

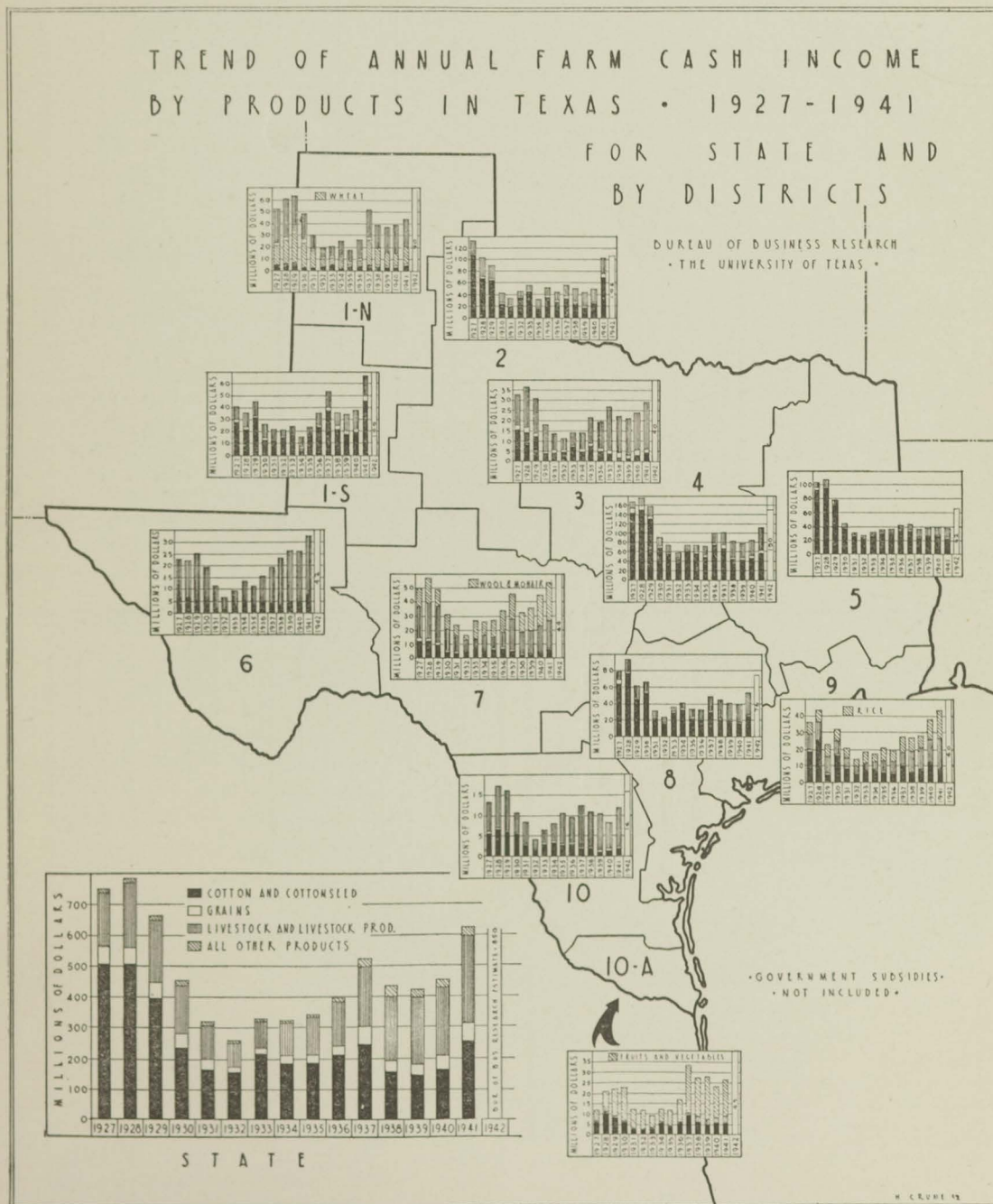
TEXAS BUSINESS REVIEW

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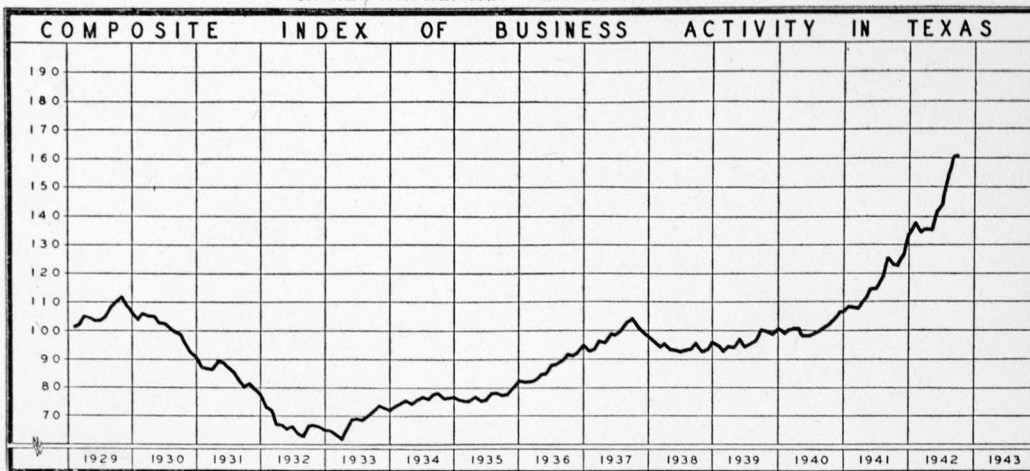


INDEXES OF BUSINESS ACTIVITY IN TEXAS

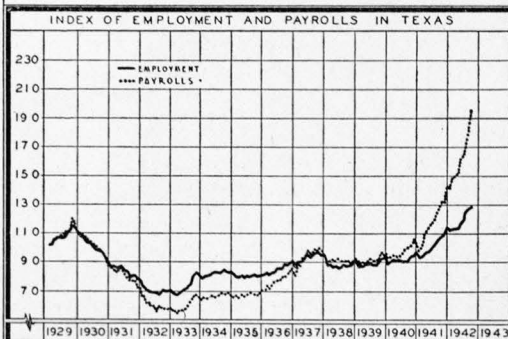
AVERAGE MONTH OF 1930 = 100%

•WEIGHT IN COMPOSITE INDEX•

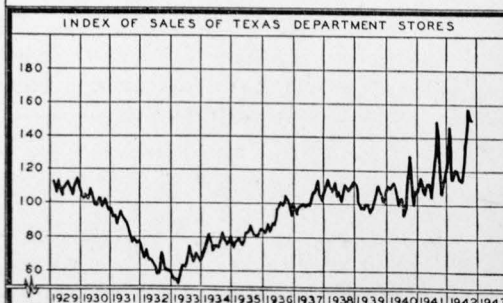
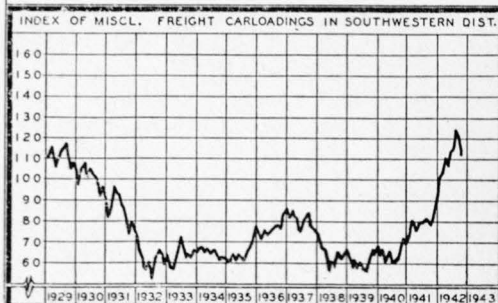
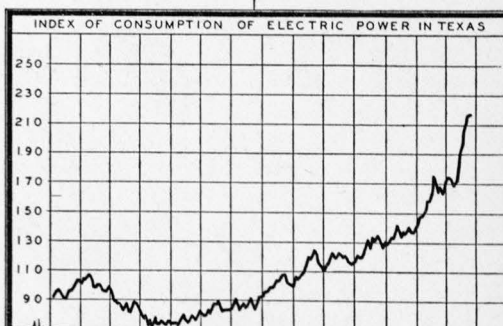
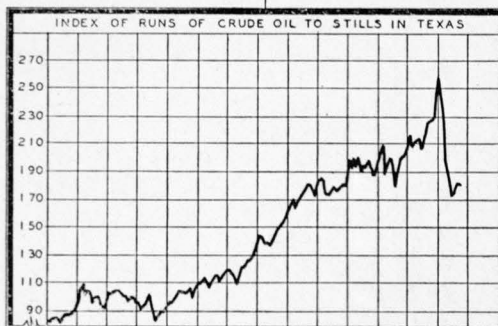
EMPLOYMENT	25%	MISCL. FREIGHT CARLOADINGS	20%
PAYROLLS	25%	CRUDE OIL RUNS	9%
DEPARTMENT STORE SALES	10%	ELECTRIC POWER CONSUMPTION	19%



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Business Review and Prospect

GENERAL

From various sources come heartening reports of a new spirit in Washington. For example, Barron's National Business and Financial Weekly on page four of the October 19, 1942, issue makes this opening statement: "There is a new atmosphere of firmness and sense of direction in our war leadership since President Roosevelt returned from his swing around the country.

