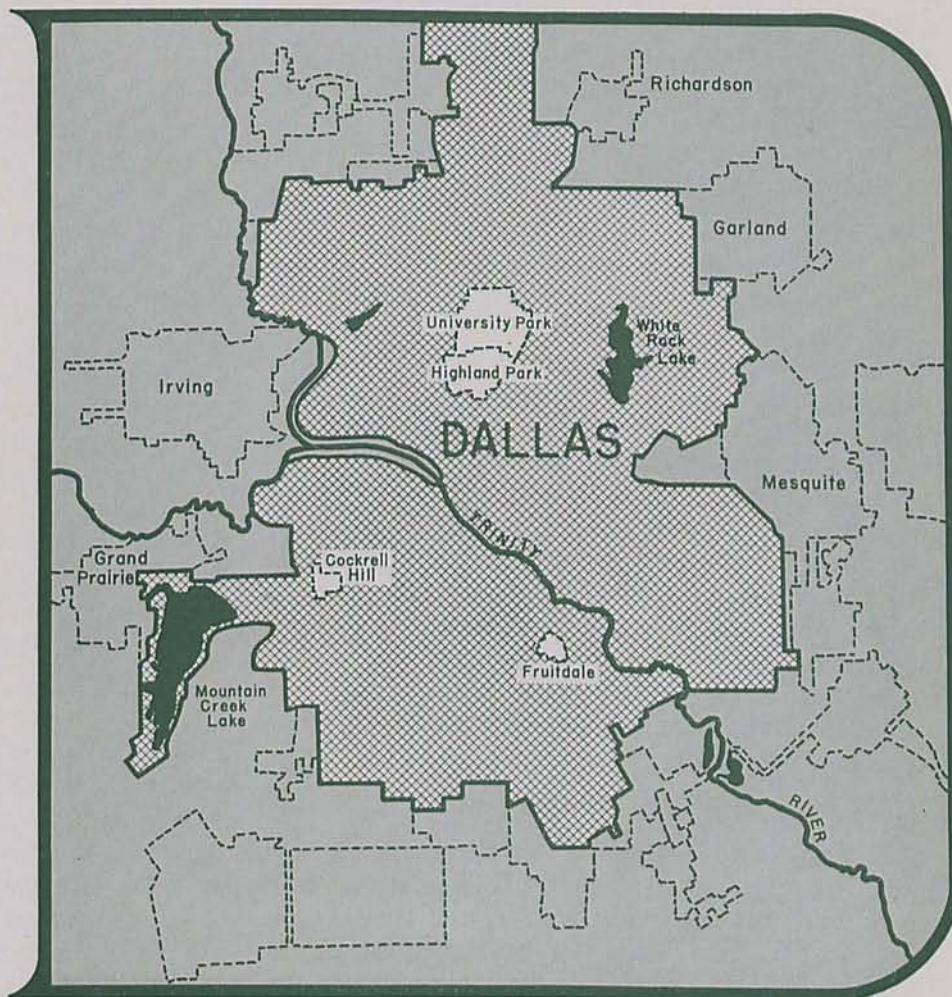




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DALLAS



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DALLAS

Dallas, popularly called "Big D," has long been the dominant wholesale and distribution center for the Southwest, and its economic influence extends throughout much of the middle part of the United States. The city is widely known for its commanding position as insurer, banker, and all-round financial center and is well recognized as a manufacturing center, particularly for its participation in a large aircraft-manufacturing complex and for its apparel and machinery production. In recent years, the growth of Dallas electronics firms has received nationwide attention. In addition, Dallas has established itself as a major fashion, furniture, and gift center and has a strong and growing reputation as a convention city.

Located on the central plains of Texas at the juncture of a maze of interconnected rail, highway, and air routes, Dallas is a major distributor throughout Texas and the bordering states, as well as to a periphery ring of states generally north and east of the southwestern area. Traditionally, the city's closest ties and primary trade relationships have been to the east, south, and north, but it has made steady progress in penetrating the western areas.

Dallas and the neighboring cities of Fort Worth, Arlington, Grand Prairie, Richardson, Irving, and Garland — as well as others in the Dallas County and Tarrant County areas — are steadily drawing together into an economic unit which ultimately will know only political boundaries. Thus, an economic study that isolates metropolitan Dallas must necessarily understate some of the strength of the local economy, because such a study ignores the diversity and economic power of the unit as a whole. Nevertheless, the growth of Dallas in competition with these nearby cities and the changes in its economic structure, which are measurable for the county-wide area, should be analyzed in any portrait of the city. Moreover, some of the problems of Dallas concern only its citizens, rather than the entire north-central Texas area.

Historical Development

Lacking the advantages of water transportation or specialized raw material resources, Dallas has been built largely upon the leadership, loyalty, and steadfastness of its citizens. John Neely Bryan founded the city in 1841 by building a log cabin on the banks of the Trinity

River. From a mere crossing of wagon trails, the young settlement grew rapidly and in 1845 was named Dallas in honor of George Mifflin Dallas, the Vice President of the United States. Mr. Bryan and his small group of settlers weathered many economic and natural disasters in those first few years; even when the city was burned to the ground in 1860, these pioneers quickly rebuilt it.

Across the Trinity River, another city, Hords Landing, grew along with Dallas. In 1855, a distinctive French settlement following communal lines was developed southeast of the city, but this died 3 years later. On the other hand, Hords Landing, or (as it is now known) Oak Cliff, flourished and was annexed by the city of Dallas in 1903. A fine residential section, Preston Hollow, was brought into Dallas in 1945.

Mention also should be made of the growth and development of the two principal "island cities" within Dallas. In 1908, as a result of a major real-estate development, the city of Highland Park was established as a high-class residential district. In the 1920's, a business section was constructed for this city — a section which has served as a model for many others and attracted nationwide attention.

The other major island city, University Park, developed after the first building for Southern Methodist University was constructed in 1915. The city initially received its water from the university's facilities, but in 1924 the university notified residents of this area that utilities could no longer be supplied. A request for immediate annexation was forwarded to both Dallas and Highland Park, but neither city was willing to construct the necessary connecting lines. Consequently, in 1924 the residents voted to incorporate University Park and began construction of their own municipal facilities. The city of Dallas now completely surrounds both Highland Park and University Park.

In keeping with the experience of nearly every major city in the southwestern area, Dallas was oriented mainly toward agricultural activities in the formative years of its development. Located in the central part of the fertile Blacklands, it was surrounded by productive farms, the principal crop of which was cotton. The city became a processing center for cotton as early as 1865 and, as late as 1940, still relied upon this basic

commodity for a substantial share of its agriculturally based distributive and trade activities. Agriculture and cotton also were specifically responsible for the beginnings of manufacturing in the Dallas area. For many years, Dallas was the national and world center for the production of cotton gin machinery and harness and saddlery equipment.

The economic history of Dallas has a continuity lacking in most major cities. From 1845 to 1959, Dallas has keyed its economic life to trade and service functions. The dominance of these distribution activities has been modified by the growth of a number of other economic pursuits, but trade and service industries also have grown rapidly. The early enticement of railroads into the city was one of the significant steps encouraging this growth. The building of seven railroads into Dallas, beginning in 1872 and accelerating until 1892, and the improved land routes provided the accessibility needed by the city to continue distribution activities in the southwestern area.

Thus, trade and services were the foundation stones of the economic structure of the city of Dallas, but with them came certain derivative activities that served to strengthen and support the Dallas economy in later years. Foremost among these were the financial activities, which started as a service to the cotton business. Dallas was a banking center as early as 1885, and its financial strength was clearly apparent by 1900.

One of the important stimulants to the financial life of the city has been its insurance companies. Some of the largest of these companies were formed near the turn of the century and grew rapidly, partly in response to the Robertson Act, passed by the Texas Legislature in 1908. This act requires all insurance companies doing business in the State to invest 75 percent of their premium receipts in Texas investments. Most national insurance companies, unwilling to comply with this provision, withdrew from the State. In the resulting void, a number of small insurance companies developed and located in the city of Dallas, largely to take advantage of the strength in local banking facilities and the availability of funds flowing from the agricultural activities of the region. All of the large life insurance companies have now returned and contribute substantial amounts of money for Texas investments.

By 1913, Dallas had become the banking and insurance center of the Southwest and was recognized as such when the Federal Government established the

headquarters of the regional Federal Reserve Bank of the Eleventh Federal Reserve District in this city. As in the case of every other Reserve bank headquarters city, the location of the Federal Reserve Bank provided a further stimulus to the growth of financial institutions and dependent financial relationships in the area.

Next in the chronology of important economic developments in Dallas was expansion of the oil industry in Texas. While Dallas County has no oil production, its central location with respect to many major fields attracted a number of headquarters offices. In later years, the Dallas banks pioneered in the financing of oil production loans, and such financial transactions brought further oil company activities to the city.

In the latter part of the 1920's, a concerted effort was made by the civic and business leaders to expand the scope of the city's distributive trade activities from purely local and regional products to products of national origin as well. This drive led to the establishment of a number of distribution offices of national corporations and considerably broadened the wholesale activities of Dallas. In many cases, the establishment of a manufacturer's agent or representative was merely the initial step; with the growth of the city, such agencies were converted into full-scale regional distribution centers or regional manufacturing establishments.

The economic growth of Dallas was furthered by expansion of manufacturing activities during World War II. Prior to this time, manufacturing had been principally a service function to the agricultural industry, the notable exceptions being apparel and automobiles. With the establishment of a major aircraft producer during World War II, manufacturing activities in Dallas broadened and expanded steadily. The growth of the aircraft complex in this area, coupled with the derivative firms whose products are largely dependent upon the aircraft industry, has brought Dallas significant stature as a manufacturing center.

Finally, just after the close of World War II, a new drive for national recognition, duplicating the efforts of the city leaders in the late 1920's, was made to counteract what was expected to be a major postwar recession. National concerns were again encouraged to establish local field offices, distribution warehouses, and, in a few cases, assembly or manufacturing plants.

Natural Resources

The importance of natural resources to Dallas is not to be found in the usual availability of raw materials.

The only commercially feasible mineral deposits are sand, gravel, clay, shale, and limestone. In fact, except for its impact on trade and financial activities, mining is a negligible factor in the Dallas area.

The significant natural resources of Dallas County are its location, the topography and quality of its land, and its river. Dallas is the focal point of a broadly diversified economic region within a territory limited by the Mississippi River on the east, the Arizona border on the west, the State of Kansas on the north, and the Rio Grande on the south. The city is near the geographic center of this broad area.

Location was important in the early history of Dallas since the east-west wagon trails and a major north-south road crossed here. In more recent years, the city's location has been significant in relation to the areas of rapidly expanding population and markets. Its protection from coastal attack was a factor in the location of defense industries during World War II. The exploitation of its strategic location by the development of wholesale trade and service activities has been one of the prime stimulants to the growth of Dallas.

The topography, availability, and use of the land are also major natural advantages of the Dallas area. The land is generally flat but has sufficient tilt to provide good drainage and excellent building sites. The only natural barrier in the immediate area was the Trinity River, but this was spanned early in the city's history and is contained in a broad system of dikes and levees. Of the total land area of 571,520 acres in Dallas County, approximately 316,000 acres are devoted to farming — a proportion which has steadily declined as more suburban developments, highways, and rural home sites have been created. An abundance of land is available for expansion within the county, particularly northeast, northwest, and south of Dallas.

Of considerable importance to Dallas has been the nearby availability of surface-water supplies. Subsurface sources were significant in the early history of Dallas, but with its rapidly expanding population, increased per capita usage, and industrial growth, the city has placed greater reliance upon surface supplies. Surface water is available from the main stream and various tributaries of the Trinity River, the Neches River, the Sabine River, and (in times of extreme hardship) even the Red River. At present, virtually all of the dependable Dallas water supply comes from the branches and main stream of the Trinity River.

As early as 1900, metropolitan Dallas, with a population of 82,726, began to develop surface-water supplies by constructing Bachman Dam and Reservoir. When the city continued to grow, new surface sources were needed, and White Rock Reservoir was built in 1911. Garza Dam, the first on the Elm Fork of the Trinity River, was developed in 1927. With the rapid growth of Dallas after World War II, additional capacity was necessary. Grapevine Dam, located on Denton Creek, was completed in 1952. In the following year, Lavon Dam was finished, and Dallas currently has a safe, dependable supply of 10 million gallons per day from this reservoir. In 1954 the Garza Dam-Reservoir was enlarged to become the Garza-Little Elm Reservoir, nearly quadrupling the impounded storage capacity available before the war.

Currently, in another major step, Dallas is financing the Iron Bridge Reservoir on the Sabine River, in return for a firm commitment of 80 percent of the capacity. In addition, following a master plan of development, the city has recently received approval for the early construction of Forney Dam on the East Fork of the Trinity River. Plans for the future include construction of Roanoke and Aubrey Reservoirs, to be located northwest of the city on branches of the Trinity River.

At present, Dallas has a dependable supply of 140 million gallons per day, or nearly 40 percent more than its average effective demand. The completion of the master plan will provide a safe daily yield of over 500 million gallons. With an estimated 4-year supply in its reservoirs — even without any rains — and a new reservoir scheduled for completion by 1962, Dallas appears to be in an excellent water supply position.

The only major problems for Dallas in connection with its water supply are the distribution facilities. The rapid growth of the city from 45 square miles in 1945 to 270 square miles in 1958 has created a strong demand for new and larger water lines and placed pressure upon available facilities. Despite the expenditure of more than \$48 million since 1945 and current projects costing about \$29 million, Dallas has been unable to keep pace with its rapidly expanding requirements. As a consequence, the distribution facilities are not yet adequate in all sections of the city, particularly the newly annexed areas; and pumping stations to maintain pressure in periods of peak use are needed in certain sections, especially the areas of recent high-density suburban growth.

Another natural resource of great importance to Dallas is its climate. The generally dry, warm, and sunny climate promotes outdoor activities and permits the construction of homes and factories with only a minimum of weather protection. Of course, the hot summers have encouraged the use of air conditioning, but the dryness of the Dallas climate reduces corrosion and mildew. The sunny, dry weather has been a factor in attracting the aircraft industry to Dallas and may have influenced the growth and development of other industries. Certainly, it is a major attraction to laborers moving from colder sections of the Nation.

