



Atlanta, Georgia
June • 1964

Monthly Review

Government Employment— A Growth Industry

About 9,500,000 people in the United States were working for governments—national, state, and local—in 1963. In the Sixth District states, which include Alabama, Florida, Georgia, Louisiana, Mississippi, and Tennessee, government employment totaled approximately 1.1 million people in that year. Accounting for almost 20 percent of nonfarm employment, government or public employment, as it is often called, contributed about \$5.6 billion in wages and salaries to the personal incomes of employees residing in District states.

Government employment has been a major contributor to the rise in total employment in recent years. Yet, in spite of this rise, unemployment—the problem that is currently attracting so much attention—still persists. One reason for the failure to reduce unemployment to a more acceptable level is the expansion in the total labor force. Moreover, the lack of employment growth in the manufacturing area, in which about the same number of people were engaged in 1964 as in 1956, has also restrained the expansion. Nonmanufacturing employment thus has spearheaded the advance, and government employment, a segment of nonmanufacturing employment, consequently, has been important in absorbing a part of the growing labor force.

Also in this issue:

**A DIVERSITY OF GROWTH
IN FLORIDA**

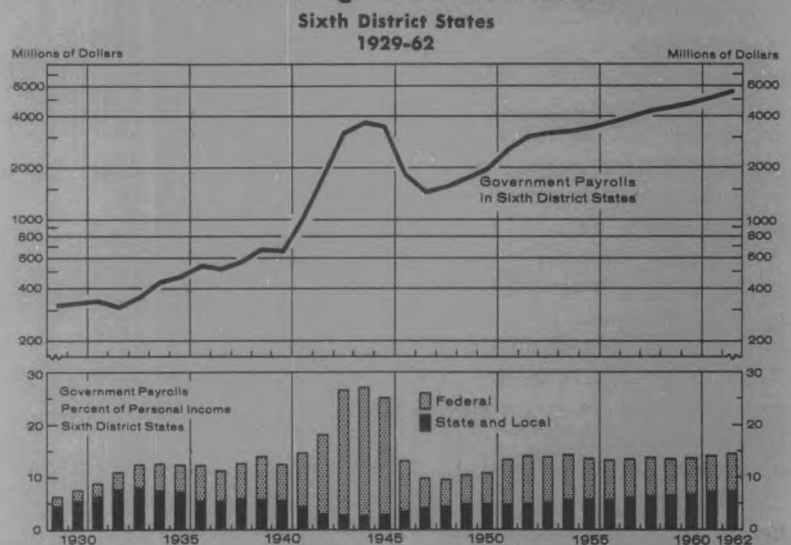
**SIXTH DISTRICT
STATISTICS**

**DISTRICT BUSINESS
CONDITIONS**

*Federal
Reserve
Bank of
Atlanta*

LIBRARY
JUN 17 1964
FEDERAL RESERVE BANK OF PHILADELPHIA

**Total Government Payrolls and Government Payrolls
as a Percentage of Personal Income**



Source: U. S. Department of Commerce.

Total government payrolls have been rising in the District states for quite some time. However, the increase has not been steady from year to year. As a percentage of personal income, government payrolls have fluctuated but have been increasing in recent years. Much of this increase is the result of rising state and local government employment.

Payrolls and Employment Fluctuate

A long-term upward trend characterizes the payrolls of government workers both in the United States and in the Sixth District states. In recent years, government payrolls have accounted for an increasing percentage of personal income; however, there have been fluctuations over time in the proportion of personal income earned from government employment. During the 1930's, the percentage of personal income derived from government generally rose, although the increases were not steady from year to year. By 1941, the percentage of personal income from government employment had almost doubled the 1929 level. During World War II, fairly sharp increases in government payrolls occurred as the number of persons serving in the Armed Forces expanded and thus boosted Federal military payrolls. With the cessation of hostilities, demobilization came fairly rapidly. Federal military payrolls dropped sharply, and the percentage of personal income from government employment in 1946 fell back to about the 1941 level and dropped still further in 1947. In 1950, however, the Korean War began, necessitating another military buildup. The percentage of personal income from government employment again rose but failed to reach the World War II level. After the Korean Armistice, government employment once more became relatively less important as a source of personal income.

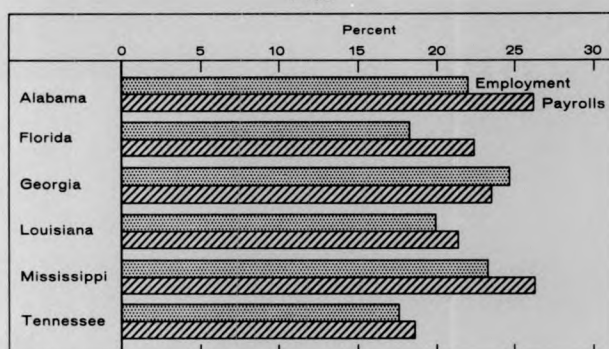
Since 1956, a year selected because it does not reflect temporary increases caused by the Korean War, both the number of government workers and the amount of their payrolls have risen. State and local government employment, moreover, has come to the fore as the major stimulus of this increase. Public employment in 1956 amounted to 14.2 percent of nonfarm employment, while government wage and salary disbursements came to 10.7 percent of personal income. By 1962, the latest year for which government wage and salary data are available, government employment had risen to 16.6 percent of nonfarm employment, and government wages and salaries were accounting for 12.1 percent of personal income. The growing importance of government payrolls is further highlighted when one considers that since 1956 the percentage of personal income contributed by government employment has been rising at the same time that personal income has been increasing.

Government employment and payrolls in the Sixth District states have also been moving up since 1956. At present, Federal civilian employment is more important as a contributor to both employment and income in District states than in the United States. Federal civilian employment in 1962 in the United States accounted for 4.2 percent of total nonfarm employment, and wage and salary disbursements by the Federal Government amounted to 5.3 percent of the personal income of the nation's population. In the District states, Federal civilian employment was 4.7 percent of nonfarm employment, and wages and salaries from Federal employment were 7.3 percent of personal income.