"Issues are being stood up to and met. That foggy aura of indecision and politics seems to be lifting. Or perhaps because it is now evident that the people are ready to come up for their sacrifices and resent being coddled the new course seems good politics. In any event there is a decisive snap and intelligence being applied to current problems. A spirit of what is the best thing to do without such regard for what is the expedient thing to do."

War production continues to rise but total production for civilian use obviously is declining since Barron's index remains virtually unchanged at approximately 130.

TEXAS BUSINESS

There was little change in the Texas composite index of business activity from August through September which continued at approximately 160. Increases in the indexes of employment and pay rolls were virtually offset by decreases in the indexes of the remaining components. Failure of the index to continue the advance of preceding months was not caused by a decline in business and industrial activity but rather by the failure to make the normal seasonal advance.

SEPTEMBER INDEXES OF BUSINESS ACTIVITY IN TEXAS

(Average month of 1930=100%)

	Sept., 1942	Sept., 1941	Aug., 1942
Employment	129.8	107.2	127.4
Pay Rolls	196.3	127.3	187.1
Misc. Freight Carloadings (S. W. District)	112.3	80.8	121.1
Runs of Crude Oil to Stills	181.3	227.2	182.5*
Department Store Sales	150.3	130.1	156.8
Consumption of Electric Power	217.7	162.5	217.3
Composite	160.7	123.5	160.2

*Revised.

Compared with September, 1941, all of the components used in the index except runs of crude oil to stills made substantial gains over the corresponding month last year. The composite index rose accordingly from 123.5 to 160.7, an increase of 30 per cent.

FARM CASH INCOME

Agricultural cash income in Texas (exclusive of government subsidies) during September as computed by this Bureau (see note at bottom of table) amounted

to nearly 133 million dollars compared with approximately 104 million dollars during September last year, an increase of 28 per cent.

INDEXES OF AGRICULTURAL CASH INCOME

(Average Months 1928-1932=100%)

District	Sept., 1942	Aug., 1942	Sept., 1941	Cumulative Income 1942 1941 (000 Omitted)
1-N	172.5	178.6	96.8	62,126 28,134
1-S	319.9	334.0	136.5	33,874 19,411
2	156.1	194.2	91.7	52,160 32,882
3	226.3	314.2	116.5	30,925 18,963
4	110.0	65.6	93.0	104,794 71,890
5	62.4	44.5	39.4	34,853 21,066
6	283.0	198.5	169.5	23,506 17,753
7	275.7	227.3	131.3	50,890 39,188
8	134.3	115.2	175.2	62,010 37,733
9	214.9	142.0	88.5	37,422 22,649
10	143.6	137.6	129.2	15,383 12,225
10-A	130.7	223.8	291.5	37,389 19,322
STATE	119.4	118.2	93.2	545,332 341,216

NOTE: Farm cash income as computed by this Bureau understates actual farm cash income by from 6 to 10 per cent. This situation results from the fact that means of securing complete local marketings, especially by truck, have not yet been fully developed. In addition, means have not yet been developed for computing cash income from all agricultural specialties of local importance in scattered areas throughout the State. This situation, however, does not impair the accuracy of the indexes to any appreciable extent.

On the outer cover of this issue of the REVIEW is a graphic presentation of the trend of farm cash income in Texas from 1927 through 1941 with a preliminary estimate for 1942. The information is given for each of the crop reporting districts as well as for the State as a whole, and is moreover broken down according to principal sources—cotton and cottonseed, grains, livestock, and livestock products and all other products principally fruits and vegetables.

PRELIMINARY ESTIMATE OF FARM CASH INCOME IN TEXAS FOR 1942

Only a comparatively rough approximation can be made at this time of the probable farm cash income in Texas during the current year. The computed farm cash income for the first nine months of the year is 545 million dollars compared with 341 millions dollars during the corresponding period in 1941, or an increase of 60 per cent.

It is improbable that this rate of increase over 1941 will be maintained during the last three months of the year, but it is quite probable that the actual computation for the entire year 1942 will be at least 40 per cent above the corresponding figure of 616 million dollars for 1941, which would make the 1942 farm cash income more than 850 million dollars. This figure is more than 50 million dollars greater than for any year for which computations have been made by this Bureau, the nearest being in 1928 when the total farm cash income was a little under 800 million dollars, computed on a comparable basis. It is much more likely, more-

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

over, that the final computed figure for 1942 will be above 850 million dollars, than that it will be below this amount.

As already indicated, the computed figure is an understatement estimated at between five and ten per cent. On this basis, actual farm cash income in Texas during

1942, exclusive of government subsidies, promises to be upwards of 900 million dollars against a comparable figure of slightly less than 700 million dollars last year. With government subsidies it may well reach a total of more than 950 million dollars.

F. A. BUECHEL.

Natural Resources, Science, and Industrial Organization in the Rapidly Changing Texas Scene

EDITOR'S NOTE.—Each of the many articles prepared for the REVIEW by Mr. Johnson during recent years has no doubt well repaid the careful reader seeking a sound basis for the interpretation of economic and social phenomena. His thorough grounding in the physical and biological sciences—especially in the fields of geology, mineral resources, soils, physical geography, and ecology—gives Mr. Johnson a scientific approach to the study of natural regions and associated natural resources, which few others possess. With these bases upon which to build, his studies of regional economic development take on a realism and significance quite unique. Although the sweep of his concept is world wide, his studies of regions and resources are noteworthy for the detail in which they have been worked out.

In a brief summary of essential factors concerned with the economy of Texas, three elements are outstanding: the scope of the Texas region and its natural resources, the impacts of science upon the fuller development of the State's natural resources, and the impacts of world-wide economic movements not only upon Texas but upon other regions of the world, whether these regions are competitive or complementary with reference to the Texas region.

Other elements concerned in the broader aspects of Texas economy may be regarded as corollaries of the elements named above; an exception is the one relating to the comparative position of agriculture and industry in an economic system, which of course involves social factors of fundamental significance.

The following outline attempts to present briefly the main factors concerned in the regional economy of Texas.

I. First in importance in the scope of the Texas region as manifested in:

a) The volume, quality, and diversity of Texas natural resources which are spread throughout an area nearly a twelfth of that of continental United States;

b) The geographic orientation of Texas, together with the physical setting of the State in relation to the geologic architecture of the North American continent. Mere extent of territory may not necessarily be of any great positive importance; but the vast size of Texas in relation to the geographic orientation of the State on the one hand and the geologic make-up of the major sections of the State on the other hand all combine to give to Texas a diversity in, and an aggregate of, surface features and sub-surface conditions and resources that considered as a whole are little less than magnificent.

A comprehensive view of Texas, commensurate with its geographic and geologic position in the North American continent and its vast wealth in natural re-

sources, obviously must be a first essential to an understanding of the State and is at once a necessity to an interpretation of past developments and an indispensable element in envisioning the potentialities of the State in the near future.

II. In connection with the natural resources attention is to be given to the import of the dynamics of science and industry in their mutual application to the economic development of Texas as evidenced through a more optimum utilization of the State's natural resources. These dynamic factors are institutional forces of the first magnitude. But, without the requisite bases of natural resources upon which to operate, these forces are virtually powerless. The scope and variety of natural resources on the one hand and the impacts thereon by an advancing technology and expanding industrial demand on the other supply the fundamental factors upon which economic development is based.

III. Then there are the powerful impacts of world-wide economic movements upon the Texas scene and the consequent reactions upon "old" industries such as cotton and timber and the like on the one hand, and on the other hand upon the "new" industries such as the various aspects of the chemical industry, or what is being done with petroleum and natural gas and with the potentialities, for instance, or what may be done with vegetable oils or starch products.

The future relations of cotton and synthetic fibers in supplying the demands of the textile market, the potential aspects of vegetable oils and cellulosic products, the accentuated vital importance of petroleum and natural gas, and the potentialities of the State's vast non-metallic resources are all to be viewed against the background of these powerful forces which are supported by scientific developments and achievements that are little less than revolutionary. With respect to petroleum, it is becoming obvious that oil as a chemical raw material holds possibilities for a revolution in the chemical industry comparable to that inaugurated by the large scale use of coal-tar products in the latter part of the 19th century.

IV. The new tempo in Texas economic development is manifested in one sense through the growing appreciation of the inherent qualities of the State's diverse natural resources, as exemplified through the progress of scientific studies. The results of these studies are being more and more efficiently utilized as illustrated by

dominant trends in recent industrial developments and applications. One of the most difficult of problems, it may be remarked, is that of picturing in some adequate manner the revolutionary advances and changes that are taking place all about us. The tempo is too rapid, the changes are too deep, to be interpreted on the levels of achievements characteristic of even a few years ago.