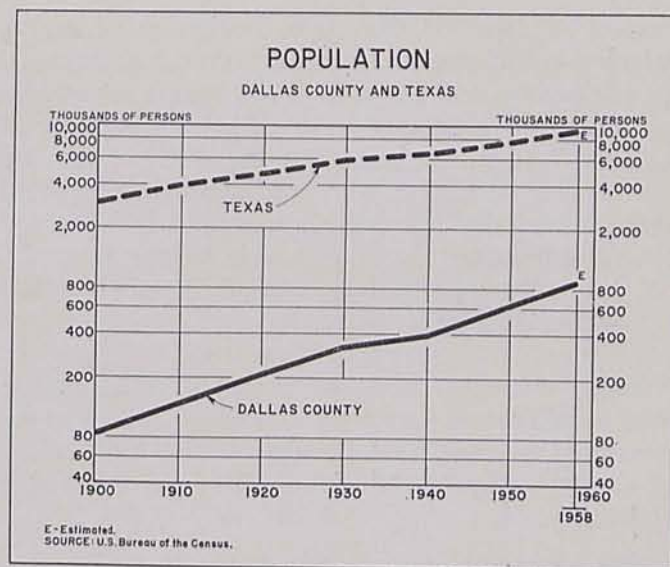
The above discussion details the principal natural resources of the Dallas area. Measured against the natural resources of other large metropolitan areas, Dallas County's resources are not especially outstanding. In fact, Dallas is at a relative disadvantage with regard to raw material and water transportation resources. Moreover, those resources which the city does have are shared by a broad section of central Texas. Yet, Dallas has developed at a rapid rate, and its growth has exceeded that of many cities located in areas with more abundant natural resources.

Human and Cultural Resources

The key to the rapid growth of Dallas is found in the extraordinary leadership of its citizens, which has provided the ability to capitalize upon the land, locational, and climatic resources of the area. Dallas has never been without a strong group of civic-minded, progressive leaders who have been willing and able to support projects designed to improve the community. This continuity of dynamic leadership throughout the history of Dallas is one of the principal distinguishing characteristics which set Dallas apart from many other major cities and is the most significant single factor responsible for the city's growth.

The city has shown marked growth in population during each of the eleven decades of its existence, with some evidence toward acceleration in the postwar period. Since about 1880, Dallas has been one of the major cities in the Southwest and has been one of the three largest in Texas. Currently, Dallas, including its island cities, is the second largest city in the State and has a population of about 725,000, or more than double its 1940 total. The county population is presently estimated to exceed 900,000 persons.

The metropolitan area population reflects greater maturity than the average for the State. The median



age of its citizens was 30 years in 1950, contrasted with a state-wide average of 27.9 years. However, only 5.9 percent of the area's population was 65 years of age or older, while 6.7 percent of the State's population had reached age 65 in 1950.

Another characteristic of the Dallas population is its high degree of education. Of persons 25 years of age or older living in Dallas County in 1950, 44.7 percent had completed high school, a substantially higher figure than the state-wide average of 29.9 percent.

A major feature of the growth of Dallas has been the in-migration of high-quality personnel from other states. This feature, coupled with the type of industry and commerce in Dallas, probably has been the principal reason for the maturity and high educational levels of the population. Nevertheless, some measure of the educational advances in Dallas must be attributed to its schools.

Primary and secondary education in Dallas County is administered by 20 independent and three common school districts. The schools have a current enrollment of 187,000 pupils, reflecting an increase of more than 100 percent over the 1948 total. To meet this increase in student population, Dallas has constructed many new elementary schools and junior and senior high schools. There are also a number of private, church, and trade schools in the Dallas area.

Schools of higher education have a prominent place in Dallas. Southern Methodist University, which

opened in 1915, is the major institution of higher learning in this area and currently has 6,300 students. Its engineering and law schools are among the strongest in the Southwest and have achieved a measure of national recognition, especially the work of the law school in conjunction with the Southwestern Legal Foundation. The university also has a highly rated school of theology and a large night school. Recently, SMU broadened its graduate school program by offering courses leading to the doctor of philosophy degree in economics. Doctoral programs in religion, the sciences, and other fields are planned for the future. The Southwestern Graduate School of Banking, co-sponsored by the Dallas Clearing House Association, is another recent addition at Southern Methodist University.

The university has steadily added to its physical plant with new dormitories, classrooms, and a beautiful student center. Some of the latest research aids, including the Univac type of data-processing equipment, have been provided recently. Moreover, a new fine arts center is being developed to coordinate work in music, drama, painting, radio, and television. Some of the credit for the progress at SMU must go to the citizens of Dallas, as they have subscribed to a yearly sustenance fund to augment the income from an endowment fund, tuition, fees, and miscellaneous sources.

One of the best examples of this cooperation has been the recent establishment of the Graduate Research Center to advance knowledge in the pure and applied sciences. The basic financing for the center has come from contributions by three private Dallas foundations. The center's initial building, a library, is to be constructed on the SMU campus and is expected to go under contract this year. The research center will be a valuable addition to the existing research facilities.

There are also a number of smaller colleges in the Dallas area. The University of Dallas, established in 1954, has about 500 students and is a liberal arts college created under the sponsorship of the Catholic Church. Medical schools include the University of Texas Southwestern Medical School and Baylor University College of Dentistry. The medical school moved into its new \$6.5 million buildings in the early fall of 1958; thus, the whole school is on its own campus for the first time in its 15-year history. In addition, there are many business schools, some concentrating primarily on such technical business skills as accounting,

typing, shorthand, and filing and others emphasizing electronics courses.

However, the higher-education facilities in Dallas need to be expanded to accommodate the engineering requirements of the large aircraft, automobile, and electronics firms in the area. A publicly supported mass-education university could be a source of technically trained personnel for industries in both Dallas and Tarrant Counties. Making Arlington State College a 4-year institution, as recently recommended, and continuing the improvements at SMU might help to meet this need.

Medical facilities in Dallas are among the finest in the Southwest. The city has nine public and private hospitals with a total of 3,434 beds. The substantial expansion which is under way will eventually add more than 900 new beds. Research facilities and the medical schools provide a strong support to the direct patient contacts.

The cultural facilities in Dallas are well recognized. Probably the activity which receives the most attention is the State Fair of Texas, held in Dallas annually during early October. Established in 1886, the fair was a major attraction long before Dallas was selected as the location for the Texas Centennial of 1936. As a result of this selection, however, many permanent buildings were erected, and, even today, they provide a sizable amount of exposition space at the State Fair. Each year, more than 2.5 million visitors push through the fair's gates to be greeted by "Big Tex," a make-believe cowboy with a booming voice.

As the years rolled by, the State Fair changed character to reflect the current emphasis upon educational exhibits, sporting events, and high-caliber entertainment. The automobile show, historical exhibits, football games (particularly the recurring rivalry between the University of Texas and the University of Oklahoma), and ice and musical shows are high lights of each State Fair. In addition, the midway facilities and the year-round attractions of the museums, musical plays and concerts, and other activities make the State Fair a continuous source of recreation and education in Dallas. A notable event is the Pan-American Livestock Exhibition, which attracts cattlemen from many other countries.

The fair is an important commercial enterprise to both the participants and the trade and service concerns of Dallas. Substantial sales are made by not only the

concessionaries and exhibitors but also the commercial establishments that furnish hotel rooms, food, transportation, and numerous other items to the many out-of-town visitors. These visitors often use their State Fair trip as an opportunity for shopping expeditions in the many large stores of the city.

Other important cultural facilities and programs in Dallas include a well-recognized symphony orchestra, a metropolitan opera season, a summer series of State Fair Musicals, and museums of fine arts, science, and natural history. Dallas is an important center of legitimate theater presentations and has a number of fine restaurants and private clubs.

A recent addition to the facilities of Dallas which has encouraged cultural activities, as well as conventions, sports, and other large gatherings, is the municipal auditorium. This \$8 million structure, capable of seating 10,000 persons with an unobstructed view, is an especially fine complement to the growing hotel and motel facilities in attracting the larger conventions. Although completed only 2 years ago, the auditorium already has provided the space needed to hold several national and international conventions, each with a total of more than 8,000 registrants, and has been the site of many local meetings.

Recreational facilities in Dallas include several excellent country clubs and golf and tennis clubs; nearby lakes for fishing, boating, and swimming; and a large assortment of spectator sports, such as college competition in most major sports and professional wrestling and baseball. There are always professional entertainers at the large hotel dining rooms, with some of the top names in show business often starred.

Dallas has more than its share of fine churches and synagogues. Of all the Baptist, Christian, Methodist, and Presbyterian (Southern) churches in the United States, the largest church in each denomination, from the standpoint of membership, is to be found in Dallas. In addition, there are two important church schools — the Southern Methodist University School of Theology and the Dallas Theological Seminary.

While the discussions above present a brief picture of the general environment of the Dallas economy, a detailed analysis of the employment and personal income sources in the area must be made in order to appraise the significant structural components of this economy. Both employment and income data are well suited to the measurement of an area's economic base.

Employment and Income

The growth of the Dallas County economy is vividly demonstrated by the gains in employment. Total employment rose from 162,019 in 1940 to 400,675 in December 1958, reflecting an increase of nearly 150 percent despite an actual decline of over one-fourth in agricultural employment. The downward trend in the number of agricultural workers is a result of consolidation of farms into larger units, the mechanization of farm work, and the steady decline in farm acreage in Dallas County.

Nonagricultural employment in the Dallas metropolitan area increased about 155 percent from 1940 to 1958, with the sharper advance occurring from 1940 to 1950. Compared with the state-wide gains, Dallas showed a more rapid rate of growth from both 1940 to 1950 and from 1950 to 1958. The advance in factory employment also was more rapid in Dallas than in the State in both periods. In the 1950-58 period, factory employment in Dallas County rose nearly three-fourths while such employment in the State increased only one-third.

Reflecting these outstanding increases, the Dallas labor market has developed the flexibility needed to meet unusual demands. Unemployment has been consistently below the national average; long-term unemployment has been especially low. There is an almost chronic shortage of good secretarial help, caused largely by the exceptional growth of financial institutions and major oil and utility companies.

The structure of employment in Dallas reflects a considerably different internal composition from that in the State. Manufacturing, finance, and trade employment represents larger portions of the Dallas nonagricultural total than of the Texas total. On the other hand, mining and government are more important sources of employment in the State than in Dallas. Of approximately equal importance in both Dallas and Texas are services, construction, and transportation, communications, and utilities.

There has been a sharp change in the relative importance of the various types of employment in Dallas County. Manufacturing employment has steadily increased its share of nonagricultural employment from 17 percent in 1940 to 22 percent in 1958; in Texas, its share grew from 14 percent to 17 percent. As might be expected, other types of employment generally accounted for smaller shares of the Dallas nonagricultural total in 1958 than in 1940.

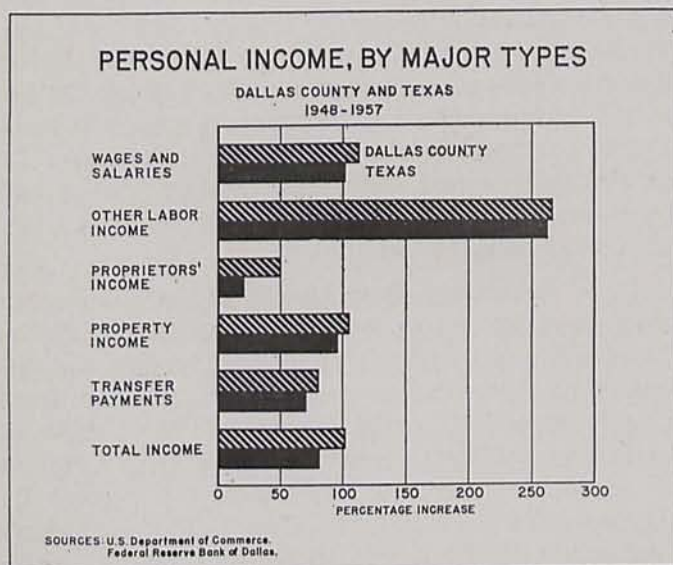
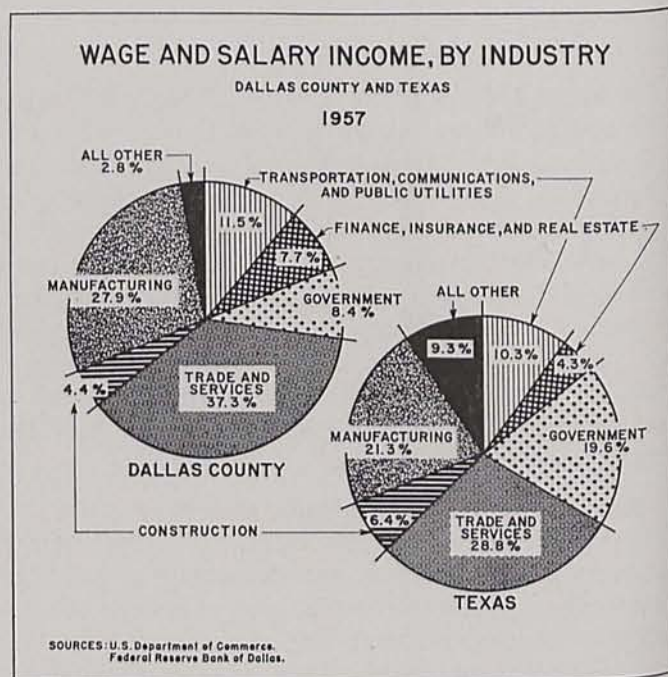
The trends and structural differences evident in the employment data reveal several significant facts about the Dallas economy. First, the very rapid growth rate from 1940 to 1950 slowed noticeably after 1950, except in manufacturing and a few smaller categories. This reduced rate of gain, in turn, indicates a much slower advance in certain other sources of employment — especially construction, government, and transportation, communications, and utilities.

Secondly, a fairly definite pattern of concentration is evident in the employment statistics. Manufacturing, trade, services, and finance account for 73 percent of nonagricultural employment in Dallas County. In contrast, these four types of employment are responsible for only 62 percent of nonagricultural employment in Texas. On the other hand, mining and government supply 22 percent of the state total but only 11 percent of the Dallas County total. The other types — construction and transportation, communications, and utilities — account for about 16 percent of both Dallas and Texas employment totals.