Moreover, in each of the District states, with the exception of Georgia, government payrolls, as a percentage of nonfarm wages and salaries, exceeded government employment as a percentage of nonfarm employ-

Government Employment as a Percentage of Nonfarm Employment and Government Payrolls as a Percentage of Nonfarm Wage and Salary Disbursements

Sixth District States
1962



Source: U. S. Department of Commerce.

Government employment and payrolls, although important in every District state, vary in relative significance from state to state. At the same time, the government sector, on average, contributes more to employment and income in District states than in the United States.

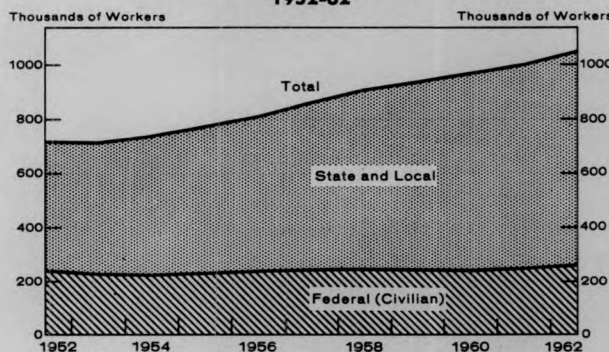
ment. This indicates that government workers in general receive higher pay than other people engaged in nonfarm occupations in the District states. But what services, we may ask, do these government workers perform? What level of government employs the most workers; in what location are most employees; and in what functions are they engaged?

State and Local Governments – A Major Source of Jobs

Total government employment has in recent years become more important when considered from the standpoint of contributions to personal income and nonfarm employment. However, Federal civilian employment, contrary to what many people may believe, is declining in significance relative to state and local government employment. Federal civilian employment, measured as a

Number of Government Employees

Sixth District States
1952-62



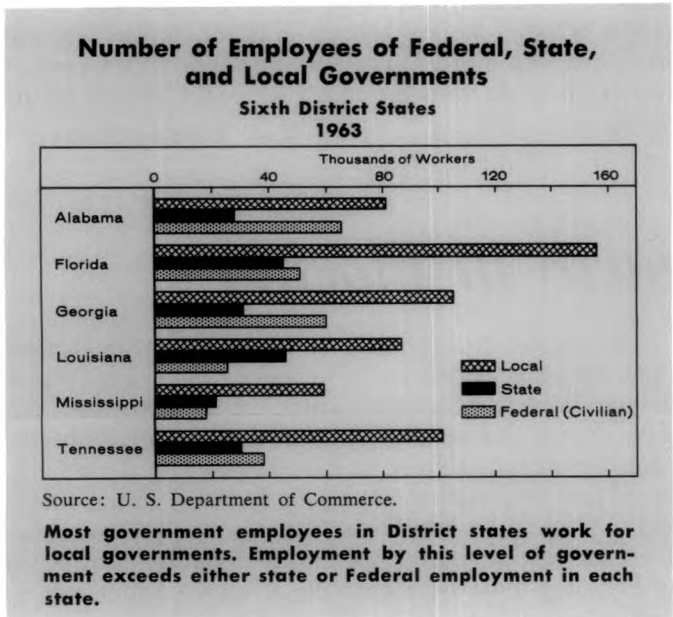
Source: U. S. Department of Commerce.

Federal civilian employment has been fairly stable in Sixth District states since 1952. Most of the rise in government employment has resulted from increases in the number of state and local government employees.

percentage of nonfarm employment, has risen only slightly in the United States since 1956 and has actually declined somewhat in the District states since that time. A further indication of the waning importance of Federal civilian employment in the District states may be seen in its drop from 28.4 percent of total government employment in 1956 to 23.8 percent in 1963.

Within the District states, Federal government employment is concentrated in Alabama, Florida, and Georgia. As a percentage of nonfarm employment, Federal civilian employment is lowest in Louisiana and highest in Alabama. Wages and salaries from Federal employment, as a percentage of personal income, range from a low of about 5 percent in Louisiana and Tennessee to a high of around 11 percent in Alabama.

State and local governments now account for most of the government employment in the District states. Con-



sidered in relation to nonfarm employment, state and local government workers are more numerous in the District states than in the United States. Mississippi ranks higher than any other District state in this type of employment, while Tennessee takes last place. Residents of Louisiana, however, received a greater proportion of their personal income from state and local government employment, while persons residing in Georgia received the lowest proportion among the District states.

To eliminate the influence of differences in population, state and local employment may be compared on the basis of the number of workers per 10,000 people. On this basis, state and local employment is below the national figure per 10,000 population in Alabama, Georgia, Mississippi, and Tennessee. In Florida and Louisiana, the state figure is higher than that for the nation.

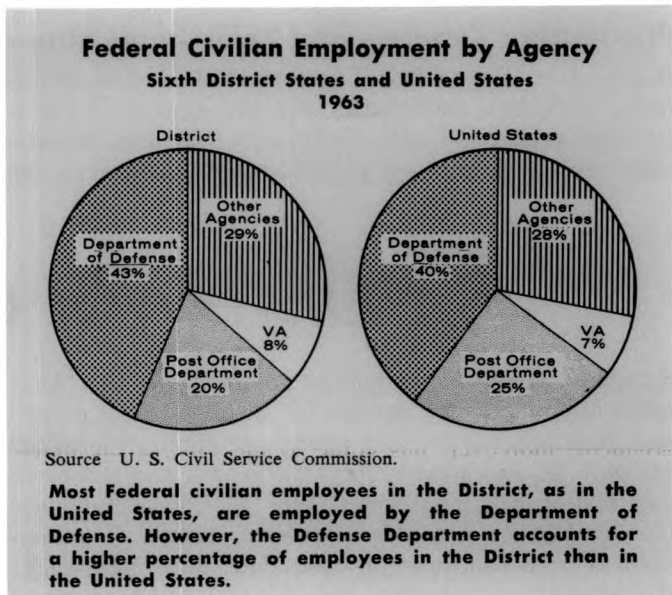
One reason for the growth of state and local government employment is the public's increased demand for services. As the population has risen and people's incomes have expanded, there have been increased demands for the types of services provided by state and local governments, such as schools, police and fire protection, and highways. Also, governments have taken on additional

responsibilities in certain areas. Expanded services, resulting in a larger number of government workers, have also been the consequence of more rapid urbanization.

