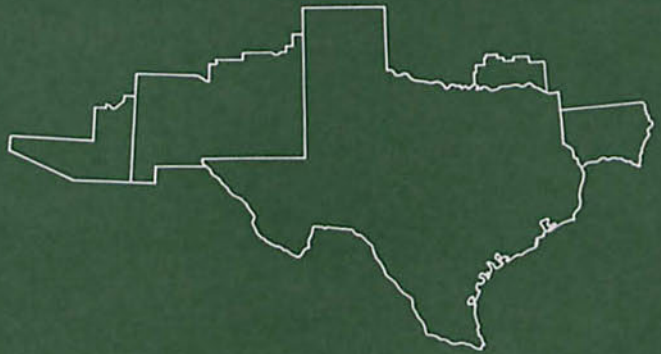


business review



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FEDERAL RESERVE
BANK OF DALLAS

contents

<i>the cement industry in texas</i>	3
<i>regional differences in the workweek and leisure of office workers</i>	8
<i>district highlights</i>	14

the cement industry in texas

Texas ranks third in the Nation, following California and Pennsylvania, in capacity for the manufacture of portland cement. In response to the accelerating tempo in the use of cement for highways and streets, drainage and waterworks utilities, and structures of all kinds, shipments of portland cement produced in Texas have increased over the last decade at an annual rate of about 4 percent. The growth in the State's cement industry has, of course, been influenced by the fluctuations in the construction industry.

New technology in the use of concrete (which is made of cement, used as the binding agent, and a mineral aggregate, such as wash sand and gravel or crushed stone) and the versatility of design permitted by concrete challenge the ingenuity and imagination of those who use it. Yet, cement and cementlike substances have a long history, dating back to around 2500 B.C., when clay was added to lime mortar in the Near East to make a binding-type substance. The Egyptians used a lime and gypsum mortar as a binding agent for such structures as the pyramids. The Romans perfected a cement that produced remarkably durable structures, but the technique for the manufacture of this type of cement disappeared during the Middle Ages. The manufacturing process used by the Romans was rediscovered in 1756 by an English engineer, John Smeaton, as he examined an ancient Latin manuscript.

Natural cement has the disadvantage of considerable variation in quality, arising from the diversity with which the ingredients are mixed by nature. A major improvement in cement was made in 1824 by Joseph Aspdin, an English bricklayer and stonemason. Aspdin manufac-

tured a cement from a carefully proportioned and blended mixture of limestone and clay. Because of its resemblance to the color of the stone quarried on the Isle of Portland, the product on which Aspdin secured a patent was called *portland cement*. Portland cement, since it is prepared according to a prescribed formula combining lime, silica, iron oxide, and aluminum, has the property of uniform quality; and, as a consequence, its performance is predictable, giving it a clear advantage over the less-consistent natural cement.

By 1850, portland cement was encroaching upon natural cement in all European markets, and it was first shipped to the United States in 1868 as ballast. But, no attempts were made to manufacture portland cement in the United States until 1875, when the Nation's first portland cement plant began production in Pennsylvania. Portland cement did not make serious inroads on the use of natural cement in the United States until the late 1800's; and by 1910, portland cement had substantially displaced natural cement.