Income measurements are perhaps better indicators of the structural importance of the various segments of an area's economy. The income generated by a particular type of industry may indicate not only the level of wages and the profitability of the enterprise but also the amount of purchasing power available to sustain other types of local industry.

Personal income in Dallas rose sharply from \$921 million in 1948 to \$1,855 million in 1957, reflecting a gain of 101 percent, contrasted with the state-wide

increase of only 81 percent. In 1957 the personal income of Dallas citizens was about 11 percent of the state total, and wage and salary income was approximately 12 percent. Wages and salaries were 69 percent of total personal income in Dallas but were only 65 percent of the Texas total. Other labor income was also more important to Dallas than to the State. In contrast, proprietors' income, property income, and transfer payments (such as unemployment compensation) constituted larger percentages of the total for Texas than for Dallas.



Within the Dallas wage and salary total of almost \$1,310 million in 1957, manufacturing contributed about \$365 million, or nearly 28 percent. Such income was only 21 percent of the comparable state total. Wage and salary incomes from trade, services, and finance, insurance, and real estate also were substantially more important to Dallas than to the State. These four activities supply about 73 percent of all Dallas County wages and salaries but just 54 percent of the state total.

Several sources of wage and salary income are more important to the State than to Dallas. The most notable of these are government, mining, and farming, which account for almost 29 percent of total state income from wages and salaries; in Dallas, these three sources contribute a little over 11 percent. The remaining segments — construction; transportation, communica-

AVERAGE WEEKLY AND HOURLY EARNINGS OF MANUFACTURING WORKERS, DECEMBER 1958

Dallas County and Texas

Type of manufacturing	Average weekly earnings		Average hourly earnings	
	Dallas County	Texas	Dallas County	Texas
Total.....	\$82.15	\$87.14	\$1.97	\$2.11
Durable goods.....	87.98	88.20	2.12	2.11
Nondurable goods....	73.92	86.30	1.76	2.11

SOURCE: Texas Employment Commission.

tions, and utilities; and other sources — show very little difference in concentration and account for 16 percent of the Dallas total and 17 percent of the Texas total.

Basic Economic Activities

Measured by either employment or income, the basic economic structure of Dallas is concentrated in four primary segments — trade, services, finance, and manufacturing. These four activities comprise the only economic segments which are clearly more important to Dallas than to the State. Furthermore, although Dallas County provides roughly 11 percent of all employment and income in the State, the four segments account for 13 percent to 25 percent of the comparable state totals.

The other sources of income are not as obviously significant to the growth and development of Dallas. However, construction and transportation, communications, and utilities are quite important as facilitating agents. Although government, farming, and mining do not provide substantial amounts of direct employment or income to Dallas, they are sources of considerable indirect income, especially as purchasers or producers of goods and services which are vital to the distribution, service, financial, or manufacturing segments of the Dallas economy. These secondary sources of employment and income will be discussed later.

TRADE

As indicated above, trade and distribution activities were the foundation stones of the Dallas economy and are one of its sustaining pillars of strength. By means of special promotions and steady emphasis upon efficient service, these activities have expanded constantly.

Outstanding in this segment is wholesale trade activity. Dallas outlets handle more than one-half the sales of wholesale establishments in certain lines in Texas. The importance of wholesale trade activities lies in the fact that they attract a wide range of other economic pursuits and bring to the city large numbers

of people, who purchase food, clothing, shelter, and services. These factors and the corollary financing arrangements are the basic reasons why cities try to obtain wholesale trade concerns. Moreover, the presence of wholesale establishments breeds better transportation facilities, which, in turn, foster the growth of other economic pursuits. Wholesale outlets can be placed in a reasonably compact area and are adaptable to buildings of the one-story type. Finally, wholesale establishments are instrumental in developing close economic ties with individuals and companies in other cities or regions.

The basic attraction to wholesalers in the early days was the location of Dallas, supplemented by the steadily improving network of transportation facilities which gave access to the city. These continue to be strong attractions, but other reasons have reinforced the wholesalers' choice of Dallas as a base of operations. Among the most important of these are the facilities for showroom space. The large hotels have some permanent display rooms, but the greatest amount of selling space has been in the Merchandise Mart and in the showrooms of individual wholesalers. The Merchandise Mart provides 550,000 square feet for about 650 tenants.

Recently, new specialized buildings have been constructed to display furniture and gift merchandise, and the Merchandise Mart has been remodeled. The Decorative Center, Homefurnishings Mart, and Trade Mart are all relatively new; in fact, the Trade Mart, with nearly 800 display rooms, was just opened in early 1959. These facilities, together with the new auditorium and the expanded hotel space, have made wholesaling from Dallas much easier and more convenient.

In addition to the above factors, some wholesalers undoubtedly are attracted to Dallas by the mere presence of other wholesalers. The convenience of being able to purchase complementary goods at adjacent offices and the attraction of permanent displays are steadily bringing more specialty wholesalers to Dallas. Finally, the use of existing facilities and personnel may be a major factor for concerns which need only a small staff to represent them.

Dallas wholesale firms provide work for about 37,000 people and supply nearly \$170 million in annual wages and salaries. These figures represent about 11 percent of total employment and 13 percent

of total wages in Dallas County. The Census of Business reports that the 2,078 wholesale establishments in Dallas County in 1954 handled nearly \$3 billion of goods, or 15 percent and 27 percent of the respective Texas totals. The dollar value of goods handled per establishment in Dallas averaged almost \$1.5 million, in contrast to an average of only \$700,000 per establishment in the rest of the State. To some extent, this census understates the Dallas wholesale trade picture since nonstore wholesalers, especially independent salesmen and brokers, were excluded from the census tabulation.

Three types of wholesalers are prominent in Dallas: manufacturers' sales branches and offices, merchant wholesalers, and merchandise agents and brokers. Manufacturers' sales branches and offices — with sales of \$1,257 million in 1954, or 44 percent of the state total — are of greatest importance to Dallas. Classed by type of commodity handled, the city's principal manufacturers' sales offices deal in transportation equipment, food, nonelectrical machinery, chemicals, and electrical machinery. Each of these types of manufacturers' offices or branches accounted for more than one-third of the corresponding state-wide volume during 1954. Dallas offices handling apparel, rubber, and instruments accounted for over 50 percent of the comparable state sales, undoubtedly because of the large apparel, automobile, aircraft, and instrument manufacturers in the area.

Merchant wholesalers are in second place in Dallas, with 1954 sales of \$1,217 million, or 21 percent of the state volume. The largest of the Dallas merchant wholesalers handle raw farm products (principally cotton), machinery equipment, and groceries; however, measured by their importance to the state-wide volumes, which range from 36 percent to 59 percent, the dry goods, furniture, and cotton merchant wholesalers are more prominent. Well-organized groups or associations and permanent display space mark the wholesale trade in each of these lines, as evidenced by the Dallas Cotton Exchange, the Merchandise Mart, the fashion associations, and the furniture exhibits.

The third large group of Dallas wholesalers is the merchandise agents and brokers, who handled goods valued at \$450,365,000 in 1954. Agents handling groceries are the largest; but, in relation to the state totals, the apparel, dry goods, electrical apparatus and appliance, furniture, automotive, hardware, and drug and chemical wholesalers are more important. Each

of this latter group accounts for over 60 percent of the comparable state sales volume.

The remaining types of wholesalers — petroleum bulk plants and assemblers of farm products — contribute much less in total sales volume and are of less importance to the state total. There were only 36 such wholesalers in Dallas County in 1954, with a sales volume of about \$67 million.

Retail trade also is an important part of the economic structure of Dallas. The nearly 7,500 retail trade establishments in Dallas County employ about 64,000 workers, paying them approximately \$184 million in annual wages and salaries. Dallas accounts for 12 to 13 percent of retail trade employment and sales in Texas, but its retail trade expansion generally has been more rapid than that in the State.

Among the various types of retail trade outlets, automotive, food, and general merchandise stores have the largest volumes of business. These three types of establishments account for approximately 35 percent of total retail sales in both Dallas County and the State. However, there are differences in the patterns of retail trade in Dallas and in Texas. As a percentage of the state totals, sales at the various types of Dallas retail outlets range from about 9 percent to 37 percent. The smaller shares are evident in sales of lumber and building material establishments, hardware stores, farm equipment dealers, gasoline service stations, and furniture, homefurnishings, and appliance outlets. Such stores are common in nearly all urban areas, while the larger establishments are found mainly in the big cities. Thus, sales of general merchandise, apparel and accessories, and eating and drinking establishments in Dallas, as well as sales of nonstore retailers, account for larger shares of the state totals.

Population growth and the shifting nature of consumer purchases in the postwar period have alternately enlarged and contracted the number of retail stores of a given type, but there has been rapid growth for the period as a whole. Moreover, although a large number of new specialty shops have sprung up in the expanding suburban areas, there has been a general move to increase the variety of items sold at many stores, notably drug, hardware, and food stores. For example, food stores now sell toiletries, records, small appliances, and a host of other items. In addition, many stores formerly handling only low-cost items have broadened their coverage to include higher-priced merchandise.

This increased diversity of items for sale and the sharp movement toward the suburbs have had a marked effect upon the locus of retail sales in Dallas and other principal cities of the State. While total retail sales in Dallas County rose 56 percent from 1948 to 1954, sales in the Central Business District declined almost 2 percent. The chief losses at food and apparel stores were partly offset by increases at general merchandise stores, eating and drinking establishments, and jewelry stores. The downtown area accounted for about 50 percent of county-wide sales at apparel and general merchandise stores but provided a very small portion of county sales of food stores, gasoline service stations, and lumber, building material, hardware, and farm equipment dealers.

The trend toward suburban shopping centers has been particularly noticeable in Dallas. With 125 shopping areas already opened, 10 are under construction, and several more are under consideration. In size, the centers vary from two or three stores with a few hundred square feet of selling space to the giants housing over 100 outlets and having more than 500,000 square feet of selling space. One of the largest in Dallas County recently opened just northeast of the city.

It is scarcely possible to overestimate the impact of these shopping centers upon the buying habits of Dallas citizens. An increasing proportion of day-to-day purchases is made at the shopping centers. The downtown stores are especially attractive to the expanding work force in the area and to out-of-town visitors. The growing number of visitors brought in through business and social connections and by conventions is a strong force in the sales volumes of the downtown establishments.

Since 1954, retail sales in Dallas County have increased further by an estimated one-third. The principal gains from 1954 to 1957 occurred at drug and food stores, gasoline service stations, and automotive establishments. The wider range of items for sale, the greater number of outlets, and the rising use and purchases of automobiles and accessories account for these gains. In 1958, sales at automotive outlets declined sharply in line with the slower consumer demand for 1958 models, but sales at the other three leaders continued upward.

SERVICES

The second foundation stone of the Dallas economy, its service industry, employs 42,000 workers and pays wages and salaries of \$135 million. These totals are

about 12 percent and 10 percent, respectively, of total workers and total wages in the county and are around 14 percent of the service industry employment and payroll in Texas. Including firm proprietors, professionals, and other self-employed individuals, service employment in Dallas totals nearly 65,000. The 1954 Census of Business for selected services reports 4,596 service establishments in Dallas County, with total sales of \$184,915,000, or 18 percent of the state service sales total.

Among the major types of services reported in the 1954 census, business services and amusement and recreation services were outstanding in Dallas. For each of these types, Dallas firms reported sales totaling more than one-fourth of the comparable state total. In 1954, there were 724 business service outlets, with sales of \$45,868,000, and 394 amusement and recreation outlets, having total sales of \$39,997,000. In business services, the principal Dallas industry is advertising. With 98 firms, the advertising group reported 1954 sales of over \$23 million, or more than 41 percent of the state total. In amusement and recreation services, Dallas is particularly strong in the distribution of motion pictures, with sales amounting to over 90 percent of the state total.

The other major types of services reported in the 1954 census showed the usual pattern for a large urban center. Personal services, such as barber shops, laundries, and dry-cleaning establishments, had total sales of \$40,930,000 for 1,826 outlets. Automobile repair services reported \$19,089,000 of sales by 654 establishments, while miscellaneous repair shops, such as watch and electrical repair establishments, had sales amounting to \$20,963,000. The hotels, motels, tourist courts, and camps of Dallas County, totaling 208 in 1954, reported sales of \$18,068,000.

While the above data reflect a sizable dollar volume of sales and a relatively large number of people engaged in the service industry in Dallas, the principal contribution of this industry is that it is a facilitating agent for many other activities in the area. The hotel and motel facilities are especially important to the city and, in recent years, have been sharply expanded in recognition of the growing significance of Dallas as a convention city. Nearly 2,600 new hotel and motel rooms have been added since 1954, and almost 1,000 additional rooms will be available in projects already announced. Thus, Dallas will soon have more than 10,000 hotel and motel rooms.

The third primary support of the Dallas economy is its financial institutions. In terms of direct employment, the finance, insurance, and real-estate concerns of Dallas County account for about 28,000 workers, or 8 percent of total county employment. Wages and salaries paid these workers total approximately \$102 million per year, which is also 8 percent of the wage and salary income of Dallas.

However, the real significance of these institutions lies in their widespread impact upon the business and economic life of the entire Southwest. In a complex modern industrial society, money and credit are the lifeblood of all economic activities. Short-term bank credit and long-term capital funds are vitally needed to continue the growth of any area. As the banker of the Southwest, Dallas has led in the means of getting borrower and investor together, and because of the increased use of credit and the need for continuous review of credit lines, the city has become a regional management center.