V. The accentuated aspects of competitive factors, because of developments in other producing sections of the world, for available markets, will not grow less in the post-war era, so far as Texas products are concerned. Industrial trends are world-wide in their scope; they operate on a world-wide stage not only in developing new regions but also in developing new products for new uses and in developing new products which take the place of commodities formerly used. A comprehensive study of competitive factors, which affect Texas products now and which will affect such products in an ever increasing measure in the future, can be but little less than world-wide in its inclusiveness.

VI. The comparative position of manufacturing and agriculture, as types of institutional adjustments in the economic life of the State, presents problems which cannot be measured merely in economic terms. The social implications and the social reactions concerned in these two systems of utilizing natural resources merit careful attention in analyses of the State's economy.

VII. One manifestation of the dynamics of economic growth is that of economic integration in the economy of the United States as a whole and which is expressed necessarily in a more optimum economic development of the major regions of the country. The potentialities which Texas possesses in such an integration, by virtue of the State's great wealth in its varied natural resources, are of an order of magnitude adequate to give Texas a large and ever-growing place in the expanding national economy. This is but another way of emphasizing the economic significance of regional analyses; unless fitted into the fundamental features of the regional environment, most production studies necessarily are given to the use of abstractions which restrict their economic applications and limit their usefulness.

VIII. Regional shifts of population and industries in the United States are evidences of geographic dispersion and reflect the effects of a fuller utilization of the advantages possessed by the regions concerned. For the past century and a quarter the history of Texas has been determined primarily by these shifts into the Southwest. And the history of Texas internally considered has been concerned with the occupying of its major regions, each as large as an ordinary state. Regional shifts of national scope such as those that have been outstanding during the past two decades are manifestations of forces operating to bring about a more completely integrated national economy.

As a matter of fact, the economic history of the United States and of its several major divisions is concerned primarily with these regional shifts and the economic and social consequences thereof. Whether these shifts involve cotton growing or livestock production, lumbering or the pulp and paper industry, petroleum or natural

gas, or the several branches of the chemical industry, the shift took place primarily as an adjustment to the utilization of the natural resources involved. To attempt to explain these shifts by statistical data, or merely by so-called economic analyses, is to get the cart before the horse. And, of course, some current attempts to explain away the significance of natural resources would, of course, be ridiculous were they not so tragic in that they give rise to utterly wrong conceptions about subjects of transcendent importance in today's world.

What is required as a prerequisite to an interpretation of these regional shifts is a scientific understanding of the physical environment of the regions concerned and of the associated natural resources. Without a scientific understanding of the region and of the manner in which the natural resources are genetically associated with the physical conditions of the region, analyses of regional economy are necessarily limited to superficial aspects of the features concerned.

INDUSTRY AND THE NEW TEMPO IN TEXAS ECONOMIC DEVELOPMENT

That the wealth of Texas now as well as in the future is, and will be, fundamentally dependent upon the natural resources of the State is hardly open to question. In fact, it is not questioned by those who think in realistic terms. And, because of this fact, considerably more attention necessarily will be paid in the future to studies of the natural resources of the State than has been true in the past. The whole field of conservation of natural resources is due to receive the attention it merits in a region where the significance of natural resources is so basic to the State's economy.

But, in an area as large as Texas and as varied both as to surface features and sub-surface characteristics, it is indeed a formidable task to get a full-fledged workable perspective of the State's natural resources. Partly because it is a formidable undertaking to get a substantial perspective of Texas' natural resources and of the way in which they are basic to an understanding and appreciation of the State's economy, and partly because of a lack of appreciation of the fundamental importance of natural resources, this phase of the study of Texas constitutes one of the larger gaps in the educational system. A sure knowledge of the wide range and the inherent qualities of these natural resources can come only as a result of long and painstaking scientific investigations. For this is a field in which mere statistical summations do not suffice.

Owing to the fundamental importance of natural resources in the economic life of the State, it would be difficult to overemphasize the significance of scientific studies of the State's natural resources. In addition, there is the fact of the comparative position of Texas' natural resources, which by virtue of their volume, quality, and diversity, occupy a significant place in the pattern of the natural resources of the nation. At the same time, however, it is not merely volume that is to be considered significant, important as this item is, but also the inherent qualities of these natural resources as these properties are being progressively opened up by

advancing science and utilized by new industrial developments.

It is necessary, therefore, that the student of economic development in Texas have not only a scientific understanding of the natural resources of the State but also a comprehension of the manner in which advancing science, on the one hand, and industrial organization, on the other, are bringing about a more optimum development of these resources.

The first problem encountered in portraying industry in Texas is that of the wide scope and the attainable high levels of the potential industrial development in the State. A second point is the fact that industry is not merely an agglomeration of machines and equipment and industrial processes but that industry is itself a predominant dynamic factor in determining the patterns and characteristics of economic life.

Industry is concerned with machines and processes, both mechanical and chemical, but industry, owing to its inherent properties, has become one of the most powerful and at the same time most widespread of dynamic institutional factors, the impingements of which are obvious on wide fronts in today's rapidly changing world.

The fundamental fact concerning industry is that it is based primarily upon the applications of progressively advancing science to the opening up of potentialities made possible by natural resources. Science is a fundamental institutional factor of the first magnitude, and it is a dynamic factor, for when science ceases to advance, it is no longer science. Furthermore, it appears that industry is dynamic to the extent that it partakes of the dynamic qualities of science, on the one hand, and the potentialities made available by new or a fuller knowledge of natural resources, on the other. Thus the essential fact is that dynamic science and industry work hand in hand, with the consequence that natural resources are progressively being brought to new levels of effectiveness. But without the natural resources, there would be no bases upon which science could operate and no materials to which technology could be applied.

And, furthermore, both science and industry operate on a scale that is world-wide. As stated by Veblen, "the modern state of the industrial arts is drawn on international scale, in that it works to the best, that is to say the most productive effect by the free use of materials drawn from many sources, far and near, and by such free local specialization of industry as will permit the supply of any given line of goods, finished or half-wrought, to be turned out wherever the facilities for their production are at their best. This is the chief service of the modern means of transport and communication."

The scope and range of Texas natural resources both as to volume and pattern of combinations are adequate to support industries of more than merely local proportions, as is abundantly exemplified in the petroleum industry and is currently being exemplified on a wide front in the chemical industry. No longer are provincial concepts of Texas natural resources and industry permissible; instead the potentialities of the State have

to be appraised in the light of their position in the national picture and even in the international scene. And, owing to war needs, the foremost natural resource of Texas in the national picture now and in the international scene is oil with natural gas occupying also a very important position.

In an address recently before The American Chemical Society, Charles M. A. Stine, a du Pont vice-president, spoke as follows of oil in the chemical picture:

By all means, too, watch petroleum. Some years ago it was believed that the ultimate in motor fuel would be reached by the creation of a gasoline equivalent in power and anti-knock qualities to pure iso-octane. So superior was iso-octane in these respects that it arbitrarily was given an octane number of 100, which became the standard in evaluating all gasolines. . . . Fuels now can be made that go beyond the octane scale. Their estimated octane numbers are of the order of 110 or 115 or even higher. They deliver one-half again as much power as 100 octane fuel. Looking upon the situation that is indicated for after the war, the petroleum chemist now sees all existing motors as out of date, with knowledge of fuels advancing so rapidly that September's motor might be out of date in October.

Let us glance at another phase of petroleum chemistry. A barrel of crude oil contains literally thousands of chemical compounds. The chemist has long been fascinated by the possibility that almost anything under the sun might be created with these chemical building blocks of hydrogen and carbon; that simply by the addition of oxygen and other elements in the proper combination, he might obtain new alcohols, esters, acids, solvents, perfumes, pharmaceuticals and organic synthetics of every type. Catalytic cracking processes and adaptations of them, brought very recently to high stages of performance, are now leading toward this goal and taking petroleum chemistry into a realm once exclusive to coal-tar chemistry.

The largest catalytic cracking capacity in the world is being operated by American oil companies. Soon this capacity will approximate some hundreds of thousands of barrels daily. The significance of this development, well underway in 1939 but expanded to gigantic size by the needs of war, is beyond all present vision. Synthetic rubber, which as every chemist knows is not rubber at all but a new material of broader and yet more promising utility, is being produced from butadiene and styrene synthesized from petroleum. Toluene, best known as the basis of one of the most important of modern high explosives but also essential in dye chemistry and many other industries, is now a petroleum product.