Most government workers in the District states, as in the United States, are employed by counties, cities, and school districts. In 1963, there were about 823,000 state and local government workers in the District states. Local governments employed almost 610,000 of this number. Employment by local governments is increasing relative to employment by Federal or state governments and is greater than state or Federal employment in each of the District states.

What Services Account for Most Employees?

The Department of Defense has employed more Federal workers than any other agency for the past few years.



Two other agencies, the Post Office Department and the Veterans Administration, account for most of the remaining Federal civilian employees. These three departments are responsible for about 71 percent of Federal civilian employment in the District states.

Defense Department employees make up a larger proportion of Federal employment in the District than in the U. S. As of June 30, 1963, 15.3 percent of the number of Armed Forces personnel stationed in the United States were located in the District states. The pay and allowances going to these members of the Armed Forces amounted to \$1,034,688,000. At the same time, 11.7 percent of the civilian employees of the Defense Department were located in District states. Moreover, the District states contained 14 percent of the total number of military and civilian personnel stationed in the U. S. and received 13.6 percent of the payroll earned by this group. The Armed Forces personnel stationed in the District states are concentrated primarily in Georgia and Florida; Tennessee has the smallest number of Armed Forces personnel.

With respect to state and local governments, more employees are engaged in the field of education than in any other endeavor. In each of the District states, this function accounts for around 45 percent of all full-time state and local government employees. Thus, it is not surpris-

ing that most local government workers are employed by school districts. Highway and hospital work also occupy a high proportion of state and local government employees.

Certain other activities add to the total income from government employment. An example is the reserve and national guard program of the Armed Forces. People engaged in this activity receive military training on a part-time basis, and their earnings serve as a supplement to their other income. In addition, these programs employ civilians on a full-time basis. The annual payroll for military personnel in the Army and Air National Guard in Florida, Georgia, and Tennessee is about \$14,900,000. For civilian employees of the Army and Air National Guard in these same states, the yearly payroll is about \$15,800,000.

Prospective Changes and Their Implications

In recent months, there has been much discussion of cut-backs in Federal employment and pay increases for government workers. Would such changes in Federal employment and in government payrolls have any effect in the

Sixth District states? Much of the fluctuation in government payrolls, as a percentage of personal income, can be attributed to changes in the size of the Armed Forces. The Federal Government component of government payrolls has risen during war periods and declined during times of peace. If reductions in Federal employment do occur, they would likely be more serious if they involved the Department of Defense rather than some other agency. However, some District states would feel the impact more severely than others because of variations in the concentration of Armed Forces personnel within the District.

The growth in state and local government employment reflects a greater demand for services by these levels of government. Much of the expansion in local government employment quite likely is the result of expanded educational services, since most local government workers are employed by school districts. As people in the District demand more and better educational facilities and as the region becomes more urban, government employment will likely rise still more. Obviously, government employment has much to do with the future economic growth of the South.

JOHN ROBERT COOPER

A Diversity of Growth in Florida

Economic growth is of interest to many people. "How much has a particular area grown" and "how does it compare with other areas" are typical questions. In previous *Monthly Review* articles, Florida's growth was compared with that of the United States. Thus, Floridians and others interested in the state's development could see how Florida had fared relative to all other states taken as a whole. But Florida, or any other state for that matter, is not a homogeneous mass. Rather, it is made up of separate areas—each differing from the others. How these areas have grown and how they compare with each other and with the state is also of interest. Furthermore, an investigation of the growth of the state's major areas will provide an insight into the complexities of Florida's economy.

First of all, however, we need to decide what is to be called a major area. One way is to use the standard metropolitan statistical area (SMSA), which is defined by the Bureau of the Census as a county or group of adjoining counties with common social and economic characteristics that has at least one city of 50,000 persons or more and a total population of 100,000 persons or more. There were seven SMSA's in Florida, according to the 1960 Census. They contained 66 percent of the state's population and 64 percent of its nonfarm workers. Because of their importance, many types of information are collected on an SMSA basis and, therefore, they are particularly well suited for our purpose.

The use of SMSA's should not be interpreted to mean that those who live and work outside metropolitan areas are unimportant. Unfortunately, current data are not available for most nonmetropolitan areas. However, information is available for one rapidly growing nonmetropolitan area—Brevard County. It also will be included in our list of areas.

The results of any study on rates of growth depend upon the time period used. Changes over a long period of time provide information about the trend but may not give a very accurate picture of current developments. Month to month changes, on the other hand, give the latest in current information but tell little about changes over time. A middle course traces changes within a particular time period. The current period of expansion that began in February 1961 is an example of such a middle course and seems appropriate for our study.

Although this expansion period is still continuing, an ending date of February 1964 was chosen because many forms of economic activity are seasonal—that is, activity in some months of each year is much higher than in other months of the same year. Such seasonal fluctuations are particularly apparent in those areas of Florida with mild winters. By choosing a period that begins and ends with the same month, many of the problems associated with these seasonal movements are eliminated.

The accompanying table shows the changes occurring during this period in selected employment and banking categories for the state, the SMSA's, and Brevard County. Employment changes are given for total nonfarm employment and for two of its most volatile components—manufacturing and construction. Banking changes are illustrated by deposits and loans at banks that are members of the Federal Reserve System.

Many other series for measuring change exist. However, space and data limitations restrict the number of measures that can be used. These five categories were chosen because changes in economic activity typically show up in job opportunities and in bank deposits and loans.

Rates of Growth

By looking at the changes in the five series, we can assign each of the areas to one of three classes: those that have grown at roughly the same rate as the state, those that have grown faster, and those that have grown slower.