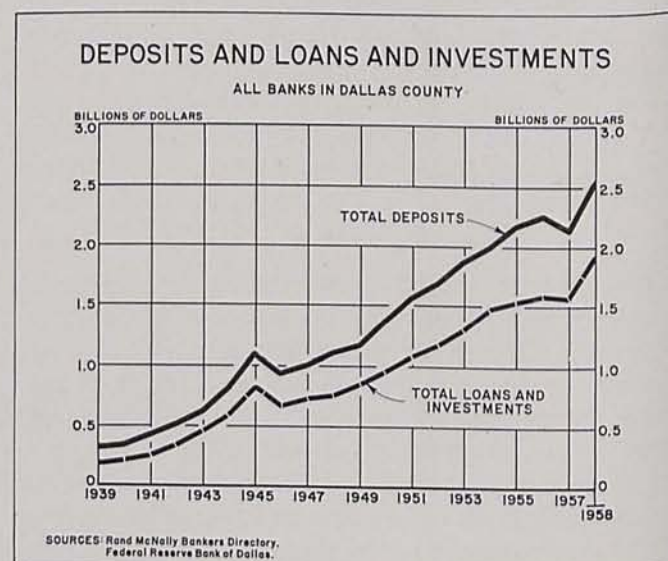
With respect to practically every type of financial institution, Dallas is the cornerstone of the Southwest. The commercial banks, mortgage bankers, insurance companies, savings and loan associations, stockbrokers, investment companies, and private investors in Dallas represent the most important aggregation of financial groups in this region and form a measure of financial strength surpassed in few money centers in the Nation. This financial strength is of utmost importance to the Southwest, as it provides the funds necessary to develop new local industries and the means to market securities to the investors of the Nation. The concentration of financial institutions also enables southwestern investors to channel their savings into profitable stock and bond investments or direct loans.

The leading segment of the financial industry is the commercial banking group. Early in the history of Dallas, banks were organized to help finance cotton and other agricultural products. By 1900, Dallas was recognized as a major financial center in the region; this recognition was confirmed in 1914, when the regional Federal Reserve Bank for the Eleventh Federal Reserve District was established at Dallas.

Dallas bankers have always been among the leaders in fostering new ways of serving business and the public. The first oil production loans were granted by banks in Dallas, and even after nearly 30 years of processing

almost \$3 billion of such loans, losses have been a negligible fraction of the total. The Dallas banks have been vigorous, aggressive lenders, recognizing that business growth will stimulate greater deposits and banking growth. Moreover, the competitive spirit among Dallas banks has induced them to offer new and enlarged services to both depositors and borrowers.

Capital accounts of the Dallas banks have expanded at a rapid pace, rising from \$60.2 million in 1945 to \$231.3 million in 1958. Bank deposits rose 93 percent from 1949 to 1954 and have expanded 81 percent since then. As of December 31, 1958, the 33 banks in Dallas County reported total deposits of \$2,543 million, or nearly \$400 million more than a year earlier. Dallas member banks in the Federal Reserve System had \$2.3 billion in deposits and \$1.2 billion in loans on that date.



Certain definite trends have developed in banking in the past 10 years, partly as a result of the changing economy. With branch banking prohibited in Texas, the growth of suburban shopping centers has encouraged the establishment of a number of new banks. In Dallas County, 13 new banks have been created in the postwar period. At the same time, there has been a sharp growth in the size of downtown banks — especially in terms of capital and, therefore, their ability to lend large sums of money to one borrower. This increased loan capacity has enabled the Dallas banks to handle many large loan requests within the city, rather than by participation with banks in other areas.

Finally, Dallas banks have greatly broadened their range of loans and investments, both in terms of types

of loans and geographic location. The banks maintain an extensive network of correspondent bank relationships, which expands the influence of the local banks. Thus, Dallas has become the financial center to which borrowers in an even larger area look for needed funds. To some extent, this broadening has caused bankers of other areas to recognize Dallas as the place to get bank help in participating loans or marketing investments. Commercial banks in this area have become increasingly active in national money market affairs — buying and selling federal funds and participating in the weekly Treasury bill auctions, as well as in other Treasury offerings attractive for bank investments.

The expansion of the Dallas Federal Reserve Bank has kept pace with the growth of its District banks. At the Head Office in Dallas, there are about 620 officers and employees. During the past year, a new 5-story addition to the Reserve Bank building, which will double the existing floor space, was started to accommodate the continuing growth of Reserve Bank operations. Since 1914, Eleventh District member bank deposits have risen from \$278 million to \$10 billion; and, as measured by member bank deposits and reserves, the Dallas Reserve Bank's place in the Federal Reserve System has improved from eleventh in 1939 to fifth in 1958. The rapid growth in capital of the Federal Reserve Bank of Dallas from \$6.0 million in 1945 to \$20.7 million in 1958 reflects the expansion of member bank capital and surplus and has lifted the Dallas Bank to sixth place among the Reserve banks. Dallas member banks hold about one-fifth of the deposits, resources, and capital accounts of all member banks in the Eleventh District.

A second major segment of the financial community of Dallas is its insurance companies. The development of life insurance companies in Dallas came near the turn of the century, but their growth was greatly advanced during the void created by the passage of the afore-mentioned Robertson Act in 1908. In the following years, a large number of companies were formed, and, at the present time, 105 legal reserve life insurance companies are headquartered in Dallas. Most of these companies are small and have less than \$100 million of insurance in force. In fact, only nine have more than \$100 million, and only three have more than \$1 billion of insurance in force. The national life insurance companies began returning to Texas in the 1940's, and many placed their regional or district offices in Dallas. It has been estimated that, of the \$19.5 billion

of life insurance in force in Texas on January 1, 1957, the Dallas-based headquarter companies and the regional offices of national companies controlled almost two-thirds.

Dallas also is home base to 35 fire and casualty insurance companies and has the regional offices of many large national casualty insurance concerns. The five largest southwestern fire and casualty insurance companies are all headquartered in Dallas. The fire and casualty companies headquartered in Dallas had a premium income of nearly \$132 million in 1957. In addition, four of the five largest accident and hospitalization companies in the Southwest are based in Dallas. The premium income of all accident and hospitalization insurance concerns in Dallas totaled about \$110 million in 1957.

Insurance activities are a source of substantial employment and income to Dallas, but, more importantly, they are a continuing strong source of investment funds. Nearly \$1 billion of investments in mortgages, stocks, and bonds is held by the local insurance companies, and yearly income available for investment amounts to more than \$100 million.

The third large segment of the Dallas financial industry is the savings and loan associations. The 11 associations had withdrawable shares totaling \$254,471,968 on December 31, 1958, reflecting a gain of \$33 million over a year earlier. At the end of 1958, these associations had total loans outstanding of \$261,038,289.

Dallas is also prominent as the home of the Southwest's largest investment-underwriting firms and as the regional center for dealers in investment securities. Seven of the Dallas-based brokers are members of the New York Stock Exchange. Mortgage bankers and private investors add to the luster of Dallas' reputation as the financial clearinghouse of the Southwest.

Many of these financial institutions are merely facilitating agents, providing only the service of bringing borrowers and lenders together. On the other hand, a number of Dallas financial concerns and private investors are important suppliers of investment funds. From the very large aggregation of both service and investment institutions detailed above, it is clear that Dallas holds a commanding position in the Southwest with respect to a product which is universal in all business activity — money and credit. As the Southwest grows, financial activities will expand, involving in-

creased responsibility and prudent judgment in handling and investing large sums of money.

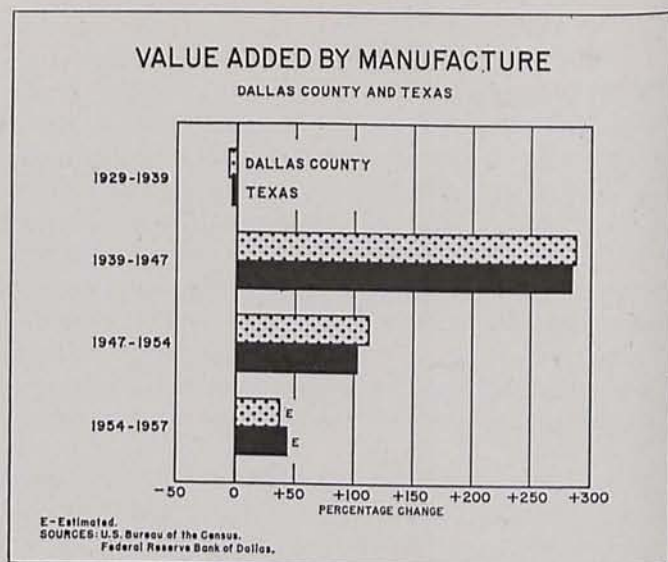
MANUFACTURING

The fourth cornerstone supporting the Dallas economy is manufacturing, which presently employs nearly 86,000 workers, or 24 percent of all employment in the county. Wages and salaries paid to Dallas manufacturing workers in 1957 totaled \$365 million, or nearly 28 percent of the total wage and salary income of the county citizens.

Manufacturing is not new to Dallas. Even in the early years, harness making, saddlery, the production of cotton gin equipment, and food processing were a vital part of the city's economic life; and Dallas led the Nation in the first three activities. From the late 1800's to about 1920, several shifts occurred in Dallas manufacturing activity. The steady decline in the harness and saddle business was replaced by growth in certain food processing and apparel manufacturing. This pattern was reinforced in the 1920-40 period. With new apparel producers making sports clothes and women's dresses and with the manufacture of work clothes expanding, employment in the apparel industry more than tripled. At the same time, food processors nearly doubled their employment to handle the enlarged output of specialty food items. Early in this period, a major automobile plant was built in the city. Gradually, Dallas manufacturing began to develop an export status, with apparel, automobiles, machinery, and food being the principal items produced for external sale.

However, the big gains in manufacturing which raised the industry to its present importance occurred during and after World War II. Measured in terms of employment, manufacturing increased 229 percent from 1940 to 1958, gaining 45 percent in the first 7 years, 83 percent over the next 7 years, and 24 percent in the 1954-58 period. The exceptionally large gain from 1947 to 1954 stemmed mainly from the reactivation of aircraft plants and the growth of electronics firms. In each of the periods, the Dallas increase in manufacturing clearly outpaced the state-wide gain, as reflected by the fact that the Dallas share of the state total was only 12.6 percent in 1940 but rose to 18 percent in 1958.

On the basis of income, Dallas manufacturing in 1947, with a payroll of \$97,507,000, was 13 percent of the state total; in 1954 the county's manufacturing



wages reached \$290,812,000, or 17.9 percent of the Texas total. Comparable data indicate that, by 1957, the Dallas share had increased to 18.5 percent, as the result of a 46-percent rise in the county's manufacturing payrolls.

A final measure of the rise in Dallas manufacturing may be obtained by a study of the value added by manufacturing. (This term relates to the difference between the cost of the materials and the value of the product.) In 1939 the value added by Dallas manufactures totaled \$61,458,000, or 13.7 percent of the comparable state figure. By 1947 the Dallas total had risen nearly four times to \$238,839,000 and accounted for 13.8 percent of the Texas total. The most recent Census of Manufactures reports that the value added by Dallas manufactures more than doubled from 1947 to 1954, reaching \$508,271,000, and that this total was 14.5 percent of the state figure.

These value-added data do not portray the relative strength of the Dallas manufacturing growth since, as can be seen from the accompanying table, the value added per employee in Dallas is somewhat below the state-wide average and has gained at a slower pace. The disproportionate rates of growth for employment and value added reflect the contrasts in the major types of industry which have developed in Dallas and in Texas in the past 18 years. For example, the value added per employee for transportation equipment firms in Dallas averages only \$5,500, contrasted with state-wide averages of \$19,500 for chemical plant employees and \$11,500 for petroleum refinery operators.

VALUE ADDED PER EMPLOYEE, 1939, 1947, AND 1954

Dallas and Texas

Year	Number of employees		Value added by manufacture		Value added per employee	
	Dallas	Texas	Dallas	Texas	Dallas	Texas
1939.....	16,267	125,115	\$ 61,458,000	\$ 448,523,000	\$3,778	\$3,585
1947.....	38,828	242,014	238,839,000	1,727,476,000	6,150	7,138
1954.....	72,770	410,364	508,271,000	3,501,706,000	6,985	8,533

SOURCE: United States Bureau of the Census.

Industrial development in Dallas County is widely dispersed but yet concentrated in several industrial districts. Metropolitan Dallas has led in the establishment of planned industrial districts and now has 17 such districts, with two comprising 1,200 acres apiece. The older sections are located near the downtown area and in south Dallas along the railroad tracks near the Trinity River. The war-born aircraft plants and a few others are southwest of the city, close to Grand Prairie. This is also the location of a number of new industries, including part of the fast-growing boatbuilding industry. Both prewar and postwar wholesale and light manufacturing industries also are situated along the Trinity River bottom.

A current addition to the industrial areas of Dallas County is the rapidly expanding section northeast of Dallas near the city of Garland. Wholesalers and electronics, paint, and aircraft manufacturers have built in this railroad industrial site during the past 8 years. Another new industrial area is north of Dallas, along the expressway to Richardson, where a number of wholesale firms and a few manufacturers (including a

large new electronics plant and laboratory) have constructed facilities.

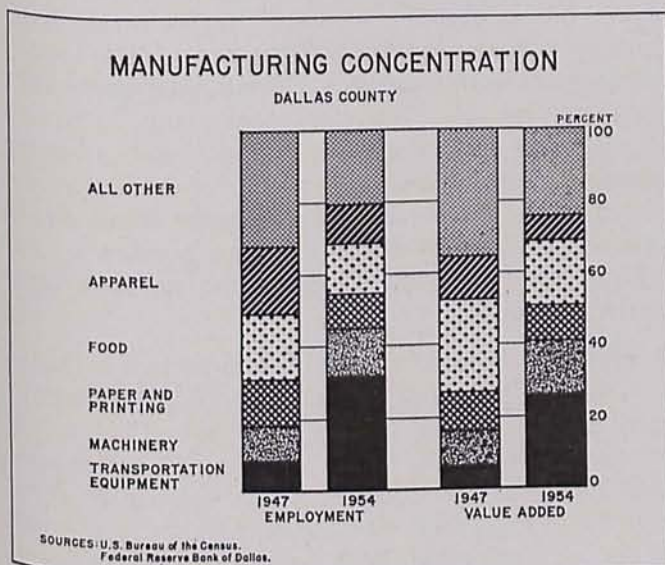
The most recent change in the manufacturing fields in Dallas has been the remarkable expansion of electronics producers. Although concealed in the aircraft, machinery, and instruments categories, the electronics firms have been responsible for much of the gains in these groups over the past 10 years. Perhaps more importantly, the future for electronics producers seems equally bright.