With almost equal facility the petroleum chemist can give us ethylene, on the one hand, or benzene on the other, and supply them in quantities measured in hundreds of tons daily. This feat might be likened to drawing wine or water at will from the same cask, or getting beef or pork from the same animal, inasmuch as ethylene and benzene are members of quite different chemical families. Practically, they are employed in such diverse uses as the manufacture of styrene plastics, both the Buna and Thiokol types of synthetic rubbers, drugs, dyes and nylon. Moreover, acetylene can be produced from refinery gases to furnish the principal intermediate in the manufacture of neoprene.

The vital strategic significance of petroleum reserves and production in the war effort gives to this natural resource a level of importance which as yet is not generally appreciated. Certainly oil has become one of the major key resources in the global war, and upon its control hinges the fate of nations.

AGRICULTURE AS A BASIC ENTERPRISE

Texas is traditionally an agricultural and range livestock producing State; the importance of these enterprises is, however, by no means limited to traditional

features. Agriculture and livestock are still and will long remain important in the State's economy, owing to the wide extent of the physical characteristics and the associated natural resources of the various portions of Texas which are concerned in the production activities of these enterprises. The extensive rich soil regions of the State, the wide expanses of lands highly suitable to native grasses, and the temperature and rainfall and soil conditions conducive to the rapid growth of forest trees in the eastern part of the State give to Texas a diversity in its capacity for large output of plant products equalled by few if any other states in the country.

Unquestionably much progress remains to be accomplished in rendering more efficient the adjustments of agricultural and range enterprises in the State. Conservation of soils and native grasses and timber will come to be recognized as economic problems of the first magnitude, and it is apparent that the economic problems presented by conservation of agricultural and forest resources will call for a complete scientific understanding of the material bases out of which these problems have arisen. The great potentials in economic expansion in Texas, are, however, in the field of industry. In this expansion agriculture will participate in no small degree, in supplying consumption products to the expanding markets occasioned by industrial growth, reflected, for instance, in the growing demands upon the dairy industry or upon poultry and egg production.

In the long run, however, agriculture will participate to a very significant degree in industrial expansion in still another sense, that of supplying raw materials in large quantities to satisfy the growing demands of new industry, a beginning of which is exemplified to a certain degree, at least, in what is currently happening in the pulp and paper industry in the State. This aspect of the potentialities of agricultural production is one of the most important developments in recent years. The past two decades have amply demonstrated, for example, what the field of synthetic fibers can do in competing with and, to certain extent, in supplanting the older textiles. It may be that in the next few decades the great surpluses of staple agricultural products will be viewed as vast annual supplies of raw materials readily available to an expanding chemical industry.

Unquestionably, such raw materials as vegetable oils, starches in grains or other farm products, cellulosic materials, and the like, will in the future be demanded by industry in large and expanding amounts. Few states possess the advantages for low-cost, large-scale production of these commodities which Texas has by virtue of the areal extent and the natural resources of its different

natural regions. These natural regions are a function of the wide ranges in the physical environment of the State. This fact of the variety of environmental features and natural resources possessed by its major natural regions stands out as one of the most remarkable features in evaluating the potentialities of agricultural production in Texas.

There is, however, another fundamental factor connected with the evaluating of agriculture in modern economy; these are the social aspects inherent in agricultural life. It is no exaggeration to state that the social aspects of agriculture constitute one of the nation's outstanding problems. And it is precisely this aspect of agriculture that challenges leadership to give the quality of attention merited by a problem of such momentous significance.

In conclusion, it would seem that the pressure of events is sufficient to emphasize the importance of the subjects dealt with in this paper. Fortunate indeed is Texas in its capacity to supply vitally needed products in large volume. And fortunate, too, it is for the rest of the country and especially so at this particular time that Texas possesses the natural resources which enable this State to supply those vitally needed commodities. With advancing science and industry the natural resource problem will necessarily come to be recognized as one of the fundamental problems with which the world of tomorrow will have to come to terms. As a matter of fact, there is abundant evidence that the close inter-relationships of science and industry and natural resources are being given consideration by industrial and scientific leaders.

One illustration may be permitted, one that contains far reaching suggestions. In his introductory lecture in "Oil in the Earth" Wallace E. Pratt reminded his audience that "Lectures by active technologists it might be supposed would tend to diminish the existing pronounced lag between the acquisition of new techniques in the field and their incorporation into the curriculum of the professional school. It is true that uniformly in our social order a long period intervenes between the discovery of new facts at the frontiers of industry and their effective dispensation at the established educational centers. But the occasional lecturer cannot contribute much toward eliminating this handicap to progress. The remedy lies elsewhere: probably in some fundamental reform of the system that coordinates science and industry."

ELMER H. JOHNSON.

Cotton Production Capacity for the South--An Asset or Liability

The natural resources and advantages in the South and Southwest for producing a large volume of quality cotton at relatively low cost are unrivaled in the world. From the beginning of cotton production in the United States down to the first World War this capacity to produce cotton was among the nation's greatest assets. Exports of cotton serviced our foreign debts and paid for much of the capital equipment used in developing the country. The whole economy of the South was built on it, and the ever-increasing volume of surplus cotton coming from the South, became the major raw material in the industrialization of Western Europe.

In view of the role that cotton produced in the South has played in the South, the nation and the world, how is it possible for so many people even in high authority to refer now to the South's capacity to produce surplus cotton as a liability rather than an asset? What has happened to cause such a radical change in the evaluation of our greatest resource?

This change has not been due to a reduction in the South's natural capacity to produce cotton, but to lagging technology in production and manufacture of cotton and to lost markets, largely as a result of politico-economic forces.

Cotton growers of the South have lost a large part of their former market in Europe not so much because those countries put tariffs or other restrictions on the

import of American cotton, but partly because the United States placed high tariffs and other restrictions on the import of commodities those countries wished to sell us to get dollars with which to pay for cotton; and partly because our Government has adopted a policy of putting above-market price loans on United States cotton.

Bi-lateral trade agreements, blocked exchange quotas, and other similar devices have also played their part in our loss of markets.

In recent years, there have been many political devices developed to control markets within the country itself, such as state trade barriers, excise taxes, and sanitary restrictions. Now that the Government itself has become the all-absorbing market, Government specifications determine who shall have what market. Government specifications of rayon instead of cotton cord for heavy duty army vehicle tires is a striking case in point.

The battle of cotton is being fought on three major fronts: (1) economies of production and distribution; (2) technological discoveries and; (3) economic politics with equality of access to markets as the major objective. Without access to markets to absorb the volume of our natural advantage and specialized equipment to produce, process, and merchandise cotton, our capacity to produce it in large quantities tends to become a liability.

A. B. Cox.

TEXAS STATISTICAL COUNCIL

On Friday, October 23, the Texas Statistical Council held its regular annual meeting in Austin. The papers presented and the authors were as follows:

Problems of Local Taxation, Mr. Curtis Morris, East Texas Chamber of Commerce, Longview.

The Petroleum Industry Under War Conditions, Mr. M. G. Cheney, Petroleum Geologist, Coleman.

Problems of Price Control, Dr. Bruce L. Melvin, Consumer Relation Executive, Office of Price Administration, Dallas.

The address of welcome at the luncheon was given by Dr. Edward L. Dodd, Professor of Actuarial Mathematics, The University of Texas, Austin.

The Changing Aspects of Retail Distribution, Mr. Louis R. Sarazan, Comptroller, The Fair, Fort Worth.

Problems of War Manpower Supply and Labor Market Analysis, Mr. J. H. Bond, Regional Director, War

Manpower Commission, Dallas, presented by Mr. John F. Hilliard, Assistant Director, War Manpower Commission, Austin.

An Over-all View of Texas Agricultural Production in 1942 and an Estimate of Farm Cash Income in Texas in 1942, Mr. V. C. Childs, Principal Agricultural Statistician, United States Department of Agriculture, Austin; and Dr. F. A. Buechel, Assistant Director, Bureau of Business Research, The University of Texas, Austin.

It is intended to bring these papers together in the Proceedings of the meeting. Only sufficient copies will be prepared to supply the needs of present members and prospective new members. However, if we receive specific requests from others than the groups named we shall try to meet them. Such requests should be submitted as soon as possible, and directed to F. A. Buechel, Secretary.