Growth in Selected Florida Areas
(Percentage Change February 1964 from February 1961)

	Nonfarm Employment			Member Bank	
	Total	Manufac- turing	Construc- tion	Deposits	Loans
Florida	11.1	12.5	5.9	25.7	39.7
Standard Metropolitan Statistical Areas					
Ft. Lauderdale- Hollywood	17.6	21.8	25.3	34.1	39.2
Jacksonville	2.2	0.0	—20.8	8.0	23.2
Miami	6.8	12.4	— 5.9	22.0	35.4
Orlando	12.0	4.8	18.3	33.0	54.7
Pensacola	2.1	2.2	—12.8	11.9	25.0
Tampa - St. Petersburg	9.4	8.7	5.7	29.5	46.7
W. Palm Beach	18.7	36.8	21.1	16.4	18.7
Brevard County	56.4	24.7	159.3	125.3	125.7

By far, the fastest-growing area has been Brevard County. It is above the state average in all five categories shown in the table. This rapid rate of growth, a result of expanding space activity at Cape Kennedy, is most noticeable in employment—especially construction employment, which more than doubled during the February 1961-64 period. Banking figures suggest that expanded employment in this area generated additional income, which, in turn, boosted bank deposits and trade and afforded a basis for additional bank loans.

Rapid growth caused by the space program was not restricted to Brevard County, however. The Orlando SMSA, consisting of Orange and Seminole Counties, was also stimulated by happenings on the Cape. Increases in building, trade, and banking activity helped to make Orlando an area of above average growth despite a less-than-statewide average increase in manufacturing employment.

The Fort Lauderdale-Hollywood SMSA, which takes in all of Broward County, also grew at a faster rate than did the state as a whole. Employment gains in the area were widespread, with increases in manufacturing and construction supporting additional activity in trade and government. These increases, in turn, led to a growth in bank deposits and a larger volume of loans.

The West Palm Beach SMSA probably belongs in the fast growth class also since nonfarm employment gains were quite strong. Manufacturing employment grew at the fastest rate for any SMSA in the state. A part of the increase was caused by the opening of several sugar refining mills in the area. Construction gains were also quite strong. Member bank figures do not reflect these spectacular increases, however, since the rates of gain for deposits and loans in the area were below those for the state as a whole.

The two most populous areas of the state—Miami and Tampa-St. Petersburg—grew at about the same pace as the state. The Miami SMSA, composed of Dade County, experienced gains in member bank deposits and loans and in manufacturing employment similar to those of the state.

However, a slowdown in building activity produced an absolute decline in construction employment. This, in turn, contributed to a slower rate of growth in nonfarm employment.

Growth in Hillsborough and Pinellas Counties, which constitute the Tampa-St. Petersburg SMSA, was also roughly parallel to that of the state. Construction employment gains almost exactly matched the state's. Slightly less-than-average gains in manufacturing and other types of nonfarm employment were offset by slightly larger-than-average increases in member bank deposits and loans.

The Jacksonville and Pensacola SMSA's both experienced less-than-statewide growth during this period. A slowdown in building activity caused construction employment to drop, while manufacturing employment barely held its own. The net result was an increase in nonfarm employment below the state average. The slow expansion of employment opportunities is also reflected in the below average growth in member bank deposits and loans.

Why This Diversity?

From the discussion of Florida's major areas, it appears that the southern and central SMSA's are growing faster than those in the northern part of the state. The southern portion of the state has traditionally been heavily dependent upon tourism. However, in recent years many other types of activity have found these areas attractive. This and the stimulus from the Cape Kennedy area account for the above average or average rates of growth in the SMSA's of the southern and middle sections of Florida.

The difference between the areas of above average and average rates of growth can be explained partly in terms of relative size. The Miami and Tampa-St. Petersburg SMSA's have a larger population and greater employment opportunities. The addition of a given number of new jobs thus does not provide as large a percentage increase as it would for an area with a smaller base. It is not unusual, therefore, that the fastest-growing areas are those that started from a lower level of economic activity in February 1961.

N. D. O'BANNON

This is one of a series in which economic developments in each of the Sixth District states are discussed. Developments in Tennessee's economy were analyzed in the March 1964 REVIEW, and a discussion of Alabama's economy is scheduled for a forthcoming issue.

A REVIEW OF FLORIDA'S ECONOMY 1959-64

This publication is a compilation of articles devoted to Florida's economy that appeared in this Bank's *Monthly Review* during 1959-64, together with revised monthly figures of major business indicators for Florida. The articles emphasize various aspects of Florida's economic scene and often consider longer-run developments. Copies of this booklet, as well as copies of *A Review of Georgia's Economy, 1960-63*; *A Review of Mississippi's Economy, 1960-63*; *A Review of Louisiana's Economy, 1959-63*; and *A Review of Tennessee's Economy, 1960-64*, the first four publications in this series, are available upon request to the Research Department, Federal Reserve Bank of Atlanta, Atlanta, Georgia 30303.

Bank Announcements

On May 1, the conversion of the Bank of Melbourne and Trust Company, Melbourne, Florida, to a national bank under the title of NATIONAL BANK OF MELBOURNE and TRUST COMPANY became effective. Officers include T. E. Tucker, Chairman of the Board; E. Davison Potter, President; E. G. Litka, Vice President and Cashier; Frederick O. Britton, Jr., Dan Chambers, Jr., Edward A. Judge, and Murray P. Lee, Vice Presidents; Richard S. Carney, Vice President and Trust Officer; and Lael N. Batchelor, Trust Officer. Capital is \$600,000, and surplus and undivided profits, \$946,000, as reported by the Comptroller of Currency at the time of the conversion.

The BAXLEY STATE BANK, Baxley, Georgia, a nonmember bank, began to remit at par for checks drawn on it when received from the Federal Reserve Bank on May 1. Officers are E. E. Miles, Chairman of the Board; Staten S. Lewis, President; and E. O. Branch, Vice President and Cashier.

On May 1, the DUCKTOWN BANKING COMPANY, Ducktown, Tennessee, a nonmember bank, began to remit at par. Officers include Lamar Weaver, Chairman of the Board; Carl E. Panter, Jr., Executive Vice President; and M. H. Spargo, Vice President and Cashier.