The current picture of manufacturing activities in Dallas is heavily weighted by three major segments — transportation equipment, food, and machinery. These groups account for 59 percent of both manufacturing employment and value added by manufacture in Dallas County but only 40 percent and 35 percent, respectively, of the state totals.

The most obvious development in Dallas manufacturing activity in the past 18 years has been the growth of the aircraft plants. This industry started in Dallas in World War II, ceased for a short period after the war, and was redeveloped and expanded in the post-war period. Aircraft manufacturing in 1954 provided one-fifth of the value added by Dallas factories and in 1958 accounted for about 23,500 workers, or more than one-fourth of Dallas manufacturing employment. Of the 1940-58 gain of 61,135 in manufacturing employment in Dallas, the aircraft companies supplied 37 percent.

Developments at the major aircraft producers in Dallas during the past year point up the problems of defense-oriented industries, particularly those wedded to a single branch of the Armed Forces. The plants not only are subject to the effects of quick changes in weapons systems but also are in constant danger of encountering changes in Government procurement policies, which, almost overnight, may defer or cancel contracts and stretch out payments. While Dallas aircraft manufacturers have some commercial business, the vast majority are defense-oriented.

Perhaps more important to the long-run prospects of this industry are the changes originating in the shift from the production of manned aircraft to the output of missiles. Because substantially more engineering work is required prior to missile production, the composition of personnel is rapidly moving toward graduate engineers, physicists, and chemists. The assembly line technique is not suited to missile output; consequently,



more skilled, but fewer semiskilled, workers will be needed. In addition, some changes in plant design to accommodate missile production will call for new construction in this industry.

At present, most Dallas plants are still producing manned aircraft, but some have entered the missile field. The effects of the eventually full-scale conversion, either through prime contracts or through subcontracts, may mean a slow decline in the total labor force but a substantial upgrading of the remaining employees. However, a number of uncertainties connected with this industry, including defense policy and shifts toward commercial business, make forecasting of the industry's prospects quite hazardous.

Two other important segments of the transportation equipment industry in Dallas are the boat and automobile plants. Boat manufacturing has become big business in the Southwest, and Dallas County producers specializing in aluminum and Fiberglas boats have led the way. As more reservoirs are developed and as leisure time increases for the expanding population, recreational industries, including boatbuilding, should enjoy fairly good growth, though not at the rate evidenced by the gain of more than 100 percent since 1954. A large automobile assembly plant located in Dallas in 1913 and has expanded operations substantially since then.

Inspecting the changes in employment and value added for Dallas manufacturers from 1940 to 1958, one might hastily conclude that the growth of industrial activity in this city is almost entirely due to the development of the aircraft industry. This is not true. In fact, the growth of other industries has also been more rapid in Dallas than in the State. Employment growth — after excluding the transportation equipment industry and the chemical, petroleum refining, and primary metals industries, in which Dallas has no competitive standing — is markedly faster for this area. Indeed, the Dallas gains in the remaining industries account for over one-fifth of the state-wide increases in the 1947-58 period. Thus, it may be said that the expansion in Dallas manufacturing has not been all a matter of aircraft industry growth but, instead, has been rather widespread, with the exception of those raw material-using industries requiring particular locations, materials, or services not available in Dallas.

Food processing has always provided a sizable share of Dallas manufacturing activity, usually 17 to

18 percent. Special segments of this industry which are important in the Dallas picture include meat and dairy products, candy, and a broad miscellaneous category. The food-processing industry has shown substantial growth and may be expected to have further gains, probably in line with the population trend.

The other broad industry group of major importance to Dallas is the machinery industry. At present, this group provides employment for about 15,000 workers, or 17 percent of Dallas factory employment. The value added by the Dallas machinery industry was about 15 percent of the county total, according to the latest census. In contrast, the comparable state percentages were about 10 percent for both employment and value added. Of the 1940-58 gain in Texas machinery employment, Dallas plants accounted for about 38 percent, reflecting the rapid expansion of machinery producers in this area.

The machinery industry is customarily split between nonelectrical and electrical machinery producers. In the nonelectrical segment, Dallas is heavily committed to construction, mining, and cotton gin machinery, with the first two types accounting for the largest gains in the postwar period. Further growth in the production of construction machinery is a likelihood for the foreseeable future. The demand for cotton gin machinery is on virtually a replacement basis in the domestic market, although a somewhat improved foreign market may exist. The production of mining machinery, tied closely to developments in the oil and gas industries, will likely follow the trends in those industries.

The electrical machinery industry of Dallas is one of the fastest growing segments in the entire State. Dallas producers account for 70 percent of state factory employment in this industry. Of particular importance are the communications equipment plants. With emphasis being placed upon electronics and miniature equipment for defense and for some of the newer consumer goods, the future of the industry seems almost assured. Dallas has a commanding position in this industry in Texas and is one of the strongest areas of the Nation.

Furniture manufacturing also is important in Dallas, with the area providing about 20 percent of the employment in the furniture industry in Texas and accounting for about 30 percent of the value added by furniture manufactures. Household furniture companies dominate the industry in Dallas and have shown real growth in the postwar period. With population and residential

construction gaining, this industry will probably increase substantially in the future.

The apparel industry, another of the area's major manufacturing sectors, accounted for 16 percent of Dallas manufacturing employment in 1940 but currently provides only 10 percent, despite a sharp gain in the industry over the past 18 years. Dallas apparel concerns represent about one-fourth of the state-wide apparel industry and are concentrated in men's and boys' furnishings and women's and misses' outerwear, especially sportswear. Problems of comparative wage scales, availability of labor at these wage scales, and the competitive situation in the industry may be limiting factors for future expansion. However, the industry mainly employs women, some of whom might not work at all if opportunities were not available in the apparel plants. Furthermore, the Dallas producers are less affected by wage problems since their products are mainly high-fashion clothing or sportswear.

Two other manufacturing industries — pulp, paper, and products and printing and publishing — are also important to Dallas. In terms of local manufacturing employment, the paper industry provides about 3 percent, while the printing group accounts for 7 percent. The paper industry of Dallas represents more than one-fourth of state employment in this industry and about one-fifth of the Texas value-added total for paper producers. Paperboard containers are the industry's principal product in Dallas, although a respectable share of total sales is provided by manufacturers of paper and other paper products.

The printing and publishing concerns in Dallas, which amount to about one-fifth of the state industry, have shown marked expansion in the past 18 years. Manufacturing employment in the industry increased more than three-fourths from 1940 to 1958, or about 25 percent of the total gain in such employment in the State. Newspapers and commercial printing are the principal segments of the industry in Dallas, although local periodicals, books, and printing trade services are nearly one-half of the state total. In addition to the large daily newspapers, including one specialized business newspaper, there are a number of periodicals, such as the oil journals and the *Business Review* of the Federal Reserve Bank of Dallas.

The future of the paper and printing industries in Dallas appears very favorable. Increased use of periodicals and the general gains in population should encourage further growth in both industries.

Of the remaining manufacturing industries in Dallas County, accounting for almost 18 percent of all factory employment in the area, the primary groups are fabricated metal products; petroleum; chemicals; stone, clay, and glass; and miscellaneous manufactures. Principal plants in these industries include a strongly developing group of paint producers; a substantial structural metal segment specializing in tanks, vessels, and oil field steel shapes; a group of important cement producers; and several large concerns manufacturing asphalt, roofing, bricks, soap, and ornamental iron.

In summary, the manufacturing sector of the Dallas economy is impressive in its diversity and the strength of most segments. Although the aircraft industry accounts for a sizable portion of Dallas manufacturing, there are other large and growing segments. Industries manufacturing electrical machinery, paint, boats, plastics, and instruments appear to have particularly bright futures, and growth is expected at rates in excess of the general advance of the Dallas economy. Such industries as food, household furniture, paper, printing and publishing, and stone, clay, and glass will probably grow with the population; a few of these industries may advance at a more rapid pace than the others.

Secondary Economic Features

In addition to the basic economic activities in Dallas, a number of secondary supports have contributed to the city's growth and development in many important ways. These secondary supports can be divided into two segments: The first, including agriculture, government, and mining, comprises basic industries; the second — consisting of construction and transportation, communications, and utilities — is generally considered to be facilitating agents. Each of these five industry groups has made an important contribution to Dallas over

WAGE AND SALARY EMPLOYMENT, DECEMBER 1958, AND INCOME, 1957, FROM SECONDARY ECONOMIC ACTIVITIES

Dallas County

Activity	WAGE AND SALARY WORKERS			WAGE AND SALARY INCOME		
	Number	Percent of county total	Percent of Texas activity	Amount (in thousands of dollars)	Percent of county total	Percent of Texas activity
Agriculture ¹	4,500	1.1	1.5	5,100	0.3	0.5
Government.....	30,400	8.7	7.1	110,000	8.4	5.2
Mining.....	8,350	2.4	6.7	33,500	2.6	4.7
Transportation, communications, and utilities.....	32,450	9.2	14.4	149,500	11.5	13.4
Construction.....	23,350	6.6	13.9	58,100	4.4	8.5

¹ Includes farm proprietors' employment and income, with percentages of county totals based on wage and salary and proprietor components combined.

SOURCES: Texas Employment Commission.
Federal Reserve Bank of Dallas.

and above the direct employment and income that it generates.

AGRICULTURE

Agriculture, the principal economic activity of Dallas County in its early years, is still a major stimulant to many Dallas industries. Farmers throughout the world use Dallas-produced cotton gins, and many southwestern farmers provide raw materials for the important local food products industry. Moreover, farmers and ranchers are a significant part of the market for many products distributed from Dallas, such as farm implements, apparel, and automobiles. Modern farming requires large amounts of credit, and Dallas banks help to meet this demand by both direct loans and indirect participations.

In terms of commercial operations, the number of farms in Dallas County has steadily declined as suburban growth has required more land. In 1954, there were 2,689 farms in Dallas County, or 1,674 fewer than in 1945. Land in farms has decreased more than 100,000 acres, while the value of crops has remained about the same. Cotton is still the principal crop, but production in 1958, at about 7,500 bales, was substantially lower than the 35,000 bales produced in 1940.

GOVERNMENT

Government activities have a considerable impact upon Dallas through large purchases of military goods, including aircraft and electronic equipment. Expenditures for highways, airports, schools, and civil defense — coupled with such indirect benefits as farm price supports, aid to education, institutional grants, and old-age assistance payments — constitute a measurably significant portion of government spending and income in Dallas County. The Federal Government was instrumental in the original development of the Dallas aircraft industry and continues to be its principal customer. In addition, 119 offices of Federal Government departments and agencies are located in Dallas; many of these offices have jurisdiction over a broad section of the Southwest.

Local government activity, of course, covers a wide range of functions, including the construction and maintenance of streets, schools, water and sewer lines, airports, and a host of others. To handle these tasks for a rapidly expanding population, the budget of the city of Dallas rose 195 percent from 1948 to a 1957 level of \$55,708,216. Taxpayers authorized more than \$250

million of bonds for capital improvements from 1945 to 1958.

MINING

The principal minerals in Dallas County are limestone, sand, gravel, stone, shale, and clay. The value of mineral production in this county totaled \$17,818,945 in 1957, or less than one-half of 1 percent of the state total.

Nevertheless, mining is indirectly responsible for a sizable part of the growth of financial, manufacturing, and trade activities in Dallas. Oil and gas producers are heavy users of credit, and Dallas banks pioneered in granting such credit. Dallas is the headquarters city for many producing companies, geological concerns, and drilling and oil field contractors. Also, Dallas is home base for a number of oil field equipment producers who operate on a national or even international scale. The Dallas location and its ready access to other parts of the Nation make this city an ideal spot for top-level conferences and oil association conventions.

TRANSPORTATION, COMMUNICATIONS, AND UTILITIES

Transportation facilities have always been a major factor in the economic life of Dallas, aiding its distribution and manufacturing activities and providing the means for getting to and from the city for meetings, conventions, and conferences. Dallas has consistently led in the growth of transportation facilities from the early wagon trails and railroads to the modern highways and airlines. Air travel has become one of the fundamental factors enabling Dallas to compete in the furniture, fashion, and gift markets of the Nation.

Dallas is currently served by nine rail systems, six passenger air carriers, five bus lines, and 37 common-carrier truck lines. Though railroad passenger service is declining, the freight business has been generally well maintained. The railroads are also important developers of industrial acreage and have made real contributions in attracting new industries to this area.

Airline service to and from Dallas is one of the major assets of the city. Air routes certificated to Dallas lead in all directions from the city. With competitive service to the North and East, the Dallas air traveler has a choice of several de luxe, nonstop flights to the principal cities in those areas. A hearing to provide similar competition on southeast and westbound flights from Dallas is currently under way. As a major air terminus, Dallas ranks tenth in the Nation in the number of em-

planed passengers and eighth for both aircraft departures and airfreight tonnage.

The Dallas Love Field airport was purchased by the city in 1928 and has been repeatedly modernized and enlarged. Runways have been lengthened, and the latest navigational aids have been installed. The new \$8.5 million airport terminal that opened in 1957 has moving sidewalks and a capacity of 26 simultaneous loadings of aircraft of the DC-7 type. With a pleasant modern exterior and interior, the terminal was built to handle traffic for many years to come; however, the very rapid expansion of air travel to and from Dallas is already absorbing space which had been reserved for future growth.

Three of the major airlines constructed large new hangar and service areas during the past year. There are also excellent facilities for private, itinerant, and business flyers at Love Field and at a number of other airfields scattered throughout the county.

Intercity highway connections to Dallas are among the best in the Nation, but surfaces and capacity are not good on certain highways. Nevertheless, construction authorized by a new highway program is rapidly improving these roads, and multilane freeways eventually will be available for travel in any direction from Dallas. The new interstate Federal highway program includes four major highways leading into and out of this area and two highways terminating in Dallas. In late 1958, over \$23 million of new interstate highway improvements was under construction in Dallas County.

Within the city, traffic problems have been a serious concern. A master plan of street development, providing inner and outer loops around the city and 6-lane divided freeways radiating from the downtown hub, has been adopted. A major step in implementing the plan was taken when Dallas citizens recently voted a \$22 million bond issue to start construction on several key segments.