EMPLOYMENT AND PAY ROLLS IN TEXAS

September, 1942

	Estimated Number of Workers Employed*		Percentage Change from Aug. 1942		Estimated Amount of Weekly Pay Roll		Percentage Change from Aug. 1942	
	Aug. 1942 ⁽¹⁾	Sept. 1942 ⁽²⁾	Aug. 1942	Sept. 1941	Aug. 1942 ⁽¹⁾	Sept. 1942 ⁽²⁾	Aug. 1942	Sept. 1941
MANUFACTURING								
All Manufacturing Industries	161,230	162,867	+ 1.0	+ 4.5	4,080,990	4,211,760	+ 3.2	+ 21.3
<i>Food Products</i>								
Baking	7,613	7,767	+ 2.0	+ 13.2	191,088	204,616	+ 7.1	+ 29.6
Carbonated Beverages	2,908	2,964	+ 1.9	+ 11.8	84,319	81,533	- 3.3	- 8.4
Confectionery	1,004	1,067	+ 6.2	+ 9.1	10,351	11,101	+ 7.2	+ 17.6
Flour Milling	1,931	1,913	- 0.9	+ 3.0	38,398	39,559	+ 3.0	+ 12.5
Ice Cream	1,520	1,455	- 4.3	+ 20.7	32,261	29,619	- 8.2	+ 26.7
Meat Packing	6,385	6,162	- 3.5	+ 11.4	180,286	177,425	- 1.6	+ 32.1
<i>Textiles</i>								
Cotton Textile Mills	6,992	6,978	- 0.2	+ 0.5	137,274	138,223	+ 0.7	+ 13.6
Men's Work Clothing	5,085	5,156	+ 1.4	+ 25.5	71,898	73,777	+ 2.6	+ 34.8
<i>Forest Products</i>								
Furniture	1,997	2,103	+ 5.3	- 9.9	31,954	33,628	+ 5.2	- 25.8
Planing Mills	2,607	2,667	+ 2.3	+ 2.7	73,739	74,267	+ 0.7	+ 20.0
Saw Mills	16,862	17,075	+ 1.3	- 5.4	245,121	243,515	- 0.7	- 2.9
Paper Boxes	593	601	+ 1.4	- 11.4	10,811	11,450	+ 5.9	- 16.9
<i>Printing and Publishing</i>								
Commercial Printing	2,461	2,342	- 4.8	- 7.9	61,710	65,179	+ 5.6	+ 10.9
Newspaper Publishing	4,328	4,641	+ 7.2	+ 7.9	108,640	114,611	+ 5.5	+ 1.0
<i>Chemical Products</i>								
Cotton Oil Mills	2,616	3,584	+ 37.0	+ 11.7	29,871	48,515	+ 62.5	+ 66.5
Petroleum Refining	22,621	22,796	+ 0.8	+ 5.9	896,781	966,046	+ 7.7	+ 20.0
<i>Stone and Clay Products</i>								
Brick and Tile	2,078	1,822	- 12.3	- 16.0	32,371	26,558	- 18.0	- 16.0
Cement	1,346	1,362	+ 1.2	+ 18.8	49,632	48,895	- 1.5	+ 38.1
<i>Iron and Steel Products</i>								
Structural and Ornamental Iron	2,803	2,786	- 0.6	+ 3.1	68,462	65,092	- 4.9	+ 12.0
NONMANUFACTURING								
Crude Petroleum Production	26,627	26,107	- 1.9	- 14.8	1,001,410	1,047,221	+ 4.6	- 6.8
Quarrying	(³)	(³)	- 3.5	+ 0.4	(³)	(³)	- 2.6	+ 12.2
Public Utilities	(³)	(³)	+ 0.7	+ 7.4	(³)	(³)	+ 7.2	+ 27.0
Retail Trade	185,347	199,372	+ 7.6	- 0.9	3,740,659	4,111,311	+ 9.9	+ 11.1
Wholesale Trade	66,824	67,881	+ 1.6	+ 7.2	2,103,752	2,139,733	+ 1.7	+ 9.9
Dyeing and Cleaning	2,693	2,775	+ 3.0	- 1.8	44,227	48,921	+ 10.6	+ 9.8
Hotels	15,958	16,164	+ 1.3	+ 5.3	202,641	204,464	+ 0.9	+ 10.1
Power Laundries	14,714	15,078	+ 2.5	+ 24.1	205,465	211,256	+ 2.8	+ 33.4

CHANGES IN EMPLOYMENT AND PAY ROLLS IN SELECTED CITIES⁽⁶⁾

	Employment Percentage Change		Pay Rolls Percentage Change			Employment Percentage Change		Pay Rolls Percentage Change	
	Aug., 1942 to Sept., 1942	Sept., 1941 to Sept., 1942	Aug., 1942 to Sept., 1942	Sept., 1941 to Sept., 1942		Aug., 1942 to Sept., 1942	Sept., 1941 to Sept., 1942	Aug., 1942 to Sept., 1942	Sept., 1941 to Sept., 1942
Abilene	- 9.5	+ 14.5	- 5.1	+ 16.6	Galveston	+ 12.6	+ 49.8	+ 15.3	+ 28.4
Amarillo	- 1.0	- 14.4	+ 4.0	+ 6.6	Houston	+ 0.8	+ 5.4	+ 5.2	+ 21.1
Austin	+ 13.0	+ 23.9	+ 9.9	+ 28.7	Port Arthur	- 1.4	- 3.1	+ 7.9	+ 26.1
Beaumont	+ 4.0	+ 113.2	+ 3.6	+ 215.9	San Antonio	- 0.4	+ 9.7	+ 3.7	+ 24.5
Dallas	+ 3.1	+ 5.4	+ 5.9	+ 19.8	Sherman	+ 4.2	+ 4.4	+ 9.0	+ 26.7
El Paso	+ 3.6	+ 7.2	+ 0.2	+ 25.3	Waco	+ 3.3	+ 15.0	+ 5.3	+ 32.7
Fort Worth	+ 0.2	+ 14.0	+ 1.6	+ 51.7	Wichita Falls	+ 6.3	+ 25.4	+ 5.2	+ 16.6
					STATE	+ 1.9	+ 19.5	+ 4.9	+ 54.0

ESTIMATED NUMBER OF EMPLOYEES IN NONAGRICULTURAL BUSINESS AND GOVERNMENT ESTABLISHMENTS⁽⁶⁾

	1940 ⁽¹⁾	1941 ⁽¹⁾	1942 ⁽¹⁾		1940 ⁽¹⁾	1941 ⁽¹⁾	1942
January	944,000	1,052,000	1,115,000	July	983,000	1,101,000	1,317,000 ⁽²⁾
February	943,000	1,092,000	1,131,000	August	988,000	1,113,000	1,347,000 ⁽²⁾
March	965,000	1,086,000	1,175,000	September	1,009,000	1,134,000	
April	963,000	1,097,000	1,178,300	October	1,022,000	1,141,000	
May	983,000	1,077,000	1,195,000	November	1,048,000	1,161,000	
June	982,000	1,084,000	1,291,000	December	1,084,000	1,177,000	

*Does not include proprietors, firm members, officers of corporations, or other principal executives. Factory employment excludes also office, sales, technical and professional personnel.

⁽¹⁾Revised.

⁽²⁾Subject to revision.

⁽³⁾No change.

⁽⁴⁾Not available.

⁽⁵⁾Based on unweighted figures.

⁽⁶⁾Not including self-employed persons, casual workers, or domestic servants, and exclusive of military and maritime personnel. These figures are furnished by the Bureau of Labor Statistics, U.S. Department of Labor.

Prepared from reports from representative Texas establishments to the Bureau of Business Research coöperating with the Bureau of Labor Statistics. Due to the national emergency, publication of data for certain industries is being withheld until further notice.

SEPTEMBER RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	No. of Firms Reporting	Percentage Changes in Dollar Sales		
		Sept., 1942 from Sept., 1941	Sept., 1942 from Aug., 1942	Year 1942 from Year 1941
TEXAS.....	1,023	+ 9	+ 9	+ 2
STORES GROUPED BY LINE OF GOODS CARRIED:				
APPAREL.....	110	+ 31	+ 28	+ 19
Family Clothing Stores.....	28	+ 45	+ 17	+ 31
Men's and Boys' Clothing Stores.....	39	+ 23	+ 33	+ 13
Shoe Stores.....	14	+ 46	+ 38	+ 32
Women's Specialty Shops.....	29	+ 32	+ 27	+ 18
AUTOMOTIVE*.....	68	- 37	- 10	- 65
Motor Vehicle Dealers.....	67	- 39	- 11	- 67
COUNTRY GENERAL.....	90	+ 22	+ 11	+ 19
DEPARTMENT STORES.....	54	+ 18	+ 30	+ 11
DRUG STORES.....	138	+ 22	- 2	+ 18
DRY GOODS AND GENERAL MERCHANDISE.....	22	+ 18	+ 2	+ 25
FILLING STATIONS.....	34	- 4	- 5	+ 2
FLORISTS.....	26	+ 16	+ 16	- 1
FOOD*.....	151	+ 22	- 1	+ 26
Grocery Stores.....	48	+ 27	- 2	+ 30
Grocery and Meat Stores.....	95	+ 20	- 1	+ 24
FURNITURE AND HOUSEHOLD*.....	82	+ 9	+ 9	- 8
Furniture Stores.....	71	+ 14	+ 9	- 6
JEWELRY.....	28	+ 33	+ 18	+ 20
LUMBER, BUILDING, AND HARDWARE*.....	185	- 5	+ 4	+ 14
Farm Implement Dealers.....	12	+ 13	+ 15	+ 7
Hardware Stores.....	62	- 2	+ 6	+ 8
Lumber and Building Material Dealers.....	109	- 8	+ 2	+ 14
RESTAURANTS.....	19	+ 42	- 1	+ 19
ALL OTHER STORES.....	16	+ 18	+ 8	+ 24
TEXAS STORES GROUPED ACCORDING TO POPULATION OF CITY:				
All Stores in Cities of—				
Over 100,000 Population.....	171	+ 9	+ 17	- 1
50,000-100,000 Population.....	118	+ 15	+ 15	+ 6
2,500-50,000 Population.....	488	+ 9	+ 12	- 4
Less than 2,500 Population.....	246	+ 3	+ 1	+ 6

*Group total includes kinds of business other than the classifications listed.