The PEOPLES BANK, Elba, Alabama, a newly organized nonmember bank, opened for business on May 1 and began to remit at par. Officers are L. S. Rainer, Jr., Vice President and Chairman of the Board; James H. Blair, Executive Vice President and Cashier; and R. D. Easters, Vice President. Capital is \$150,000, and surplus and undivided profits, \$150,000.

On May 7, the AMERICAN ARLINGTON BANK, Jacksonville, Florida, a newly organized nonmember bank, opened for business and began to remit at par. Officers include Frank W. Sherman, Chairman of the Board; J. M. Courtney, President; and John R. Gehrig, Executive Vice President and Cashier. Capital is \$300,000, and surplus and undivided profits, \$105,000.

THE AMERICAN NATIONAL BANK OF HUNTSVILLE, Huntsville, Alabama, a newly organized member bank, opened for business on May 7 and began to remit at par. Officers are Robert K. Bell, Chairman of the Board; Richard E. Oliver, President; Joseph E. Snyder, Vice President; and Robert B. Ingram, Jr., Cashier. Capital is \$300,000, and surplus and other capital funds, \$200,000, as reported by the Comptroller of Currency at the time the charter was granted.

On May 11, the WESTSIDE NATIONAL BANK OF MANATEE COUNTY, Bradenton, Florida, a newly organized member bank, opened for business and began to remit at par. Officers include H. S. Moody, Chairman of the Board; G. E. Tomberlin, President; James W. Stansbury, Vice President and Cashier; and George H. Harrison, Vice President. Capital is \$250,000, and surplus and other capital funds, \$150,000, as reported by the Comptroller of Currency at the time the charter was granted.

The BANK OF THE SOUTH, Myrtle Grove, Pensacola, Florida, a newly organized nonmember bank, opened for business on May 20 and began to remit at par. Officers are F. M. Turner, Jr., Chairman of the Board; Charles P. Woodbury, President; Earl L. Crona, Executive Vice President; and Jean G. Wolfe, Cashier. Capital is \$250,000, and surplus and undivided profits, \$115,000.

On May 29, the BANK OF THE SOUTH, Gretna, Louisiana, a newly organized nonmember bank, opened for business and began to remit at par. Officers are Paul De La Bretonne, President; Alma Talbot, Vice President and Cashier; and G. Harrison Scott, Chairman of the Board. Capital is \$200,000, and surplus and undivided profits, \$200,000.

Debits to Demand Deposit Accounts Insured Commercial Banks in the Sixth District (In Thousands of Dollars)

	Apr. 1964	Mar. 1964	Apr. 1963	Percent Change		
				Year-to-date		
				4 Months		
				Apr. 1964 from Mar. 1964	Apr. 1963 from Mar. 1963	1964 from 1963
STANDARD METROPOLITAN STATISTICAL AREAS						
Birmingham . . .	1,108,382	1,096,127	981,760	+1	+13	+11
Gadsden . . .	53,452	55,131	50,420	-3	+6	+10
Huntsville . . .	141,100	142,754	119,111	-1	+18	+28
Mobile . . .	386,986	398,679	362,100	-3	+7	+8
Montgomery . . .	233,773	242,865	221,789	-4	+5	+7
Tuscaloosa . . .	73,355	69,063	69,501	+6	+6	+7
Fl. Lauderdale-						
Hollywood . . .	465,622	451,397	408,129	+3	+14	+17
Jacksonville . . .	1,205,729	1,145,260	1,015,071	+5	+19	+17
Miami . . .	1,797,598	1,775,069	1,721,064	+1	+4	+8
Orlando . . .	496,039	496,292	482,066	-0	+3	+11
Pensacola . . .	147,293	152,220	134,993	-3	+9	+10
Tampa-St. Petersburg	1,076,493	1,060,190	999,382	+2	+8	+10
W. Palm Beach . . .	354,087	356,063	330,997	-1	+7	+9
Albany . . .	65,748	68,079	63,471	-3	+4	+10