Intracity transportation is essentially by bus or private automobile in Dallas, with automobile transportation steadily increasing while transit company patronage is declining. Dallas transit patronage has fallen from 105 million passengers in 1946 to 41.7 million passengers in 1958. The problem of maintaining a healthy public transportation system is especially difficult in Dallas because of the sharp suburban growth. Better buses with air conditioning may retard the patronage

decline, but improved thoroughfares and parking facilities are encouraging the use of private automobiles. The solution to this problem may eventually require some form of city subsidy, tax exemption, or perhaps even municipal ownership; but, whatever the cost, Dallas cannot afford to be without an efficient transit system.

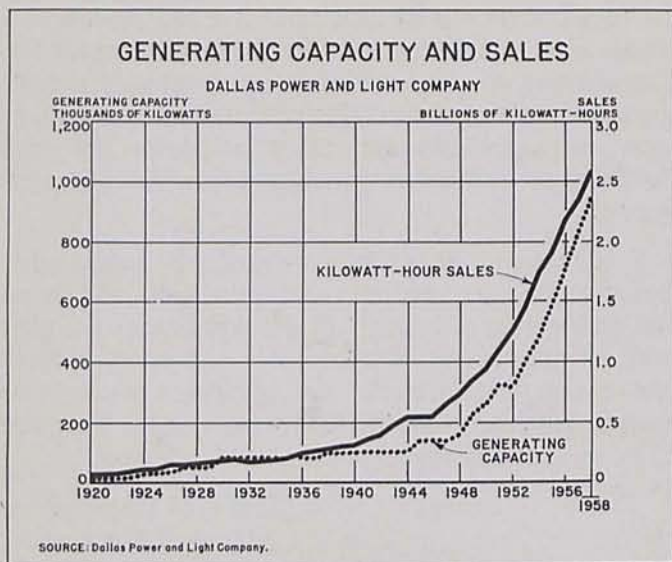
Communications facilities are uniquely important to Dallas as the means of transacting business and financial arrangements throughout the Southwest and other parts of the Nation. Wire-transfer and teletype facilities enable Dallas banks and securities concerns to keep in touch with the market centers of the East and effect quick transfers of funds and investments.

The city is the regional headquarters of the telephone system and ranks ninth in the Nation in the number of teletypewriter connections. There are nearly 390,000 telephones in use in Dallas County. The city is also the regional center for commercial telegraph operations. Network television is serviced through Dallas by coaxial cables from Kansas City and is transmitted to other major Texas cities by cable or radio relay.

Dallas utility concerns perform functions that are vital in any large urban center and do a few which provide a special impetus to the growth of the Dallas area. In addition to handling the gas and electricity requirements of the city efficiently, the utilities actively work toward attracting new firms to the area and make special arrangements to meet any unusual needs.

The city of Dallas is served by one electric company and one gas utility, with customer connections totaling more than 200,000 for each. The use of both electricity and gas has risen sharply over the past few years because of the increasing amount of air conditioning, the steady gain in the use of small appliances as a result of the higher standard of living, and the population and industrial expansion in Dallas. Electricity consumption in 1958 reached nearly 2.6 billion kilowatt-hours, or 253 percent above the total 10 years ago. Gas consumption rose about 4.3 percent in 1958 to a new record of almost 38.6 trillion cubic feet.

The electric company boosted its capacity from 163,000 kilowatts in 1945 to 956,000 kilowatts in early 1959. It has plans for further additions totaling 350,000 kilowatts by 1962. The company is a part of a larger utility system that, in turn, is a member of the North Texas Interconnected Power Pool, from which alternate supplies of power and peaking power are available.



The gas company has steadily provided a margin of safety in its operations so that only on the coldest days is there any curtailment of industrial usage. Contracts specifying interruptible service are standard with most gas companies and are another margin of safety for the residential customer. The company maintains more than 2,200 miles of gas mains in Dallas.

CONSTRUCTION

The construction industry is important to the physical development of Dallas, and the city's attractive appearance bears full testimony to the industry's effectiveness. To some extent, this industry is also a basic component of the local economic structure through its export of goods and personnel for construction jobs outside the county. Profits from such jobs constitute another source of income for Dallas citizens. The construction industry also provides a major source of commuter employment in Dallas.

New construction in Dallas has been quite strong throughout the postwar period, and since 1954 the dollar volume of building has averaged more than double the 1947 level. In 1958, total building contract awards were valued at about \$255 million, of which \$147 million was let for residential construction and \$108 million for nonresidential building. Total building awards in Dallas were 17 percent of awards in the entire State.

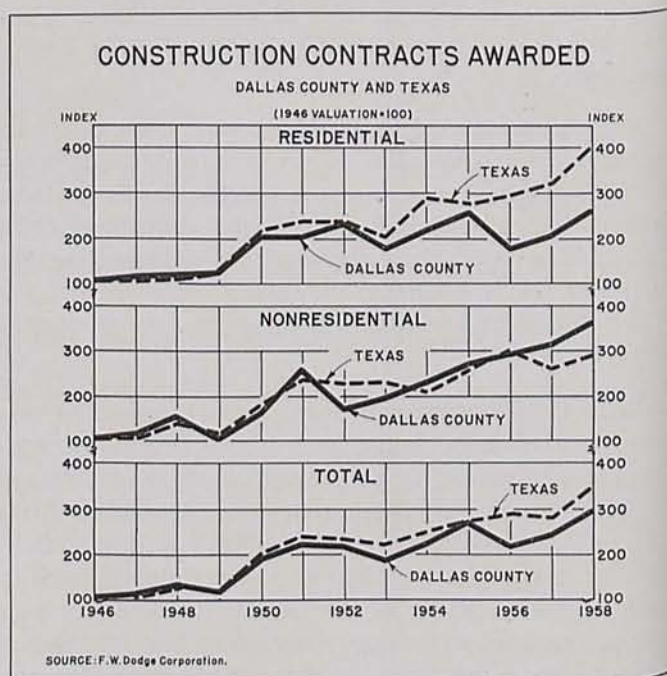
Residential building has been very active to keep pace with the expanding population. The 1956 *National Housing Inventory* for Dallas County reflects construction of about 75,000 new dwelling units since

1950, of which 59,100 were single-family units. Balancing this new construction, losses, and conversions, there was a net gain of 61,000 units, or 31 percent, from 1950 to 1956. Since 1956, Dallas has added another 22,000 units by new construction, but losses by demolition, fire, merger, and other means have cut the net gain to about 16,000 units.

Residential growth in Dallas has been widespread, with postwar developments in practically every section. The suburban sections rising most rapidly in the past few years have been in the northeast to northwest quadrant. Of particular note have been the recent projects in the White Rock-Garland and Richardson areas. At the same time, there has been a steady upgrading of many older homes in the more established sections of the city. Furthermore, substantial new apartment construction has been under way in these sections, as well as in areas nearer to downtown.

Nonresidential construction has been very strong in the Dallas area, especially the construction of downtown office buildings. In the 1947-58 period, 45 major new office buildings were constructed, 30 of which were in the downtown area. These 45 buildings accounted for nearly 6.5 million square feet. Current construction of new office buildings will provide an additional 3 million square feet.

Construction of new schools has been very noticeable in the past few years. From 1952 to 1957, the



Dallas Independent School District constructed three new high schools, four junior high schools, and 42 elementary schools. Nine more schools will be opened during the 1958-59 school year. A number of college and university buildings were also built in the 1952-58 period, including the initial buildings for the new University of Dallas.

Problems

Dallas has a strong, diversified economy based upon a good balance of important manufacturing and non-manufacturing segments. The city is an attractive place in which to work and live, with its cultural, refined environment complementing the dynamic business activity of the area. The leadership of Dallas is one of the city's prime assets, and the plans that it has drawn for the future of "Big D" reflect an abiding faith in the city's growth potentials.

Perhaps the best evidence of the strength of the Dallas economy is the mild impact of the recent recession. New records were evident in 1958 in construction; employment; bank deposits, loans, and resources; and even certain manufacturing industries, notably electrical machinery and chemicals. Although there was some slowing in the rate of establishment of new businesses, Dallas accounted for more than one-fourth of the new businesses opening in Texas during the past year.

Indeed, there are only a few black clouds on the economic horizon for Dallas, and even these may prove to have silver linings. In terms of the main structural supports of the Dallas economy, uncertainties exist about only wholesale trade and particular manufacturing segments. The future of Dallas as a service and financial center seems as bright as its illustrious past. Certainly, the interconnected web of financial institutions and relationships is likely to gain further strength.

Wholesale trade activities have been changing rapidly. The private wholesale establishment has been generally losing out to company warehouses. Dallas has kept pace with this trend; but, if population and trade continue to grow in the Southwest, further decentralization of wholesale, warehousing, and distribution points may occur. Thus, wholesale trade in Dallas may provide a smaller share of employment and income. However, the decentralization may have some advantages, such as more efficient distribution and the possibility that Dallas could become the manufacturing center serving branch warehouses throughout the Southwest.

A second disturbing element in the Dallas economy is the reliance upon the defense-dominated aircraft industry. In addition to the instabilities inherent in Government defense work, another problem for the aircraft industry is adjusting to the shift from manned aircraft to missiles. This shift can mean extensive changes in the composition of aircraft industry employment, as well as more rapid changes in the types of production. Short of a real war in the near future, assembly lines for manned aircraft may become less important. Dallas needs to give real consideration to how these changes will affect the employment and income levels of the city and how to bolster its manufacturing segment with industries in which a growth pattern is more certain.

Perhaps the suggestion concerning the manufacture of products to serve regional distribution centers may have another facet of value to Dallas. To reduce the reliance upon the aircraft component, Dallas could more actively seek manufacturers of consumer products, especially those who are able to take advantage of the special skills available in the Dallas labor force. This development could mean attracting manufacturers of household appliances (particularly small electric appliances), plastic products, and electronic devices. With a concerted effort, the Dallas area might become the new home for many consumer goods manufacturers, whose products and payrolls would add further economic stability to this area.

A third group of problems centers about the internal changes necessary to modernize Dallas to meet the demands of a growing populace. High on the list of such difficulties is the need to handle traffic and street parking problems and the connected problem of intracity public transportation. Solutions to these problems will require the best efforts of the leaders, city officials, and general public of Dallas.

Other internal problems relate to the potentials inherent in the shifting center of the downtown area; the need for better streets, sewers, and water facilities in the newly annexed areas; and the pressing need to rehabilitate the scattered areas of substandard housing. Here again, the combined efforts of individuals, businesses, and the city government will be necessary to overcome these problems. Some progress has been made, especially with respect to the master plan for street and thoroughfare development, but much remains to be done.

Finally, there is a problem of intergovernmental relations between Dallas and its neighboring cities and

other governmental units within Dallas County. Although numerous steps have been taken, such as the formulation of the Dallas County League of Municipalities, the Metropolitan Advisory Committee, and the Trinity Water Committee, the accomplishments thus far are meager in relation to the problems of joint concern that need aggressive action and require the cooperative efforts of the leaders of all the cities involved.

There is a steadily increasing community of interest in industrial development, particularly among Dallas, Grand Prairie, Arlington, and Fort Worth and between Dallas and Garland. In fact, the entire area embracing Dallas, Tarrant, Rockwall, Kaufman, Ellis, Johnson, and Denton Counties is becoming a closely knit industrial complex. Placement of new industrial plants in any of these seven counties could be considered a mark of growth for the Dallas area. Indeed, Dallas leaders have been working just as hard to promote the growth of new industries in suburban areas as in the city proper. Problems of traffic congestion, available parking space, land costs, and many others make a suburban location increasingly attractive both to the prospective plant and to Dallas.

This industrial growth and the suburban residential developments are bringing the major cities of this area

into direct physical contact with each other, thus requiring, in the most positive terms, an efficient working agreement between the leaders and officials of each city and governmental unit. No longer can either Dallas or its neighbors afford to live and act as if each city were in a different state. The area approach to its common problems would yield a harvest of good will and more effective solutions.

Eventually, action must be taken on joint facilities, economic and traffic planning, and adjacent-area zoning. To achieve the results which the people of this area have a right to expect in these and other fields of mutual interest requires immediate recognition of the fact that the area will progress at a more rapid rate if the cities work together. Perhaps an intercounty committee of leaders from each city and county government could provide the necessary leadership for a unified approach.

None of the problems cited above are insoluble, and with the best efforts of the city, all can be handled in a satisfactory manner. Dallas and its leaders have shown a capacity for meeting all challenges to the city's growth and may be expected to do so in the future. "Big D" of tomorrow can be an even more fascinating, prosperous city than the one of today — its economic and cultural potentials are outstanding.

This is the second of a series of articles on the four largest cities in the Eleventh Federal Reserve District — Houston, Dallas, San Antonio, and Fort Worth. Additional copies of this article may be obtained by addressing a request to:

Research Department, Federal Reserve Bank of Dallas

400 South Akard Street, Dallas 2, Texas



BUSINESS REVIEW

BUSINESS, AGRICULTURAL, AND FINANCIAL CONDITIONS



Department store sales in the Eleventh District during March, boosted by an early warm spell during the busy period immediately before Easter, rose

more than seasonally over February and were well above March 1958. The gain over a year ago was larger than expected. Inventories on hand at the end of March were higher than either a month earlier or a year earlier. New car registrations in the District's four largest metropolitan areas scored substantial year-to-year and month-to-month increases.

Employment in the nonfarm sector of the southwestern economy showed a large seasonal rise during March, led by gains in manufacturing, construction, and trade. Available data indicate a corresponding improvement in unemployment. Industrial output in Texas registered a sizable advance during March.

Rains and cool temperatures have retarded development of crops in eastern areas of the District. Ad-

ditional moisture is needed in some western sections for crops and pastures. Winter wheat production in the District states is estimated to be below the outturn last year. Livestock remain in fairly good condition in most sections.

Construction trends continued strong in the District states. The value of contract awards during February gained 27 percent over February 1958.

Although demand for petroleum products declined significantly in March and early April, refinery runs remained high. Crude oil production declined seasonally, but stocks of refined products advanced more than seasonally. Imports of refined products turned downward.

Loans, investments, and deposits at weekly reporting member banks in the District rose to higher levels between mid-March and mid-April. Member bank reserve balances declined moderately in March, but average borrowings from the Reserve Bank were approximately unchanged from the preceding monthly average.