①Change of less than .5%.

NOTE: Prepared from reports of independent retail stores to the Bureau of Business Research cooperating with the U.S. Bureau of the Census.

PETROLEUM

Daily Average Production

(In Barrels)

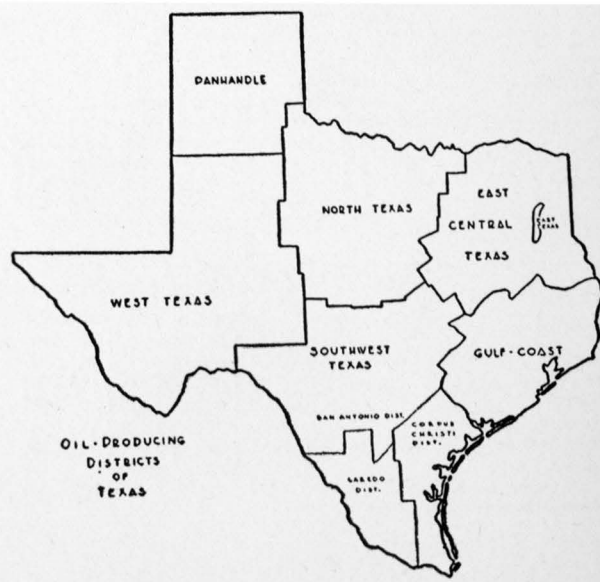
	Sept., 1942	Sept., 1941	Aug., 1942
Coastal Texas*.....	313,900	281,700	300,050
East Central Texas.....	84,500	83,900	90,700
East Texas.....	344,550	351,900	375,850
North Texas.....	135,500	132,850	137,900
Panhandle.....	85,150	84,250	94,400
Southwest Texas.....	163,100	209,350	191,300
West Texas.....	203,900	266,200	230,200
STATE.....	1,330,600	1,410,150	1,420,400
UNITED STATES.....	3,857,500	3,995,700	3,950,000

*Includes Conroe.

NOTE: From American Petroleum Institute.

See accompanying map showing the oil producing districts of Texas.

Gasoline sales as indicated by taxes collected by the State Comptroller were: August, 1942, 115,856,000 gallons; August, 1941, 140,221,000 gallons; July, 1942, 123,529,000 gallons.



SEPTEMBER RETAIL SALES OF INDEPENDENT STORES
IN TEXAS

	No. of Firms Reporting	Percentage Changes		
		Sept., 1942 from Sept., 1941	Sept., 1942 from Aug., 1942	Year 1942 from Year 1941
TOTAL TEXAS	1,023	+ 9	+ 9	+ 2
TEXAS STORES GROUPED BY PRODUCING AREAS:				
District 1-N	76	+29	+ 6	+ 7
Amarillo	20	+34	+11	- 1
Pampa	14	+14	- 3	- 3
Plainview	16	+37	+ 4	+ 9
All Others	27	+18	+ 3	+17
District 1-S	23	+24	+18	+16
Lubbock	10	+30	+23	+16
All Others	13	+11	+ 8	+17
District 2	74	+22	+23	+18
Wichita Falls	13	+12	+13	+18
All Others	61	+27	+28	+18
District 3	39	+10	+26	+ 6
District 4	214	+20	+21	+ 7
Dallas	39	+ 7	+19	- 9
Fort Worth	30	+16	+15	+ 8
Sherman	13	+10	+12	+19
Waco	21	+29	+23	+10
All Others	111	+22	+18	+14
District 5	96	+18	+22	+ 8
Tyler	10	+13	+15	+ 5
All Others	86	+20	+24	+ 8
District 6	43	+19	+ 5	+ 9
El Paso	23	+ 9	+ 4	+ 2
All Others	20	+50	+ 3	+27
District 7	54	- 3	+10	+10
San Angelo	11	- 0	+19	+11
All Others	43	- 7	+ 2	+10
District 8	160	+21	+15	+17
Austin	16	+10	+40	+20
San Antonio	55	+15	+13	+ 7
All Others	91	+22	- 1	+20
District 9	115	+13	+25	+10
Beaumont	14	+31	+35	+35
Galveston	12	+23	+18	+24
Houston	47	+ 1	+21	- 2
All Others	45	+29	+25	+ 5
District 10	30	+ 8	+13	+ 9
District 10-A	41	+21	-12	+16
Brownsville	11	+18	-14	+15
All Others	30	+22	-10	+17

(1) Change of less than .5%.

NOTE: Prepared from reports of independent retail stores to the Bureau of Business Research cooperating with the U.S. Bureau of the Census.

The total number of firms reporting does not check exactly with the totals of the cities because some motor vehicle dealers whose sales varied radically from the sales of other stores in their respective cities were omitted when working the percentage changes for those cities. This was done only when the sales of motor vehicle dealers were an unusually large proportion of the total sales of a city.

TEXAS COMMERCIAL FAILURES

	Sept., 1942	Sept., 1941	Aug., 1942	January 1-October 1 1942	1941
Number	5	13	8	112	209
Liabilities*	\$89	\$113	\$72	\$1,705	\$3,763
Assets*	14	58	51	1,203	1,812
Average Liabilities per failure*	18	9	9	15	18

*In thousands.

NOTE: From Dun and Bradstreet, Inc.

TEXAS CHARTERS

	Sept., 1942	Sept., 1941	Aug., 1942	Year 1942	Year 1941
Domestic Corporations:					
Capitalization*	258	411	944	6,767	9,362
Number	33	53	34	572	636
Classification of new corporations:					
Banking-Finance	0	4	0	8	35
Manufacturing	4	13	7	68	90
Merchandising	6	5	6	68	142
Oil	2	3	8	42	67
Public Service	1	6	0	3	7
Real Estate Building	9	3	7	215	104
Transportation	4	1	1	27	23
All Others	7	18	5	141	168
Number capitalized at less than \$5,000	19	17	15	289	242
Number capitalized at \$100,000 or more	0	1	4	14	16
Foreign Corporations					
(Number)	14	8	9	103	128

*In thousands.

NOTE: Compiled from records of the Secretary of State.

CEMENT

(In Thousands of Barrels)

	Sept., 1942	Sept., 1941	Aug., 1942	January 1-October 1 1942	1941
Texas Plants					
Production	1,036	930	1,103	8,998	7,212
Shipments	900	885	1,136	9,385	7,367
Stocks	353	749	216		
United States					
Production	17,527	16,115	17,605	134,149	118,600
Shipments	20,150	18,284	21,282	141,274	124,585
Stocks	12,656	17,563	15,295		
Capacity					
Operated	87.0%	78.3%	85.0%		

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

COMMODITY PRICES

	Sept., 1942	Sept., 1941	Aug., 1942
Wholesale Prices:			
U. S. Bureau of Labor Statistics (1926=100%)	99.6	91.8	99.2
Farm Prices:			
U. S. Dep't of Agriculture (1910-'14=100%)	*	139.0	163.0
U. S. Bureau of Labor Statistics (1926=100%)	107.8	91.0	106.1
Retail Prices:			
Food (U. S. Bureau of Labor Statistics, 1935-'39=100%)	126.6	110.8	126.1
Dep't. Stores (Fairchild's Pub- lications, Jan. 1931=100%)	113.1	105.2	113.1

*Not available.