Atlanta . . .	3,376,705	3,201,398	3,194,676	+5	+6	+6
Augusta* . . .	147,647	150,607	142,015	-2	+4	+6
Columbus . . .	157,438	164,049	144,789	-4	+9	+16
Macon . . .	176,417	178,422	169,583	-1	+4	+8
Savannah . . .	211,494	203,978	195,555	+4	+8	+9
Baton Rouge . . .	377,689	363,100	361,760	+4	+4	+8
Lafayette . . .	85,208	80,239	77,381	+6	+10	+13
Lake Charles . . .	88,338	89,821	87,216	-2	+1	+4
New Orleans . . .	1,885,466	1,836,217	1,731,102	+3	+9	+12
Jackson . . .	416,491	406,622	365,543	+2	+14	+14
Chattanooga . . .	430,710	461,515	396,474	-7	+9	+10
Knoxville . . .	364,012	355,787	334,018	-2	+9	+9
Nashville . . .	1,073,741	1,059,289	911,350	+1	+18	+19
OTHER CENTERS						
Anniston . . .	51,058	49,143	48,528	+4	+5	+8
Dothan . . .	44,986	43,524	43,713	+3	+3	+5
Selma . . .	32,795	30,376	27,777	+8	+18	+14
Bartow . . .	27,076	27,524	26,786	-2	+1	+12
Bradenton . . .	52,705	51,151	51,324	+3	+3	+4
Brevard County . . .	165,024	167,647	132,862	-2	+24	+34
Daytona Beach . . .	75,371	71,615	70,875	+5	+6	+10
Fl. Myers						
N. Ft. Myers . . .	65,864	61,609	63,194	+7	+4	+9
Gainesville . . .	64,450	63,951	57,249	+1	+13	+16
Key West . . .	21,090	20,851	20,441	+1	+3	+10
Lakeland . . .	100,366	106,878	97,325	-6	+3	+6
Ocala . . .	52,563	45,446	46,013	+16	+14	+4
St. Augustine . . .	17,664	17,606	16,414	+0	+8	n.a.
St. Petersburg . . .	266,847	261,727	246,153	+2	+8	+9
Sarasota . . .	102,022	88,473	93,002	+15	+10	+7
Tallahassee . . .	86,509	90,013	81,531	-4	+6	+12
Tampa . . .	548,975	545,464	513,710	+1	+7	+10
Winter Haven . . .	53,965	55,577	52,402	-3	+3	+12
Athens . . .	51,454	50,792	47,521	+1	+8	+11
Brunswick . . .	37,315	35,755	35,128	+4	+6	+11
Dalton . . .	84,472	69,326	67,826	+22	+25	+23
Elberton . . .	12,301	9,515	9,179	+29	+34	+13
Gainesville . . .	57,517	56,868	52,173	+1	+10	+8
Griffin . . .	24,063	24,689	23,326	-3	+3	+6
LaGrange . . .	19,129	19,867	17,436	-4	+10	+11
Newnan . . .	22,120	22,206	20,106	-0	+10	+8
Rome . . .	56,644	59,707	53,545	-5	+6	+14
Valdosta . . .	39,961	40,090	35,003	-0	+14	+8
Abbeville . . .	8,254	8,121	7,821	+2	+6	+7
Alexandria . . .	90,635	92,947	81,961	-2	+11	+13
Bunkie . . .	4,594	4,328	4,439	+6	+3	+0
Hammond . . .	28,191	24,939	26,736	+13	+5	+6
New Iberia . . .	28,166	30,591	25,598	-8	+10	+17
Plaquemine . . .	7,596	7,528	6,636	+1	+14	+17
Thibodaux . . .	18,054	18,456	16,533	-2	+9	+9
Biloxi-Gulfport . . .	71,690	72,500	66,605	-1	+8	+9
Hattiesburg . . .	40,906	38,217	38,396	+7	+7	+5
Laurel . . .	31,322	31,033	29,470	+1	+6	+11
Meridian . . .	52,585	54,552	50,444	-4	+4	+1
Natchez . . .	28,833	28,369	25,679	+2	+12	+13
Pascagoula . . .						
Moss Point . . .	41,787	38,623	37,190	+8	+12	+5
Vicksburg . . .	27,105	27,852	25,245	-3	+7	+12
Yazoo City . . .	21,487	16,855	18,579	+27	+16	+13
Bristol . . .	54,111	55,065	58,644	-2	-8	-2
Johnson City . . .	58,86	57,013	48,669	+2	+20	+14
Johnsport . . .	105,687	121,913	92,154	-13	+15	+12
SIXTH DISTRICT, Total	23,070,594	22,624,620	21,282,504	+2	+8	+10
Alabama† . . .	2,986,861	2,986,562	2,675,199	+0	+12	+10
Florida† . . .	7,517,029	7,369,636	7,010,071	+2	+7	+12
Georgia† . . .	5,567,615	5,338,078	5,271,464	+4	+6	+6
Louisiana†** . . .	3,211,876	3,130,483	2,973,188	+3	+8	+11
Mississippi†** . . .	991,281	967,103	886,301	+3	+12	+12
Tennessee†** . . .	2,795,932	2,832,758	2,466,281	-1	+13	+14
U.S., 344 Cities	350,000,000	342,900,000	307,800,000	+2	+14	+11