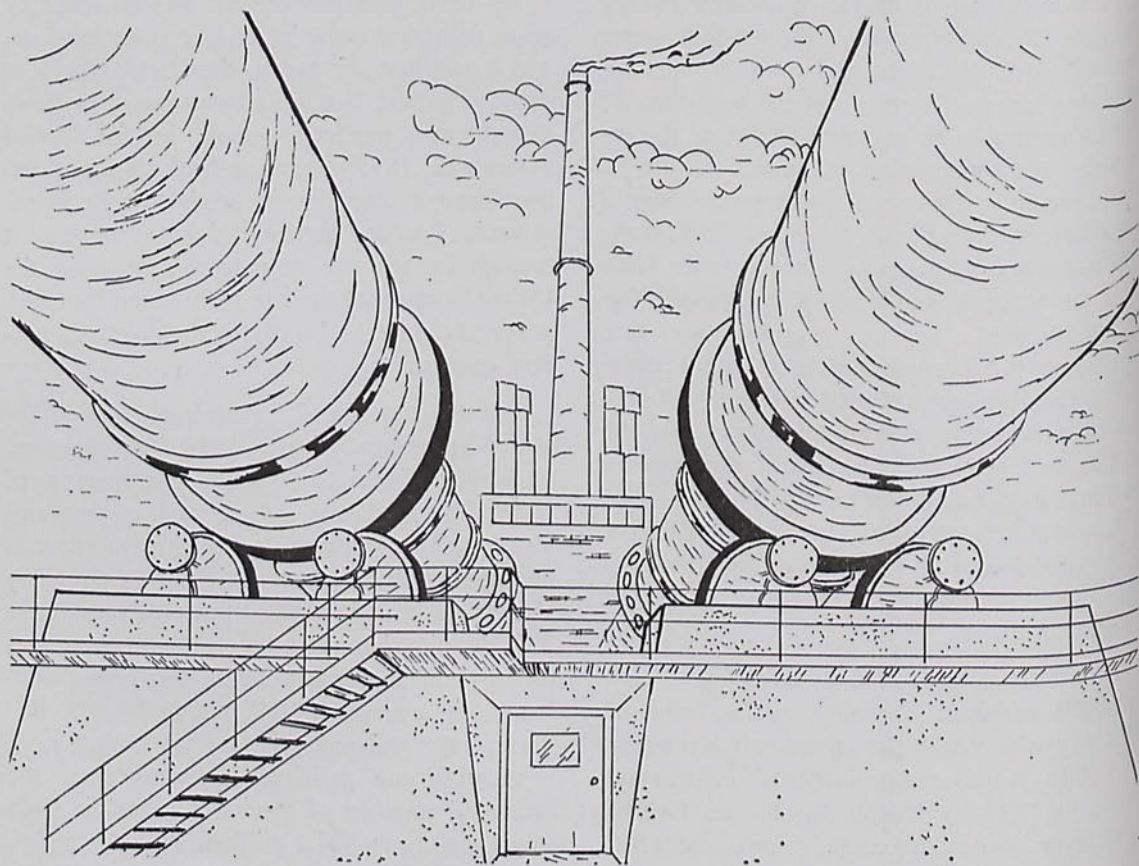
The use of portland cement in the Nation has grown substantially since 1910. In that year, 93.5 million barrels of portland cement were shipped by producers. (As the unit of measurement used in reference to cement production and shipments, a barrel weighs 376 pounds.) Fifty years later, in 1960, shipments were up to 312.3 million barrels, or more than three times the amount shipped in 1910. By 1966, shipments hit a record 380.7 million barrels. Reflecting the reduced physical volume of non-residential and residential construction, the estimated number of barrels shipped in 1967 eased slightly to 374.2 million. With the antici-

pated step-up in growth in the physical volume of highway construction, despite a stated reduction in Federal expenditures for the Interstate Highway System, it is expected that shipments in 1968 will exceed the record 1966 volume.

Portland cement has the property of hardening under water and, therefore, is referred to as a hydraulic cement. This type of cement is produced by burning a finely ground mixture containing mainly some form of lime (e.g., calcium carbonate), a smaller quantity of silica, and minor quantities of iron oxide and aluminum. The proportion of the ingredients is carefully controlled, and the mixture is burned at 2,700° F. in a kiln. The product of this burning — a clinker — is ground into a fine powder, which is the final product.

Two major categories of portland cement are produced, but there are several variations within the categories. The general use and moderate heat types constitute the predominant part, about 93 percent, of total output. High-early-strength is the next single most important category, although comprising only slightly less than 4 percent of total portland cement output. The high-early-strength type attains almost one-half of its ultimate strength in 1 day; in contrast, most other portland cements do not approach their ultimate strength until 1 year, reaching only 65 to 75 percent of their ultimate strength in 7 days.

The size of the rotary kilns, together with the other equipment necessary to the manufacture of cement, entails a large capital investment. The location of the source of the lime (usually



limestone) is the primary determinant of plant location, and the substantial investment involved requires that the source be adequate for many years of large-scale operations.

Cement produced in Texas originates from 21 plants located in 12 counties. Limestone is the basic raw material for the 15 plants located in the following inland counties: Bexar, Dallas, Ector, Ellis, El Paso, McLennan, Nolan, Potter, and Tarrant. The other six plants are located in the coastal counties of Harris, Nueces, and Orange and use oyster shells. The operations of those plants depending upon supplies of oyster shells may be adversely affected in the future because of the depletion of the oyster beds.

The desire to achieve the maximum economies accruing from large-scale capital investment and the limitation of the market area that can be served profitably because of transportation costs have led to intense intra-industry competition. Although transportation costs tend to limit the geographical extent of the market that can be served profitably, the use of high-capacity, automated barges and trucks and of market center terminals has permitted some extension of the market area. The pressure to attain optimum operations in the face of the 70-percent capacity utilization rate prevailing in Texas in recent years has made it advantageous to expand the geographical market area either by discounting the price of cement or by absorbing the additional transportation costs, just as long as the added revenue from the cement sales offsets the increased costs of producing the cement.