POSTAL RECEIPTS

	Sept., 1942	Sept., 1941	Aug., 1942	Year 1942	Year 1941
Abilene	\$ 30,012	\$ 20,954	\$ 26,173	\$ 256,836	\$ 240,604
Amarillo	42,285	33,600	40,214	330,209	304,495
Austin	78,145	76,361	84,316	706,625	666,141
Beaumont	31,826	27,764	32,868	283,927	255,532
Big Spring	7,783	5,737	7,556	63,737	57,360
Brownwood	12,712	9,290	11,826	143,592	127,721
Coleman	3,153	2,738	3,104	28,402	23,195
Corpus Christi	44,299	39,006	41,848	379,588	314,935
Corsicana	7,833	6,577	8,747	62,943	53,588
Dallas	430,476	427,844	384,581	3,571,359	3,568,809
Del Rio	3,524	3,722	3,474	30,557	47,495
Denison	7,318	6,475	7,631	65,565	58,366
Denton	8,220	7,280	6,137	74,030	67,893
Edinburg	3,015	3,218	3,501	*	*
El Paso	61,473	59,336	58,366	543,746	542,952
Fort Worth	191,262	178,849	163,062	1,491,573	1,360,233
Galveston	38,510	32,229	34,729	333,832	306,568
Gladewater	3,032	2,894	2,470	27,749	25,942
Graham	2,669	2,617	2,367	22,020	20,923
Harlingen	7,946	6,841	7,146	65,073	58,889
Houston	291,036	268,549	272,258	2,519,844	2,429,673
Jacksonville	3,592	3,268	3,350	34,162	31,259
Kenedy	1,699	1,277	1,688	18,901	12,605
Longview	9,957	8,752	9,447	88,280	86,674
Lubbock	33,849	25,644	21,625	217,562	188,579
McAllen	4,896	4,374	4,480	45,909	43,789
Marshall	9,291	6,502	8,583	74,499	57,993
Pampa	7,858	6,677	6,923	64,024	61,297
Paris	10,139	7,136	9,193	75,436	56,146
Plainview	4,924	4,313	4,059	39,317	36,719
Port Arthur	18,386	14,620	16,907	153,173	129,843
San Angelo	15,015	13,805	14,501	132,028	120,376
San Antonio	180,829	146,268	170,066	1,488,052	1,306,816
Sherman	9,615	7,900	8,603	79,627	69,555
Snyder	1,727	1,398	1,687	*	*
Sweetwater	5,090	4,912	5,714	48,520	45,599
Texarkana	20,349	16,910	19,045	*	*
Tyler	15,211	16,121	16,401	144,231	142,354
Waco	40,504	37,294	37,995	337,847	318,220
Wichita Falls	34,687	29,267	30,535	338,455	235,170
TOTAL	\$ 1,734,147	\$ 1,578,319	\$ 1,593,176	\$14,381,230	\$13,474,308

*Not available.

NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

SEPTEMBER SHIPMENTS OF LIVE STOCK CONVERTED TO A RAIL-CAR BASIS*

	Cattle		Calves		Hogs		Sheep		Total	
	1942	1941	1942	1941	1942	1941	1942	1941	1942	1941
Total Interstate Plus Fort Worth	5,039	3,559	1,863	1,669	1,041	623	1,988	1,322	9,931	7,173
Total Intrastate Omitting Fort Worth	767	465	153	186	51	20	543	472	1,514	1,143
TOTAL SHIPMENTS	5,806	4,024	2,016	1,855	1,092	643	2,531	1,794	11,445	8,316

TEXAS CAR-LOT* SHIPMENTS OF LIVE STOCK, JANUARY 1-OCTOBER 1

	Cattle		Calves		Hogs		Sheep		Total	
	1942	1941	1942	1941	1942	1941	1942	1941	1942	1941
Total Interstate Plus Fort Worth	42,881	30,183	8,769	8,001	9,176	7,679	9,689	7,772	70,515	53,635
Total Intrastate Omitting Fort Worth	4,818	3,446	972	1,090	231	138	928	801	6,949	5,475
TOTAL SHIPMENTS	47,699	33,629	9,741	9,091	9,407	7,817	10,617	8,573	77,464	59,110

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

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

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

BUILDING PERMITS

	Sept., 1942	Sept., 1941	Aug., 1942	Year 1942	Year 1941
Abilene	\$ 11,340	\$ 9,485	\$ 4,280	\$ 1,168,703	\$ 727,279
Amarillo	34,339	247,736	57,800	†	2,077,453*
Austin	17,067	433,179	59,442	1,512,959	4,310,568
Beaumont	42,165	148,796	36,384	3,485,564	1,793,155
Big Spring	35,435	10,036	4,156	84,593	154,611
Brownwood	800*	†	3,255*	†	†
Coleman	500	7,300	1,385	†	181,009*
Corpus Christi	55,738	417,353	236,870	3,846,345	11,032,856
Corsicana	3,400	9,900	1,575	153,434	141,442
Dallas	191,851	1,120,644	206,323	5,655,750	12,278,624
Del Rio	2,322	12,618	9,475	†	80,075*
Denton	740	20,850	535	42,313	294,279
Edinburg	289*	†	338*	†	†
El Paso	44,883	145,534	13,968	1,954,222	2,235,541
Fert Worth	136,965	386,250	136,965	9,754,404	5,075,916
Galveston	23,189	132,041	31,317	1,397,280	3,636,219
Gladewater	0	0	0	4,610	16,030
Graham	0	2,160	160	18,008	62,747
Harlingen	6,500	43,700	805	96,100	287,695
Houston	61,720	1,498,866	181,985	10,865,184	15,346,880
Jacksonville	600	10,610	700	13,100	78,126
Kenedy	0	0	0	2,990	37,835
Laredo	1,100*	†	1,400*	†	†
Longview	1,325	9,020	1,825	33,055	149,515
Lubbock	13,939	260,133	15,095	2,030,174	2,820,352
McAllen	2,495	13,233	3,950	143,298	165,388
Marshall	10,920	25,198	8,085	180,654	379,668
Midland	1,775	49,120	950	278,105	433,900
New Braunfels	1,905	7,245	1,410	37,399*	†
Pampa	1,750*	30,470*	†	145,300	243,690
Paris	8,120	27,235	9,195	153,923	204,688
Plainview	1,650	4,540	998	10,205	59,939
Port Arthur	12,729	113,860	7,391	302,632	945,169
San Angelo	4,765	88,124	9,320	244,840	605,905
San Antonio	181,956	790,431	291,874	3,828,668	5,600,083
Sherman	24,436	38,418	23,940	321,609	276,677
Snyder	0	†	0	18,600*	†
Sweetwater	850	9,100	870	60,108	124,960
Texarkana	6,916	83,498	524,014	†	†
Tyler	6,271	42,046	9,918	199,161	551,818
Waco	75,483	159,086	92,352	1,019,810	2,521,147
Wichita Falls	51,115	250,723	47,725	517,956	2,375,977
TOTAL	\$ 1,075,404	\$ 6,558,068	\$ 2,033,038	\$59,525,051	\$74,968,679

*Not included in total.

†Not available.

NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

COTTON BALANCE SHEET FOR THE UNITED STATES AS OF OCTOBER 1

(In Thousands of Running Bales Except as Noted)

Year	Carryover Aug. 1	Imports to Oct. 1*	Government Estimate as of Oct. 1*	Total	Consumption to Oct. 1	Exports to Oct. 1	Total	Balance Oct. 1
1933-1934	8,176	23	12,885	21,084	1,088	1,400	2,488	18,596
1934-1935	7,746	19	9,443	17,208	714	706	1,420	15,788
1935-1936	7,138	14	11,464	18,616	859	728	1,587	17,029
1936-1937	5,397	22	11,609	17,028	1,205	752	1,957	15,077
1937-1938	4,498	14	17,978	22,490	1,206	838	2,044	20,446
1938-1939	11,533	29	12,212	23,774	1,093	590	1,683	22,091
1939-1940	13,033	22	11,928	24,983	1,255	644	1,899	23,084
1940-1941	10,596	14	12,741	23,351	1,289	156	1,445	21,906
1941-1942	12,376	69	11,061	23,506	1,750	255	2,005	21,501
1942-1943	10,590	†	13,818	24,408	1,891	†	1,891	22,517

*In 500-pound Bales.

†Not available.

The cotton year begins in August.