*Richmond County only.

†Partially estimated.

**Includes only banks in the Sixth District portion of the state.

n.a. Not available.

Sixth District Statistics

Seasonally Adjusted

(All data are indexes, 1957-59 = 100, unless indicated otherwise.)

		Latest Month (1964)	One Month Ago	Two Months Ago	One Year Ago			Latest Month (1964)	One Month Ago	Two Months Ago	One Year Ago
SIXTH DISTRICT						GEORGIA					
INCOME AND SPENDING						INCOME AND SPENDING					
Personal Income, (Mil. \$, Annual Rate)	Mar.	43,738	43,380r	43,209r	40,155	Personal Income, (Mil. \$, Annual Rate)	Mar.	8,304	8,233r	8,086r	7,568
Manufacturing Payrolls	Apr.	142	144	142	133	Manufacturing Payrolls	Apr.	142	146	144	127
Farm Cash Receipts	Mar.	137	132	137	127	Farm Cash Receipts	Mar.	122	126	119	109
Crops	Mar.	170	146	149	153	Department Store Sales**	Apr.	124	133	132	115
Livestock	Mar.	116	117	122	110	PRODUCTION AND EMPLOYMENT					
Department Store Sales**	May	139p	131	138	123	Nonfarm Employment	Apr.	116	117	116	114
Instalment Credit at Banks, *(Mil. \$)						Manufacturing	Apr.	112	113	112	109
New Loans	Apr.	182	188	180	181	Nonmanufacturing	Apr.	118	119	118	116
Repayments	Apr.	167	166	158	153	Construction	Apr.	117	117	114	123
PRODUCTION AND EMPLOYMENT						Farm Employment	Apr.	73	71	71	77
Nonfarm Employment	Apr.	115	115	114	112	Insured Unemployment, (Percent of Cov. Emp.)	Apr.	2.4	2.6	2.8	2.8
Manufacturing	Apr.	113	114	113	111	Avg. Weekly Hrs. in Mfg., (Hrs.)	Apr.	40.3	41.0	40.7	39.7
Apparel	Apr.	135	135	135	132	FINANCE AND BANKING					
Chemicals	Apr.	110	110	110	107	Member Bank Loans	Apr.	174	173	170	151
Fabricated Metals	Apr.	120	119	117	112	Member Bank Deposits	Apr.	145	150	143	135
Food	Apr.	104	104	106	104	Bank Debits**	Apr.	158	156	149	152
Lbr., Wood Prod., Furn. & Fix.	Apr.	93	94r	94	93	LOUISIANA					
Paper	Apr.	109	110	109	107	INCOME AND SPENDING					
Primary Metals	Apr.	103	103r	100	101	Personal Income, (Mil. \$, Annual Rate)	Mar.	6,413	6,441r	6,452r	6,014
Textiles	Apr.	95	96	95	95	Manufacturing Payrolls	Apr.	126	129r	127	120
Transportation Equipment	Apr.	124	126	122	118	Farm Cash Receipts	Mar.	118	158	155	113
Nonmanufacturing	Apr.	115	115	115	112	Department Store Sales**	Apr.	116	121	117	112
Construction	Apr.	105	104r	103	103	PRODUCTION AND EMPLOYMENT					
Farm Employment	Apr.	79	81	84	85	Nonfarm Employment	Apr.	104	104	104	102
Insured Unemployment, (Percent of Cov. Emp.)	Apr.	3.2	3.3	3.5	3.7	Manufacturing	Apr.	100	101	101	98
Avg. Weekly Hrs. in Mfg., (Hrs.)	Apr.	40.7	41.3r	41.1	40.7	Nonmanufacturing	Apr.	104	105	105	103
Construction Contracts*	Apr.	145	162	165	168	Construction	Apr.	88	88	87	86
Residential	Apr.	152	176	156	140	Farm Employment	Apr.	80	78	84	84
All Other	Apr.	139	150	172	191	Insured Unemployment, (Percent of Cov. Emp.)	Apr.	3.7	3.9	3.7	4.3
Industrial Use of Electric Power	Mar.	122	124	121	113	Avg. Weekly Hrs. in Mfg., (Hrs.)	Apr.	41.8	42.7r	42.1	42.3
Cotton Consumption**	Apr.	102	105	101	98	FINANCE AND BANKING					
Petrol. Prod. in Coastal La. and Miss.**	Apr.	163	161	168	157	Member Bank Loans*	Apr.	158	153	157	142
FINANCE AND BANKING						Member Bank Deposits*	Apr.	124	125	125	119
Member Bank Loans*						Bank Debits**	Apr.	137	131	132	127
All Banks	Apr.	172	170	168	149	MISSISSIPPI					
Leading Cities	May	161	160	158	142	INCOME AND SPENDING					
Member Bank Deposits*						Personal Income, (Mil. \$, Annual Rate)	Mar.	3,302	3,312r	3,242r	3,074
All Banks	Apr.	139	142	139	130	Manufacturing Payrolls	Apr.	148	153r	151	140
Leading Cities	May	133	131	133	123	Farm Cash Receipts	Mar.	130	140	122	123
Bank Debits**	Apr.	149	148	145	140	Department Store Sales**	Apr.	101	100	111	91
ALABAMA						PRODUCTION AND EMPLOYMENT					
INCOME AND SPENDING						Nonfarm Employment	Apr.	117	118	117	116
Personal Income, (Mil. \$, Annual Rate)	Mar.	5,966	5,958r	5,924r	5,530	Manufacturing	Apr.	120	121	121	117
Manufacturing Payrolls	Apr.	130	130	130	126	Nonmanufacturing	Apr.	116	117	116	115
Farm Cash Receipts	Mar.	128	136	128	119	Construction	Apr.	116	113	112	126
Department Store Sales**	Apr.	107	114	116	98r	Farm Employment	Apr.	76	77	81	83
PRODUCTION AND EMPLOYMENT						Insured Unemployment, (Percent of Cov. Emp.)	Apr.	4.2	4.3	4.4	4.3
Nonfarm Employment	Apr.	108	108r	108	107	Avg. Weekly Hrs. in Mfg., (Hrs.)	Apr.	40.1	40.7	40.8	40.5
Manufacturing	Apr.	104	104	103	103	FINANCE AND BANKING					
Nonmanufacturing	Apr.	110	111	110	109	Member Bank Loans*	Apr.	198	187	189	168
Construction	Apr.	102	101r	101	98	Member Bank Deposits*	Apr.	153	152	150	143
Farm Employment	Apr.	79	78	86	86	Bank Debits**	Apr.	152	152	156	137
Insured Unemployment, (Percent of Cov. Emp.)	Apr.	3.4	3.5	3.8	4.1	TENNESSEE					
Avg. Weekly Hrs. in Mfg., (Hrs.)	Apr.	40.4	40.9r	41.3	40.3	INCOME AND SPENDING					
FINANCE AND BANKING						Personal Income, (Mil. \$, Annual Rate)	Mar.	7,188	7,053r	7,257r	6,526
Member Bank Loans	Apr.	170	171	164	150	Manufacturing Payrolls	Apr.	140	142	141	133
Member Bank Deposits	Apr.	139	142	140	128	Farm Cash Receipts	Mar.	117	109	177	112
Bank Debits**	Apr.	146	148	142	132	Department Store Sales**	Apr.	115	116	116	103
FLORIDA						PRODUCTION AND EMPLOYMENT					
INCOME AND SPENDING						Nonfarm Employment	Apr.	116	115	115	112
Personal Income, (Mil. \$, Annual Rate)	Mar.	12,565	12,383r	12,248r	11,443	Manufacturing	Apr.	118	118	117	114
Manufacturing Payrolls	Apr.	173	171r	169	158	Nonmanufacturing	Apr.	114	114	114	111
Farm Cash Receipts	Mar.	166	134	134	154	Construction	Apr.	140	141	140	129
Department Store Sales**	Apr.	163	175	170	147	Farm Employment	Apr.	84	90	91	89
PRODUCTION AND EMPLOYMENT						Insured Unemployment, (Percent of Cov. Emp.)	Apr.	3.9	4.2	4.4	4.6
Nonfarm Employment	Apr.	123	123	122	118	Avg. Weekly Hrs. in Mfg., (Hrs.)	Apr.	40.4	40.8r	40.7	41.2
Manufacturing	Apr.	127	126	126	123	FINANCE AND BANKING					
Nonmanufacturing	Apr.	122	122	122	117	Member Bank Loans*	Apr.	173	171	172	150
Construction	Apr.	97	97	94	93	Member Bank Deposits*	Apr.	141	143	139	131
Farm Employment	Apr.	88	95	93	93	Bank Debits**	Apr.	154	155	150	136
Insured Unemployment, (Percent of Cov. Emp.)	Apr.	2.6	2.6	2.7	3.4						
Avg. Weekly Hrs. in Mfg., (Hrs.)	Apr.	41.8	42.2r	41.4	40.8						
FINANCE AND BANKING											
Member Bank Loans	Apr.	173	172	169	147						
Member Bank Deposits	Apr.	141	143	142	132						
Bank Debits**	Apr.	153	148	146	143						