Moreover, attempts to assure an adequate market have encouraged cement producers in the State to manufacture concrete products, particularly ready-mixed concrete. Such vertical integration affords the producer the advantage of both closer consumer contact and the ability to offer the customer an array of cement products suitable for his various needs. For instance, the cement producer may offer a package price

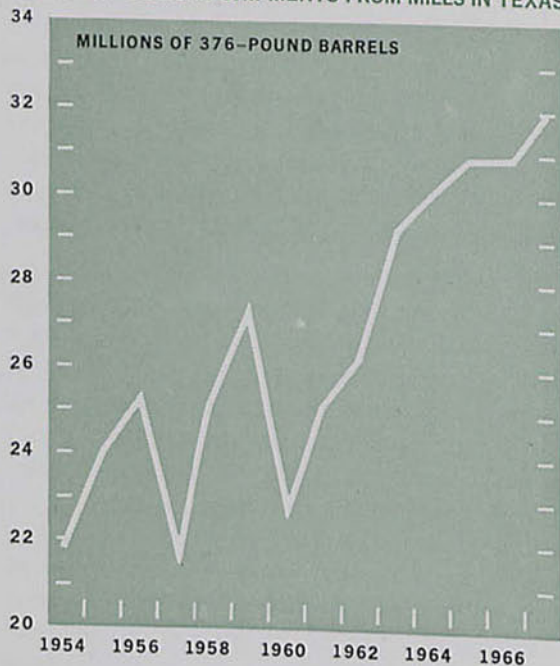
to a contractor for the several different cement products that will be required for a particular job. The package, rather than the individual items, can be priced to optimize the cement producer's revenue. Also, the package price may be substantially more favorable to the purchaser than the composite price would be if each type of item were purchased from a separate source.

In 1954, cement production and capacity for both Texas and the Nation were quite well balanced, with the capacity utilization rates at 93.8 percent and 91.4 percent, respectively. In 1957, a sharp drop in utilization rates occurred in both the Nation and Texas as production fell but capacity increased further. Since then, capacity growth has continued to exceed production—a condition which has led to considerable underutilization of capacity, especially in the case of Texas. For the State, the rate has fluctuated generally at close to 70 percent of capacity. Similarly, the utilization rate of the United States has varied at levels close to 76 percent.

Even though overcapacity has brought about pressures on the profits of Texas cement-producing firms, the expansion in output (and shipments) between 1954 and 1966—the last year for which state production data are available—has slightly exceeded the U.S. growth. This expansion has been induced by the increased cement needs in the rapidly developing Texas economy. Nevertheless, the industry produces in excess of the State's needs, as is evidenced by the fact that Texas is a net exporter of cement, with net exports of about 4.5 million barrels in 1965 and 3.9 million barrels in 1966.

The comparative price behavior of portland cement in Texas and in the United States is rather interesting. From 1954 to 1962, the price differential was substantially in the State's favor, averaging about 14 cents per barrel. In 1963, this differential slipped to 1 cent; and, since then, the price of Texas cement has remained within a narrow range of the national average price.

PORTLAND CEMENT SHIPMENTS FROM MILLS IN TEXAS



HYDRAULIC CEMENT PRODUCTION PER EMPLOYEE



SOURCES: U.S. Bureau of Mines,
U.S. Department of Commerce.

This narrowing of the price spread may be due to the relatively greater rise in the unit cost of a barrel of cement produced in Texas than in the Nation as a whole. Such a rise may reflect the adverse effect of the smaller increase in employee productivity in Texas, a trend which was in evidence between 1954 and 1964 (the last year for which complete comparable data are available). During this period, production per employee rose 36 percent, compared with 54 percent in the Nation; on the other hand, the average hourly wage for production workers increased 57 percent in Texas and 64 percent in the United States. Thus, the effect of the relatively slower rate of growth in employee productivity in Texas more than offset the cost advantage which would be expected to result from the fact that the increase in the hourly wage was less than in the Nation.

Although productivity per employee continues to be larger in Texas than in the Nation, the slower-than-national gain in the State reflects the differing employment trends. After reaching a peak in 1958, total employment in the cement industry in the Nation declined 17 percent by 1965, whereas shipments rose nearly 22 percent over the period. In Texas, employment in 1965 was down only about 4 percent from the number employed in 1958, while the increase in shipments nearly equaled the gain for the Nation. In 1966, Texas cement industry employment rose slightly more than 1.5 percent over the preceding year, even though shipments hardly changed. Some improvement in productivity in Texas may have taken place in 1967, since shipments expanded about 4 percent from the prior year and employment remained nearly constant.

A slower growth between 1954 and 1966 in average plant capacity in Texas (34 percent) than was the case for the Nation (42 percent) may also have operated to retard gains in average productivity in the Texas cement industry. Another factor restraining gains in productivity

was the substantial underutilization of capacity. Whereas the capacity utilized in Texas and the United States differed little between 1954 and 1957, capacity utilization in Texas since 1957 has consistently been below that of the United States. The difference varied from as low as 4.9 percent to as high as 14.2 percent during the 1958-63 period; after 1963, the gap was at least 6 percent. In 1967, however, with capacity utilization rising in Texas to about 71 percent but falling in the Nation to nearly 75 percent, the gap was reduced to 3.4 percent.