Eleventh District department store sales in March, favored by warm, fair weather during the normally heavy buying season immediately preceding Easter,

rose 10 percent above sales in March 1958. The seasonally adjusted sales index, which includes an allowance for the varying date of Easter, reached 165 percent of the 1947-49 average in March. This is well above the previous high of 159 for the month, recorded in 1956 and 1957, and compares with 154 for March last year and 162 in February. The fact that Easter came 1 week earlier than in 1958 would have accounted for a year-to-year increase of about 2 percent in March sales this year. The substantially larger gain was mainly due to the combination of an early warm spell and the opening of new stores. Cumulative sales

for the first quarter of 1959 were 10 percent ahead of sales during the same period last year.

As usual during the Easter season, soft goods sales were responsible for the increase in total sales at District department stores. Substantial year-to-year gains

INDEXES OF DEPARTMENT STORE SALES AND STOCKS

Eleventh Federal Reserve District

(1947-49 = 100)

Date	SALES (Daily average)		STOCKS (End of month)	
	Unadjusted	Seasonally adjusted	Unadjusted	Seasonally adjusted
1958: March.....	137	154r	169r	161r
1959: January.....	133	168	148	168
February.....	126	162	163	168
March.....	150p	165p	176p	167p

r — Revised.
p — Preliminary.

DEPARTMENT STORE SALES AND STOCKS

(Preliminary percentage change in retail value)

Area	NET SALES			STOCKS (End of month)	
	Mar. 1959 from			Mar. 1959 from	
	Feb. 1959	March 1958	3 mos. 1959 comp. with 3 mos. 1958	Feb. 1959	March 1958
Total Eleventh District.....	29	10	10	8	4
Corpus Christi.....	32	8	8	8	3
Dallas.....	29	17	11	6	10
El Paso.....	22	8	10	3	4
Fort Worth.....	26	14	12	12	—1
Houston.....	29	4	8	13	5
San Antonio.....	40	6	10	5	3
Shreveport, La.....	31	11	10	7	7
Waco.....	33	16	13	13	2
Other cities.....	27	14	13	5	4

SALES AT FURNITURE STORES AND HOUSEHOLD APPLIANCE STORES

(Percentage change in retail value)

Line of trade by area	March 1959 from		3 mos. 1959 comp. with 3 mos. 1958
	February 1959	March 1958	
FURNITURE STORES			
Total Eleventh District.....	7	5	3
Amarillo.....	—18	—15	20
Austin.....	16	22	20
Dallas.....	12	—3	4
Houston.....	5	5	—7
Lubbock.....	14	36	27
San Antonio.....	9	9	1
Shreveport, La.....	2	5	6
Wichita Falls.....	3	10	22
Other cities.....	12	3	3
HOUSEHOLD APPLIANCE STORES			
Total Eleventh District.....	50	86	—
Dallas.....	30	65	—

were registered in clothing sales; sales of women's and misses' dresses rose 21 percent, and men's clothing sales were up 19 percent. Good gains also occurred in sales of women's and misses' accessories and silverware and jewelry, which rose 13 percent and 12 percent, respectively. Partially offsetting decreases registered in the hard goods lines were in sales of furniture and bedding, down 8 percent; radios, phonographs, and musical equipment, down 16 percent; and major household appliances, down 22 percent.

Department store inventories in the District at the end of March were up 8 percent from the end of February and 4 percent from March last year. New orders placed for goods during the month rose 30 percent over a year earlier, and orders outstanding advanced 33 percent. These substantial gains, coupled with the rise in inventory levels at the end of March, seem to indicate that the stores are optimistic about sales prospects in the late spring and early summer.

Registrations of new cars in the four largest metropolitan areas in the District during March rose 45 percent over the small total a year ago and 16 percent over the short month of February. In the individual areas,

the year-to-year gains were 20 percent in San Antonio, 43 percent in Dallas, 50 percent in Houston, and 62 percent in Fort Worth. Cumulative registrations for the first quarter of 1959 increased 21 percent over the same period in 1958.



Growing conditions over much of the District during the past month showed considerable variation. Precipitation was heavy in eastern sections; in western regions, rainfall was generally light and, in some areas, critically short. Relatively cold temperatures have retarded crop development and have slowed seed germination. Heavy downpours washed out some young crops in upper coastal and south-central counties of Texas, and replanting will be necessary. Rains have delayed completion of corn planting but were helpful to earlier-planted corn. Precipitation was too heavy for optimum growth of rice along the Gulf Coast.

Sorghums in central and southern areas of the District have emerged, and seeding is well advanced in the Blacklands. South Texas cotton fields are making rapid growth, and sufficient moisture is available in most late areas to assure seed germination. In New Mexico and Arizona, cotton planting is under way but is making slow progress because of cool temperatures. Dry-land wheat in the High Plains of Texas and New Mexico is developing rapidly, following general rains about mid-month. In the Low Rolling Plains, precipitation has been light, and additional moisture is needed to maintain development of the crop. Production of winter wheat in the District states is placed, as of April 1, at 129,681,000 bushels, or 34 percent less than the excellent crop last year but 25 percent above the 1948-57 average. All of the District states except Louisiana showed declines from the year-earlier levels.

Movement of winter vegetables has remained active in most sections of south Texas, despite delays as a

WINTER WHEAT PRODUCTION

Five Southwestern States

(In thousands of bushels)

Area	1959 Indicated April 1	1958	Average 1948-57
Arizona.....	3,192	3,904	903
Louisiana.....	1,092	672	1806
New Mexico.....	2,730	3,724	1,652
Oklahoma.....	75,510	115,440	64,925
Texas.....	47,157	73,040	35,358
Total.....	129,681	196,780	103,644

¹ Short-time average.

SOURCE: United States Department of Agriculture.

result of rains. Onions, in particular, have been delayed in early areas, and dry weather is needed to permit resumption of harvest operations. However, north Texas onions are in good condition, and considerable acreage has been seeded to onions in the Panhandle. The acreage of commercial vegetables for spring harvest in Texas is placed at 77,500 acres, or 3 percent below the harvested acreage last year and 21 percent below the 1949-57 average. The decline from a year earlier is largely due to reduced plantings of cantaloupes, cucumbers, and late-spring onions.

Pasture and range feed prospects continue favorable in most sections of the District as a result of widespread spring rains. However, additional moisture is needed in the Trans-Pecos area and in sections of New Mexico and Arizona to promote the development of range forage. Livestock are in good condition, although supplemental feeding is necessary in some areas.

Prices received by District farmers (as evidenced by Texas midmonth prices) during the first quarter of this year were 5 percent above those in the comparable period a year ago. Prices for crops averaged 6 percent higher, and those for livestock were up 4 percent.

Cash receipts from farm marketings in the District states during the January-February 1959 period amounted to \$563 million, which is 1 percent under the year-earlier level. A 3-percent decline in crop receipts more than offset a 2-percent increase in livestock and livestock products receipts.



Loans at weekly reporting member banks in the District, which have been rising since the summer of last year, showed a further gain during the 4 weeks

ended April 15. Exclusive of interbank loans (which declined \$7.8 million), gross loans expanded \$16.1 million during the 4 weeks. Consumer-type loans, as reflected in the "all other loans" category, contributed the principal expansive influence on loan accounts. These loans have been rising consistently since late October, and the latest 4-week increase amounted to \$9.4 million. Business loans also continued to rise between March 18 and April 15, but at a slower rate. Real-estate loans and loans to finance securities transactions registered moderate gains, but agricultural loans declined nominally.

Investments at the weekly reporting member banks also rose between March 18 and April 15, reflecting to

CONDITION STATISTICS OF WEEKLY REPORTING MEMBER BANKS IN LEADING CITIES

Eleventh Federal Reserve District

(In thousands of dollars)

Item	April 15, 1959	March 18, 1959	April 16, 1958
ASSETS			
Commercial and industrial loans.....	\$1,690,695	\$1,687,638	\$1,523,801
Agricultural loans.....	35,691	35,724	28,931
Loans to brokers and dealers in securities.....	21,721	21,783	31,996
Other loans for purchasing or carrying securities.....	185,569	183,944	177,669
Real-estate loans.....	221,543	219,434	202,212
Loans to banks.....	14,693	22,458	74,324
All other loans.....	674,385	664,950	636,710
Gross loans.....	2,844,297	2,835,931	2,675,643
Less reserves and unallocated charge-offs..	48,921	48,785	44,857
Net loans.....	2,795,376	2,787,146	2,630,786
U. S. Treasury bills.....	74,482	48,599	116,446
U. S. Treasury certificates of indebtedness.....	97,653	127,908	71,272
U. S. Treasury notes.....	308,079	269,233	292,454
U. S. Government bonds (inc. gld. obligations)...	908,467	918,088	908,923
Other securities.....	350,210	346,870	279,987
Total investments.....	1,738,891	1,710,698	1,669,082
Cash items in process of collection.....	517,706	499,380	417,577
Balances with banks in the United States.....	468,433	466,904	490,312
Balances with banks in foreign countries.....	1,582	1,695	1,508
Currency and coin.....	48,034	48,553	46,410
Reserves with Federal Reserve Bank.....	574,096	613,185	599,254
Other assets.....	168,562	173,983	178,894
TOTAL ASSETS.....	6,312,680	6,301,544	6,033,823
LIABILITIES AND CAPITAL			
Demand deposits			
Individuals, partnerships, and corporations....	2,939,386	2,945,597	2,800,920
United States Government.....	119,268	88,030	145,451
States and political subdivisions.....	242,816	260,259	206,829
Banks in the United States.....	1,003,520	974,300	1,030,604
Banks in foreign countries.....	16,270	15,463	16,686
Certified and officers' checks, etc.....	71,939	92,108	67,951
Total demand deposits.....	4,393,199	4,375,757	4,268,441
Time deposits			
Individuals, partnerships, and corporations....	1,095,093	1,087,512	961,878
United States Government.....	7,130	7,130	12,125
Postal savings.....	421	421	421
States and political subdivisions.....	187,916	178,847	208,292
Banks in the U. S. and foreign countries.....	1,920	1,847	2,383
Total time deposits.....	1,292,480	1,275,757	1,185,099
Total deposits.....	5,685,679	5,651,514	5,453,540
Bills payable, rediscounts, etc.....	34,800	57,806	14,500
All other liabilities.....	67,386	70,797	85,325
Total capital accounts.....	524,815	521,427	480,458
TOTAL LIABILITIES AND CAPITAL.....	6,312,680	6,301,544	6,033,823

RESERVE POSITIONS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. In thousands of dollars)

Item	March 1959	February 1959	March 1958
RESERVE CITY BANKS			
Reserve balances.....	\$ 554,321	\$ 561,900	\$ 549,479
Required reserves.....	548,479	552,473	542,514
Excess reserves.....	5,842	9,427	6,965
Borrowings.....	17,165	17,175	780
Free reserves.....	—11,323	—7,748	6,185
COUNTRY BANKS			
Reserve balances.....	455,987	464,323	455,338
Required reserves.....	409,540	416,155	396,339
Excess reserves.....	46,447	48,168	58,999
Borrowings.....	3,812	3,983	1,141
Free reserves.....	42,635	44,185	57,858
MEMBER BANKS			
Reserve balances.....	1,010,308	1,026,223	1,004,817
Required reserves.....	958,019	968,628	938,853
Excess reserves.....	52,289	57,595	65,964
Borrowings.....	20,977	21,158	1,921
Free reserves.....	31,312	36,437	64,043

NEW MEMBER BANK

The Northwest National Bank of Dallas, Dallas, Texas, a newly organized institution located in the territory served by the Head Office of the Federal Reserve Bank of Dallas, opened for business April 6, 1959, as a member of the Federal Reserve System. The new member bank has capital of \$200,000, surplus of \$200,000, and undivided profits of \$100,000. The officers are: F. M. Holt, President, and Tom J. Hardin, Vice President and Cashier.

NEW PAR BANK

The Castroville State Bank, Castroville, Texas, an insured nonmember bank located in the territory served by the San Antonio Branch of the Federal Reserve Bank of Dallas, was added to the Par List on its opening date, April 2, 1959. The officers are: Bernard Fitzsimon, President (inactive); Walter A. Ulbricht, Executive Vice President and Cashier; Ralph L. Tschirhart, Vice President (inactive); and Frank Ducos, Assistant Cashier.

a large extent bank subscriptions to the Treasury securities offered in late March.

Average reserve balances maintained by member banks in the Eleventh District declined \$15.9 million during March. Required reserves also declined, but by a smaller amount. Consequently, excess reserves were moderately smaller in March than during the preceding month. Average member bank borrowings from the Reserve Bank, at \$21.0 million, were approximately unchanged from the February level.

CONDITION OF THE FEDERAL RESERVE BANK OF DALLAS

(In thousands of dollars)

Item	April 15, 1959	March 18, 1959	April 16, 1958
Total gold certificate reserves.....	\$ 734,016	\$ 779,837	\$786,168
Discounts for member banks.....	16,625	18,116	400
Other discounts and advances.....	915	952	0
U. S. Government securities.....	1,021,330	995,698	928,508
Total earning assets.....	1,038,870	1,014,766	928,908
Member bank reserve deposits.....	966,060	1,013,773	978,584
Federal Reserve notes in actual circulation.....	764,116	765,773	710,707

Earning assets of the Federal Reserve Bank of Dallas rose \$24.1 million during the 4 weeks ended April 15. This gain was more than accounted for by an expansion in the Bank's holdings of Government securities. On April 1, the Dallas Bank's participation in the System Open Market Account was increased from 3.9171 percent to 3.9914 percent, and this increase was mainly responsible for the larger holdings of Government obligations. The Bank's Federal Reserve notes in actual circulation declined modestly between

March 18 and April 15 — a seasonal occurrence — but on the latter date were 7.5 percent above the year-earlier level.



Trends in District petroleum activity were mixed in early April. Demand was declining, but refinery runs were holding at a high level. Texas crude oil production is scheduled for an increase in May.

Unusually warm weather caused demand for major petroleum products to decrease more than seasonally in the 5 weeks ended April 10. Distillate demand declined 26 percent. Nevertheless, total demand for petroleum products, averaging 7,950,000 barrels per day, was 8 percent above a year earlier. Demand for distillate in March and early April was 8 percent higher than a year ago, and gasoline demand was 5 percent higher.