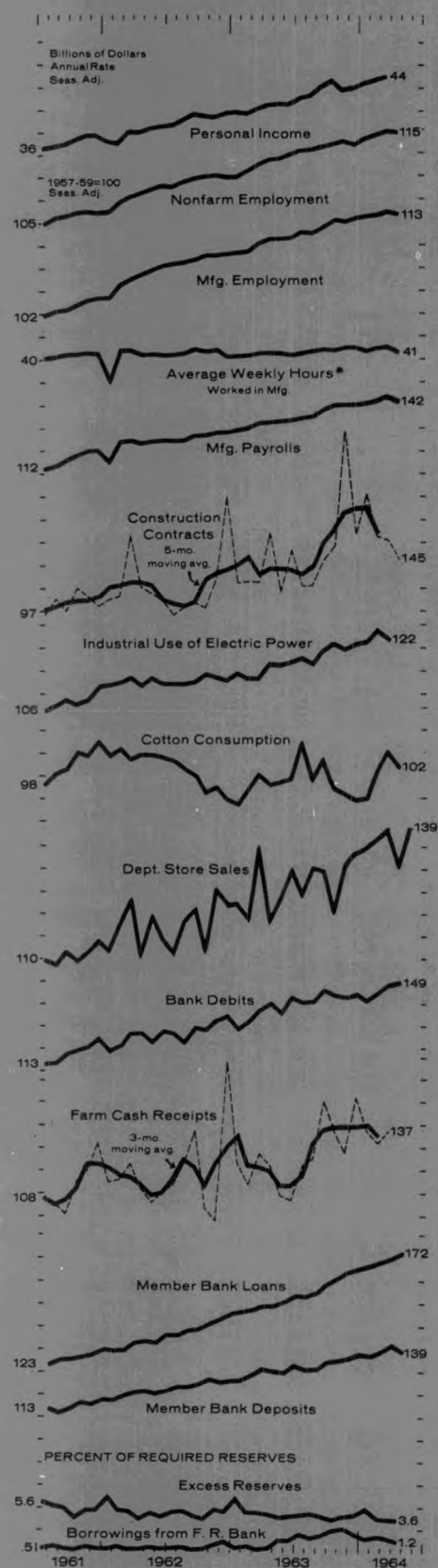
*For Sixth District area only. Other totals for entire six states.

**Daily average basis.

r Revised. n.a. Not available.

Sources: Personal income estimated by this Bank; nonfarm, mfg. and nonmfg. emp., mfg. payrolls and hours, and unemp., U. S. Dept. of Labor and cooperating state agencies; cotton consumption, U. S. Bureau of Census; construction contracts, F. W. Dodge Corp.; petrol. prod., U. S. Bureau of Mines; industrial use of elec. power, Fed. Power Comm.; farm cash receipts and farm emp., U.S.D.A. Other indexes based on data collected by this Bank. All indexes calculated by this Bank.

DISTRICT BUSINESS CONDITIONS



*Seas. adj. figure; not an index.

Many indicators of economic activity in the District remain at high levels. Accelerated farm operations, borrowings, and spending signal strength in the farm economy. District member banks continued to increase loans throughout April and on into May. Retail sales remain at a high level with no spending splurge yet visible from the tax cut. Nonfarm employment dropped, although there were increases in construction and a further decline in insured unemployment. The outlook is bright for construction.

Farmers have pushed ahead rapidly with their springtime operations. Despite extremely dry soils in scattered localities, good weather enabled crop farmers to move ahead with their field work, and plantings of major crops are nearing completion. Haymaking and small grain harvesting have accelerated. Financial indicators reveal little or no strain in the farm sector. Deposits at agricultural and nonagricultural banks dipped slightly in April from the advanced March total but remained well above year-ago levels. Farm credit extensions have been rising and, according to March data, bank debits at most agricultural trade centers have increased.

For the first three weeks in May, member banks in leading cities reported the greatest percentage increase in business loans in four years. This heightened bank lending was accompanied by reductions in holdings of U. S. Government securities. State and local securities, however, continued to increase in importance in member banks' portfolios. Total deposits, which declined in April, apparently rose in May, as U. S. Government deposits were replenished. Private demand deposits at District weekly reporting member banks, not seasonally adjusted, dipped in May, but this has been a usual occurrence in May throughout the current expansion period. Time deposits in April grew at an annual rate above ten percent.

Consumer credit outstanding at District banks expanded during April, although the net addition to debt was smaller than it was in March. Personal income rose in March, the latest month for which data are available, with all states except Louisiana and Mississippi registering gains. Savings figures on time deposits, savings and loan shares, and life insurance sales indicate an increase in net savings during April. Furniture store sales and department store sales declined in April; preliminary figures, however, show a rise in department store sales in May. Checkbook spending, as reflected by bank debits, registered its fourth consecutive gain in April, and latest figures indicate a moderate upswing in sales tax collections. New loan extensions to finance automobile purchases fell slightly and were not offset by gains in new personal loans.

The rate of insured unemployment in each of the District states either improved or remained the same in April. Construction employment was augmented, as gains in Alabama, Florida, and Mississippi more than offset losses in other states. Total nonagricultural employment, however, was down in April; each of the District states except Florida and Tennessee registered declines. Small but widespread manufacturing losses also took place, with transportation equipment the largest loser. Gains were restricted to primary and fabricated metals and food. On a state basis, only Florida showed an increase.

Interest rates and terms on mortgage loans have shown no appreciable change for the past six months. Heavy backlogs of construction contract awards and starts were built up during the winter and early spring. While some slowing from this extremely high volume has occurred, construction activity continues at a brisk pace. Mortgage money remains in good supply.

NOTE: Data on which statements are based have been adjusted whenever possible to eliminate seasonal influences.