3,500	2,000
Wichita Falls	2,085	2,319	772

unemployed); 7,350 went to former employees in manufacturing; 3,438 to those from trade; 1,107 to transportation, communication and utilities; and 1,026 to persons who had been employed in services.

During the third quarter 14,768 accounts were exhausted, and compensation totaling \$2,853,059 was paid for a total of 191,166 weeks of total or partial unemployment. Women received approximately one-third of the total payments for unemployment.

The third quarter report of benefit determinations indicates that 22,587 new claims were disposed of on the first determination, of which 18,935 had sufficient wage credits and 3,652 had insufficient or no wage credits. There were 5,225 disqualifications, 4,438 of which had voluntarily quit jobs. In addition, 6,769 claims were denied on the issue "able to work, available for work."

Placements

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

Placements in employment in the 17 Texas labor market areas, measured by reports of the United States Employment Service, increased 6.4% from August to September 1946, but were down 0.9% from September 1945 figures. The greatest percentage gains in placements during the month were in the Brownsville (43.7%), and Houston-Baytown (31.0%) areas, while the Austin, Beaumont-Port Arthur-Orange, Corpus Christi, Galveston-Texas City, Longview, Lubbock, Waco, and Wichita Falls areas show declines ranging from 0.4% to 9.6%. Placements were still down an average of 30.9% under September 1945.

PLACEMENTS IN EMPLOYMENT

Source: U. S. Employment Service

Area	Sept. 1946	Aug. 1946	Sept. 1945	Percent change	
				Sept. 1946 from Sept. 1945	Sept. 1946 Aug. 1946
TOTAL	25,388	23,862	25,625	- 0.9	+ 6.4
Abilene	669	588	426	+57.0	+13.8
Amarillo	717	640	538	+33.3	+12.0
Austin	909	913	498	+82.5	- 0.4
Beaumont-Port Arthur- Orange	2,324	2,411	3,004	-22.6	- 3.6
Brownsville	171	119	256	-33.2	+43.7
Corpus Christi	659	729	516	+27.7	- 9.6
Dallas	4,660	4,330	4,955	- 6.0	+ 7.6
El Paso	813	797	1,136	-28.4	+ 2.0
Fort Worth	3,270	3,174	2,567	+27.4	+ 3.0
Galveston-Texas City	1,154	1,273	1,481	-22.1	- 9.4
Houston-Baytown	4,764	3,637	4,088	+16.5	+31.0
Longview	605	666	450	+34.4	- 9.2
Lubbock	468	505	558	-16.1	- 7.3
San Antonio	2,345	2,288	2,391	- 1.9	+ 2.5
Texarkana	705	607	1,189	-40.7	+16.1
Waco	745	768	1,044	-28.6	- 3.0
Wichita Falls	410	417	528	-22.4	- 1.7

GOVERNMENT

Federal Finance

(Federal collections of income, pay roll, and excise taxes vary directly with the level of business prosperity. During the war period federal taxation has likewise become an important determinant of general business activity.)

Federal internal revenue collections in Texas amounted to \$112,030,497 in September, or 4.4% less than the \$117,160,883 collected in September a year ago. Collections for the July-September period, the first quarter of the current fiscal year, were \$231,009,760 or 5% smaller than the sum collected in the same 3 months last year. Income taxes yielded about \$7,000,000 less this past month than a year ago but "other" taxes claimed an additional \$2,000,000. Nevertheless for the first quarter income tax collections were up slightly (1.3%) and "other" taxes were down 14.6%. Withholding taxes for the second quarter were all collected during July and August to show a 13.2% decline from comparable 1945-46 figures.

Collections in the First (or South Texas) District were off less than the Second (North Texas) District collections for the month but for the fiscal year to date their positions were reversed. First District collections in September 1946 were 3.3% below September 1945 collections; Second District collections fell 5.7%. Thus for this fiscal year 1.7% less has been collected in North Texas than in the same 3-month period of 1945; South Texas collections were down 7.9%.

Despite the fact that the federal government took in more during the last 3 months than in any 12 months previous to the war, expenses continued to exceed revenues. Both collections and expenditures were under original estimates for the quarter, but the greater discrepancy appeared in expenditures which did not include G. I. terminal pay or other commitments. Although there is disagreement in high administration circles as to whether or not the federal budget is going to be balanced this fiscal year, the federal debt on September 25 was \$252,785,000,000.

State Finance

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

Cash receipts of the State Comptroller during September, the first month of the new fiscal year, totaled \$30,337,760, or 39.0% more than the \$21,832,419 received in September 1945. State revenues thus continued to pile up at a rate somewhat greater than the monthly average for the previous fiscal period, and if receipts for the 1946-47 fiscal year are maintained at this level, the State will take in more than its record-breaking 1945-46 total of \$344,651,647.

Sharpest gains for the month occurred in miscellaneous revenues (188.3%) and contributions and aid (130.1%). Chiefly responsible for these gains were the increases in the unclassified receipts of the Highway Department and federal aid for public welfare and education. Ad valorem, inheritance, and poll tax receipts were off 66.0% and interest receipts were down 15.3%. All

other receipts items were up in September over the corresponding month of 1945.

The general revenue fund at the end of September carried a cash balance of \$35,450,795. If no additional appropriations are made by the 50th Legislature it is estimated that the balance next August 31 would be only a little less than the present total (\$34,106,264). The cash balance in all State funds on September 30 this year was \$123,452,695.

PRICES

Wholesale Prices

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

The index of wholesale prices for August 1946 for the country as a whole, compiled by the United States Bureau of Labor Statistics, was 29.1% above the average month of 1926, which is the base period. From July to August this year, wholesale prices rose 3.5% compared with a decrease of 0.2% from July to August 1945. The index of all commodities gained 22.1% during the year.

Food prices rose 6.3% during August and have increased 40.0% since August 1945. The index of foods at the end of August 1946 was 149.0. Textile products made the second greatest gain in price among wholesale commodities included in the report with an increase of 5.0% from July to August. The increase for the year totaled 24.5%; the index number for textile products rose from 99.6 in August 1945 to 124.0 in August 1946.

The farm products index reached 161.0 in August 1946.

All building materials as a group rose 0.5% from July to August, but were 12.6% above prices of August of last year. The index of building materials was 132.7, but for lumber separately the index was 177.6 compared with 177.3 in July and 155.3 in August a year ago. Lumber prices have increased more over the base year than any of the commodities listed.

Consumers' Prices

(All income figures must be used in connection with a measure of changes in consumers' prices, since the purchasing power of income is more significant than the aggregate amount in dollars. The increasing cost of living, as measured by indexes of consumers' prices, is of vital importance to all businessmen and consumers. The Bureau of Labor Statistics warns users of the index that it shows only partially the wartime effects of changes in the quality and availability of consumer goods.)

Consumers' prices in Houston continued upward in September, rising 2.1% above the August level, according to the index prepared by the Bureau of Labor Statistics of the United States Department of Labor. At mid-September the index of all items stood at 142.8% of the 1935-39 average, and was 11.9% higher than in mid-September a year ago.

Food, the principal item in the consumers' price index, rose 2.8% in Houston between August 15 and September 15 this year to a level of 23.5% above September 15, 1945. Based on the 1935-39 average, food costs were up 73.5% in September 1946.

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BAROMETERS OF TEXAS BUSINESS