Despite the decrease in product demand, refinery operations continued at a high rate through the first part of April. Crude runs to District stills, which averaged 2,264,000 barrels per day, were 9 percent more than in April 1958. Refinery runs customarily decline in April in the District and the Nation.

Lower demand and continued heavy crude runs to refineries contributed to the 2-percent increase in stocks of refined products during early April. Major product stocks, at 370,262,000 barrels on April 10, were also 2 percent above the year-earlier level. Gasoline stocks appeared to be particularly high at 214,594,000 barrels on April 10, or 808,000 barrels over a year ago. In contrast, crude stocks declined slightly to 253,854,000 barrels on April 11.

Crude oil production in the District averaged 3,158,000 barrels per day in the first part of April, with Texas production limited to 11 days. District production was slightly lower than in March but was 20 percent above a year ago. Based on a 12-day schedule, Texas crude oil production in May will increase to a daily average rate of 3,152,765 barrels. Louisiana crude oil production in May will about equal the April average, but allowable production in southeastern New Mexico will be 3 percent higher. These increases will bring a contraseasonal gain in crude oil production. Thus, it appears that mandatory import controls are beginning to be reflected in the rate of domestic crude oil production. Total imports in the 5 weeks ended April 10 declined 14 percent. Imports of refined products declined sharply after the imposition of import controls.

NATURAL GAS: MARKETED PRODUCTION

(In millions of cubic feet)

Area	Fourth quarter 1958	Third quarter 1958	Fourth quarter 1957
Louisiana.....	591,200	475,500	521,300
New Mexico.....	193,400	154,000	202,300
Oklahoma.....	186,000	158,100	149,600
Texas.....	1,410,400	1,292,300	1,340,200
Total.....	2,381,000	2,079,900	2,213,400

SOURCE: United States Bureau of Mines.

The vitality of the District's natural gas industry was confirmed recently with the announcement of the construction of a 300-mile pipeline from the Gulf of Mexico to the Fort Worth area. Completion of this project would provide a profitable market for a major gulf coast producing field.

The nonfarm sector of the southwestern economy showed renewed strength in March. Non-agricultural employment increased by 33,100 workers to

reach 4,241,300, which is 1.9 percent higher than the recession low in March 1958. Improvement was general, but the month-to-month increase was led by recovery in manufacturing and seasonal gains in construction and trade. Total unemployment in Texas declined 14,400 from February to 177,100 in March, and claims for unemployment compensation in the State reflected a further reduction of 5 percent from mid-March to mid-April.

Output of Texas industry turned upward by 2 points in March to reach an adjusted index level of 169. The sharp recovery in petroleum refining following settlement of the February strike accounted for much of the total gain, but activity increased in a number of manufacturing industries. A degree of weakness was evident

INDUSTRIAL PRODUCTION

(Seasonally adjusted indexes, 1947-49 = 100)

Area and type of index	March 1959p	February 1959	January 1959	March 1958
TEXAS				
Total industrial production....	169	167	171r	152r
Total manufactures.....	205	198	201	191r
Durable manufactures.....	240	236	234	222r
Nondurable manufactures.....	189	180	186	177r
Minerals.....	135	137	142r	114r
UNITED STATES				
Total industrial production....	147	145	143	128
Total manufactures.....	150	148	145	129
Durable manufactures.....	160	156	153	135
Nondurable manufactures.....	140	139	137	124
Minerals.....	123	123	124r	112

p — Preliminary.

r — Revised.

SOURCES: Board of Governors of the Federal Reserve System.
Federal Reserve Bank of Dallas.

in both crude oil production and aircraft manufacturing. However, the prospects for greater stability in the latter industry were further improved by the designation of a Fort Worth manufacturer to build the prototype of a nuclear-powered bomber.

Construction trends continued strong in the southwestern states, and construction contract awards in the region during February were 27 percent higher than a year ago. Residential awards were up 40 percent, and "all other" awards rose to a level 16 percent above a year earlier.

Nonresidential construction contracts in Texas during March totaled a record \$161.6 million, according to the *Texas Contractor*. This is nearly two-thirds higher than the levels of both the preceding month and March 1958; the total for the first quarter was nearly \$330 million, which is another record and is 55 percent higher than a year earlier. Contributing to the March record was a \$70 million project that includes the construction of a natural gas processing plant near Kingsville and a 238-mile connecting pipeline to an existing plant near Houston. Plans to spend \$20 million to double the capacity of a Houston polyethylene plant were announced during March also.

Personal income in the five District states reached a total of \$16,684 million in 1958, according to a new series published by *Business Week*. This level reflected a gain of 2.6 percent over 1957, compared with an increase of 1.9 percent for the Nation. The income series shows further gains through January of this year. The seasonally adjusted income level for the region during January was up from December and was 5.5 percent higher than in January 1958, compared with a year-to-year increase of 4.1 percent for the Nation.

NONAGRICULTURAL EMPLOYMENT

Five Southwestern States¹

Type of employment	Number of persons			Percent change	
	March 1959e	February 1959	March 1958r	Feb. 1959	Mar. 1958
Total nonagricultural					
wage and salary workers..	4,241,300	4,208,200	4,160,900	0.8	1.9
Manufacturing.....	766,000	756,000	763,000	1.3	.4
Nonmanufacturing.....	3,475,300	3,452,600	3,397,900	.7	2.3
Mining.....	250,400	248,200	257,600	.9	-2.8
Construction.....	313,000	304,300	281,200	2.9	11.3
Transportation and public utilities.....	392,600	391,700	398,500	.2	-1.5
Trade.....	1,026,800	1,019,000	1,006,800	.8	2.0
Finance.....	187,400	186,400	182,400	.5	2.7
Service.....	494,900	494,300	487,200	.1	1.6
Government.....	810,200	808,300	784,200	.2	3.3

¹ Arizona, Louisiana, New Mexico, Oklahoma, and Texas.

e — Estimated.

r — Revised.

SOURCES: State employment agencies.
Federal Reserve Bank of Dallas.

BANK DEBITS, END-OF-MONTH DEPOSITS AND ANNUAL RATE OF TURNOVER OF DEPOSITS

(Dollar amounts in thousands)

Area	Debits to demand deposit accounts ¹			Demand deposits ¹			
	March 1959	Percentage change from		March 31, 1959	Annual rate of turnover		
		Feb. 1959	Mar. 1958		Mar. 1959	Feb. 1959	Mar. 1958
ARIZONA							
Tucson.....	\$ 232,899	11	30	\$ 123,296	22.6	20.3	20.2
LOUISIANA							
Monroe.....	76,422	13	22	49,248	18.4	15.7	14.4
Shreveport.....	315,175	12	9	195,935	19.9	18.6	18.4
NEW MEXICO							
Roswell.....	35,780	11	9	30,992	13.8	12.2	14.2
TEXAS							
Abilene.....	98,004	5	13	63,508	18.5	17.4	17.3
Amarillo.....	221,993	13	23	115,859	23.2	19.8	20.2
Austin.....	207,231	10	9	154,094	16.2	15.1	17.9
Beaumont.....	157,721	10	4	104,270	17.8	16.0	16.8
Corpus Christi.....	188,212	9	3	112,384	19.9	18.1	20.0
Corsicana.....	16,401	9	13	20,688	9.4	8.6	8.2
Dallas.....	2,492,536	8	14	1,141,308	26.2	24.1	26.4
El Paso.....	377,446	15	29	164,409	26.9	22.2	22.8
Fort Worth.....	781,284	9	17	387,171	24.7	22.9	22.3
Galveston.....	87,234	8	5	64,080	16.6	15.1	14.6
Houston.....	2,269,783	-2	0	1,252,500	21.5	22.1	22.9
Laredo.....	25,829	5	3	22,412	14.2	13.7	14.2
Lubbock.....	181,021	4	21	125,789	17.5	16.7	17.2
Port Arthur.....	57,869	7	-12	44,241	15.6	14.3	17.4
San Angelo.....	54,677	15	23	47,049	14.2	12.6	13.0
San Antonio.....	590,289	13	18	394,040	18.1	16.2	17.5
Texarkana.....	21,523	7	15	16,948	15.1	14.0	13.6
Tyler.....	87,446	8	13	63,148	17.0	15.8	15.4
Waco.....	105,159	12	13	69,842	18.0	15.8	17.3
Wichita Falls.....	116,438	12	24	104,997	13.2	11.5	11.0
Total—24 cities.....	\$8,798,372	6	11	\$4,868,208	21.6	20.4	21.2

¹ Deposits of individuals, partnerships, and corporations and of states and political subdivisions.

² These figures include only one bank in Texarkana, Texas. Total debits for all banks in Texarkana, Texas-Arkansas, including one bank located in the Eighth District, amounted to \$45,181,000 for the month of March 1959.

VALUE OF CONSTRUCTION CONTRACTS AWARDED

(In thousands of dollars)

Area and type	February 1959	January 1959	February 1958	January—February	
				1959	1958
FIVE SOUTHWESTERN					
STATES ¹	\$ 307,262	\$ 299,277	\$ 242,635	\$ 604,994	\$ 474,420
Residential.....	151,082	159,961	107,957	309,684	209,276
All other.....	156,180	139,316	134,678	295,310	265,144
UNITED STATES.....	2,307,037	2,319,167	1,953,422	4,621,389	4,013,416
Residential.....	1,073,077	1,021,516	727,282	2,091,220	1,501,212
All other.....	1,233,960	1,297,651	1,226,140	2,530,169	2,512,204

¹ Arizona, Louisiana, New Mexico, Oklahoma, and Texas.

SOURCE: F. W. Dodge Corporation.

CRUDE OIL: DAILY AVERAGE PRODUCTION

(In thousands of barrels)

Area	Change from				
	March 1959 ¹	February 1959 ¹	March 1958 ²	February 1959	March 1958
ELEVENTH DISTRICT.....	3,214.0	3,250.7	2,689.7	-36.7	524.3
Texas.....	2,842.3	2,881.9	2,337.2	-39.6	505.1
Gulf Coast.....	533.7	550.7	452.0	-17.0	81.7
West Texas.....	1,271.3	1,291.3	1,011.3	-19.6	260.4
East Texas (proper).....	158.7	161.9	128.2	-3.2	30.5
Panhandle.....	108.0	108.0	103.3	.0	4.7
Rest of State.....	770.4	770.1	642.4	.3	128.0
Southeastern New Mexico.....	256.1	253.2	237.7	2.9	18.4
Northern Louisiana.....	115.6	115.5	114.8	.1	.8
OUTSIDE ELEVENTH DISTRICT.....	3,962.0	3,943.1	3,583.6	18.9	378.4
UNITED STATES.....	7,176.0	7,193.8	6,273.3	-17.8	902.7

SOURCES: ¹ Estimated from American Petroleum Institute weekly reports.

² United States Bureau of Mines.

CONDITION STATISTICS OF ALL MEMBER BANKS

Eleventh Federal Reserve District

(In millions of dollars)

Item	March 25, 1959	February 25, 1959	March 26, 1958
ASSETS			
Loans and discounts.....	\$ 4,553	\$ 4,575	\$ 4,237
United States Government obligations.....	2,603	2,720	2,426
Other securities.....	831	842	696
Reserves with Federal Reserve Bank.....	955	930	941
Cash in vault.....	140	142	136
Balances with banks in the United States.....	999	1,012	1,067
Balances with banks in foreign countries.....	3	2	2
Cash items in process of collection.....	506	479	427
Other assets.....	256	267	254
TOTAL ASSETS.....	10,846	10,969	10,186
LIABILITIES AND CAPITAL			
Demand deposits of banks.....	1,067	1,046	1,081
Other demand deposits.....	6,640	6,777	6,326
Time deposits.....	2,123	2,128	1,844
Total deposits.....	9,830	9,951	9,251
Borrowings.....	33	27	5
Other liabilities.....	93	113	108
Total capital accounts.....	890	878	822
TOTAL LIABILITIES AND CAPITAL.....	10,846	10,969	10,186

e — Estimated.

GROSS DEMAND AND TIME DEPOSITS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. In millions of dollars)

Date	GROSS DEMAND DEPOSITS			TIME DEPOSITS		
	Total	Reserve city banks	Country banks	Total	Reserve city banks	Country banks
1957: March....	\$7,345	\$3,578	\$3,767	\$1,492	\$ 787	\$ 705
1958: March....	7,378	3,589	3,789	1,810	959	851
November.....	7,828	3,832	3,996	2,090	1,131	959
December.....	7,999	3,931	4,068	2,088	1,125	963
1959: January....	8,106	3,952	4,154	2,090	1,106	984
February.....	7,858	3,808	4,050	2,117	1,119	998
March.....	7,794	3,827	3,967	2,129	1,119	1,010

BUILDING PERMITS

VALUATION (Dollar amounts in thousands)

Area	NUMBER		March 1959		Percentage change from	
	March 1959	3 mos. 1959	March 1959	3 months 1959	Feb. 1959	Mar. 1958
	March 1959	3 mos. 1959	March 1959	3 months 1959	Feb. 1959	Mar. 1958
ARIZONA						
Tucson.....	368	1,069	\$ 1,381	\$ 3,802	5	43
LOUISIANA						
Shreveport.....	544	1,288	2,012	7,222	-37	-29
TEXAS						
Abilene.....	261	752	2,554	7,520	1	121
Amarillo.....	305	875	2,092	9,816	-6	-27
Austin.....	328	986	4,811	14,182	-6	50
Beaumont.....	458	986	1,248	3,927	-10	-18
Corpus Christi.....	124	278	1,504	4,887	-1	-16
Dallas.....	2,801	6,354	21,086	47,520	47	105
El Paso.....	705	1,766	6,317	15,514	32	15
Fort Worth.....	877	2,130	4,012	11,413	32	15
Galveston.....	121	288	268	748	10	9
Houston.....	1,752	4,524	19,600	53,412	32	-4
Lubbock.....	322	1,000	3,681	13,740	-44	41
Port Arthur.....	264	480	717	1,871	5	-83
San Antonio.....	1,772	4,221	5,693	15,139	22	21
Waco.....	236	634	1,048	3,578	5	-27
Wichita Falls.....	180	448	1,928	4,017	121	181
Total—17 cities.....	11,418	28,079	\$79,952	\$218,308	15	16