SEPTEMBER CREDIT RATIOS IN TEXAS DEPARTMENT AND APPAREL STORES

(Expressed in Per Cent)

	Number of Stores Reporting	Ratio of Credit Sales to Net Sales		Ratio of Collections to Outstandings		Ratio of Credit Salaries to Credit Sales	
		1942	1941	1942	1941	1942	1941
All Stores.....	55	54.9	67.9	54.2	40.4	1.0	0.8
Stores Grouped by Cities:							
Abilene.....	3	46.2	59.7	14.0	29.3	1.4	1.5
Austin.....	6	46.9	60.7	64.6	47.4	1.2	1.0
Dallas.....	9	64.2	75.4	55.8	40.7	0.7	0.5
Fort Worth.....	5	53.5	66.1	54.5	38.0	1.1	1.0
Houston.....	6	59.1	66.4	53.4	40.3	1.0	0.9
San Antonio.....	5	41.6	58.1	59.4	45.7	1.6	1.2
Waco.....	3	44.8	55.5	63.0	34.1	1.2	1.5
All Others.....	18	47.9	62.4	57.4	38.3	1.1	1.0
Stores Grouped According to Type of Store:							
Department Stores (Annual Volume Over \$500,000).....	17	55.0	66.8	59.0	43.4	1.0	0.8
Department Stores (Annual Volume under \$500,000).....	10	44.4	57.7	27.5	33.2	1.3	1.4
Dry-Goods-Apparel Stores.....	12	49.1	62.2	56.7	42.3	1.6	1.4
Women's Specialty Shops.....	13	57.4	73.8	50.1	36.1	0.5	0.3
Men's Clothing Stores.....	13	54.7	67.0	56.4	35.7	1.2	1.1
Stores Grouped According to Volume of Net Sales During 1941:							
Over \$2,500,000.....	10	59.0	68.8	60.8	46.3	1.0	0.8
\$2,500,000 down to \$1,000,000.....	10	47.6	64.1	56.1	39.9	1.1	1.0
\$1,000,000 down to \$500,000.....	7	49.9	61.3	61.3	39.4	1.1	1.1
\$500,000 down to \$100,000.....	25	36.6	53.8	56.1	40.4	1.8	1.5
Less than \$100,000.....	3	60.4	71.3	51.4	42.6	1.8	2.5

NOTE: The ratios shown for each year, in the order in which they appear from left to right are obtained by the following computations: (1) Credit Sales divided by Net Sales; (2) Collections during the month divided by the total accounts unpaid on the first of the month; (3) Salaries of the credit department divided by credit sales. The data are reported to the Bureau of Business Research by Texas retail stores.

SEPTEMBER, 1942, CARLOAD MOVEMENTS OF POULTRY AND EGGS

Shipments from Texas Stations

Destination*	Cars of Poultry						Cars of Eggs					
	Dressed				Shell		Frozen		Dried		Shell Equivalent†	
	Chickens	September		Turkeys								
		1941	1942									
	1942	September 1941	1942	1941	1942	1941	1942	September 1941	1942	1941	1942	1941
TOTAL _____	9	19	2	3	5	16	8	61	61	51	509	546
Intrastate _____	3	0	0	0	4	1	3	0	0	0	10	1
Interstate _____	6†	19	2	3	1	15	5	61	61	51	499	545

Receipts at Texas Stations

Origin												
TOTAL.....	1	---	---	---	35	---	9	---	2	---	69	---
Intrastate.....	0	---	---	---	11	---	0	---	2	---	27	---
Interstate.....	1	---	---	---	24	---	9	---	0	---	42	---

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

†Includes 1 carload of live chickens.

‡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.

NOTE: These data are furnished to the Division of Agricultural Statistics, B. A. E., by railroad officials through agents at all stations which originate and receive carload shipments of poultry and eggs. The data are compiled by the Bureau of Business Research.

BANKING STATISTICS

(In Millions of Dollars)

	Sept., 1942		Sept., 1941		Aug., 1942	
	Dallas District	United States	Dallas District	United States	Dallas District	United States
DEBITS to individual accounts.....	\$ 1,411	\$52,704	\$ 1,102	\$42,121	\$ 1,374	\$49,180
Condition of reporting member banks on—	Sept. 30, 1942		Oct. 1, 1941		Sept. 2, 1942	
ASSETS:						
Loans and investments—total.....	843	35,954	644	29,125	792	34,457
Loans—total.....	302	10,361	344	11,024	305	10,382
Commercial, industrial, and agricultural loans.....	213	6,270	235	6,447	220	6,282
Open market paper.....	1	242	2	397	1	313
Loans to brokers and dealers in securities.....	2	526	3	494	2	493
Other loans for purchasing or carrying securities.....	15	381	14	428	13	381
Real Estate loans.....	20	1,221	23	1,257	21	1,230
Loans to banks.....	—	65	1	39	—	26
Other loans.....	51	1,616	66	1,962	48	1,657
Treasury Bills.....	77	2,337	39	785	68	2,239
Treasury Cert. of indebtedness.....	81	3,071	†	†	74	2,273
Treasury Notes.....	75	3,283	34	2,280	44	2,753
U.S. Bonds.....	209	11,257	117	7,917	202	11,220
Obligations guaranteed by U.S. Government.....	39	2,106	49	3,319	40	2,095
Other Securities.....	60	3,539	61	3,800	59	3,495
Reserve with Federal Reserve Bank.....	232	8,618	164	10,792	228	9,379
Cash in Vault.....	17	496	14	537	16	473
Balances with domestic banks.....	262	2,526	301	3,596	266	2,635
Other Assets—net.....	32	1,220	31	1,200	32	1,194
LIABILITIES:						
Demand deposits—adjusted*.....	749	27,424	593	24,277	733	27,217
Time deposits.....	130	5,162	133	5,429	131	5,137
U.S. Government deposits.....	56	2,041	35	599	39	1,532
Inter-bank deposits:						
Domestic banks.....	350	8,527	296	9,669	331	8,681
Foreign banks.....	1	676	1	624	1	679
Borrowings.....	—	53	—	1	—	2
Other liabilities.....	6	958	5	772	5	915
Capital account.....	94	3,973	91	3,888	94	3,975

*Not Available.

NOTE: From Federal Reserve Board.

LUMBER
(In Board Feet)

	Sept., 1942	Sept., 1941	Aug., 1942
Southern Pine Mills:			
Average weekly production per unit.....	273,578	332,137	291,356
Average weekly shipments per unit.....	314,416	355,373	340,968
Average unfilled orders per unit, end of month.....	1,742,571	1,490,245	1,558,860

NOTE: From Southern Pine Association.

PERCENTAGE CHANGES IN CONSUMPTION
OF ELECTRIC POWER

	Sept., 1942 from Sept., 1941	Sept., 1942 from Aug., 1942	Jan. 1-Oct. 1, 1942 from Jan. 1-Oct. 1, 1941
Commercial.....	- 12.4	- 1.2	- 9.9
Industrial.....	+ 44.0	- 6.2	+ 49.9
Residential.....	- 0.5	- 1.9	+ 8.7
All Others.....	+ 19.7	- 7.7	+ 40.7
TOTAL.....	+ 18.2	- 4.8	+ 25.1

Prepared from reports of 11 electric power companies to the Bureau of Business Research.

**GRAPHIC AND STATISTICAL SUMMARY OF THE
DAIRY INDUSTRY WITH SPECIAL REFERENCE
TO TEXAS** By F. A. Buechel, Assistant Director
and Statistician, Bureau of Business Research, The
University of Texas. August, 1942. Price One
Dollar.

This report by means of text, charts, and tables, presents a detailed and comprehensive statistical analysis of the dairy industry of Texas together with data which afford a picture of the industry, national and international in scope.

Developments and exigencies of today have made necessary the publication of this bulletin in preliminary form, and those interested in the dairy industry whether from a local, national, or international standpoint, will find in it the answers to many vital questions regarding all branches of dairy production, particularly with reference to the industry in Texas.

Included in the summary are forty-eight graphic charts which clearly illustrate detailed facts concerning all phases of the dairy industry. These charts depict sharply the position of Texas as both a producer and consumer of dairy products; they show the trends and comparisons between countries, between states, and between the crop reporting districts of Texas. The locations of the different dairy products manufacturing plants are shown on a series of maps.

A total of 131 statistical tables provides statistical information covering every branch of the dairy industry for the nation, for individual states, and for all Texas

counties grouped by crop reporting districts. For example, Table 126 entitled, "Value of Milk Used in the Manufacture of Dairy Products in Texas, by Districts" shows the amount of creamery butter, ice cream, American cheese, cream cheese, and concentrated milk products manufactured in Texas from 1932 to 1940, inclusive.

A paragraph included in the introduction states briefly:

"The present preliminary report is composed essentially of three parts—general quantitative facts concerning the dairy industry in international trade, designed to show the relative position of the United States in this trade; somewhat more specific quantitative facts concerning the dairy industry in the country as a whole and certain geographical divisions thereof, with a view to presenting the Texas dairy industry in something of its national and regional quantitative setting; and, finally, comparatively detailed quantitative facts concerning the dairy manufacturing industry in Texas, and particularly the subdivisions of Texas as represented by the crop reporting districts which are based upon the natural regions of the State."

CLARA H. LEWIS.

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