Despite the tendency for Texas to slip behind the Nation in the rise in productivity, the ratio of the cost of material and payrolls to the value of cement shipped in Texas in 1964 was only about 85 percent of the national ratio. As a result of the lower material and payroll costs in Texas and the higher level of employee productivity, the amount of income generated per employee which was available to defray other expenses — such as depreciation of capital, insurance, business taxes, etc. — and to provide profits for the enterprise still exceeded the U.S. level as late as 1964.

Cement has become indispensable in a wide array of uses. Sustained and substantial growth for the State's cement industry seems assured as population increases generate needs for more

highways, schools, dams, housing, industrial plants, airport runways, and many other projects, both major and minor. In addition to the normal expansion anticipated in the conventional outlets for cement, new uses of cement offer favorable opportunities to increase the proportion of cement utilized in all types of construction.

Ready-mixed concrete, which is concrete produced by a manufacturer and delivered by truck to the construction site, accounts for about 60 percent of cement shipments and is one of the fastest growing building materials. Sharing in the increasing importance of ready-mixed concrete are such concrete products as block and pipe. Also, significant expansion has occurred in the use of precast and prestressed concrete. New market opportunities in Texas for cement are being developed with such products as railroad crossties, roof shingles, and staves for silos used to store fodder for cattle feeding. The use of prestressed concrete, which makes possible the construction of long, unsupported spans in bridges and roofs, is a challenge to the imagination of architects and engineers. Precast concrete can be employed in diverse construction projects and may help to reduce construction costs significantly.

C. HOWARD DAVIS

**new
par
bank**

The Central Park Bank, San Antonio, 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, March 18, 1968. The officers are: C. M. Edwards, President; Lindsay Langham, Vice President; and Ted N. Marosis, Vice President and Cashier.

regional differences in the workweek and leisure of office workers

The long-term trend toward shorter working hours and greater leisure in the American economy has been described frequently. One economic theorist has commented on the trend as follows: "Hours of work have fallen sharply in the last half century . . . , the work week has generally shrunk to five days, and the number of holidays has not diminished. Since hours of work fell on average by about one-fifth, we may say roughly that Americans have voluntarily accepted about a fifth less money income in exchange for more leisure."¹

A recent study for the U.S. Department of Labor points out that, since 1948, a significant proportion of employees have been working more than a 48-hour week and that this proportion seems to be *increasing*, rather than declining. There are three types of individuals who are working long hours: professional and technical employees, managerial employees, and people who work long hours because of their need for additional income. Nevertheless, it is also true that, from 1948 to 1965, the proportion of full-time nonfarm employees working 40 hours or less increased from 56.6 percent to 63.5 percent, and the proportion working 41 to 48 hours dropped from 30.5 percent to 18.3 percent.²

The most marked reductions in hours of work occurred between 1900 and 1930, when average

¹ George J. Stigler, *The Theory of Price*, revised edition (New York: The Macmillan Company, 1952), p. 200.

² Peter Henle, "Leisure and the Long Workweek," *Monthly Labor Review*, Vol. 89, No. 7 (July 1966), pp. 721-723.

weekly hours dropped from about 67 to 55 for agricultural workers and from 56 to 43 for non-agricultural workers. A major influence on hours since the 1930's has been the passage of the Fair Labor Standards Act in 1938, which "represented legislative decision that 40 hours a week constituted a desirable standard . . . for workers in interstate commerce." The act did not prohibit work after 40 hours but made it more expensive for employers by requiring overtime pay. "The most significant change [in the workweek] since 1940 has been the more widespread adoption of the 40-hour week. Far more workers have seen their hours shortened to 40 than reduced below this level. . . . In effect, the standard set in the Fair Labor Standards Act for firms in interstate commerce had, by 1960, been extended to the vast majority of nonfarm wage and salary workers."³

Although the long-term trend has been toward shorter working hours for most nonfarm employees, there still remain differences in average workweeks among the various regions in the United States. This article explores the regional differences in the workweek, paid holidays, and paid vacations for office workers in the 2-year interval from July 1965 through June 1967. The data are based on a sample survey of business establishments which is conducted annually by the Department of Labor in a large number of standard metropolitan statistical areas. The survey gathers data on the wages and working conditions of full-time nonsupervisory employees;

³ Peter Henle, "Recent Growth of Paid Leisure for U.S. Workers," *Monthly Labor Review*, Vol. 85, No. 3 (March 1962), pp. 249-250.

therefore, individuals who work part time, moonlighters, and occasional workers are not included. This discussion deals with office workers only.

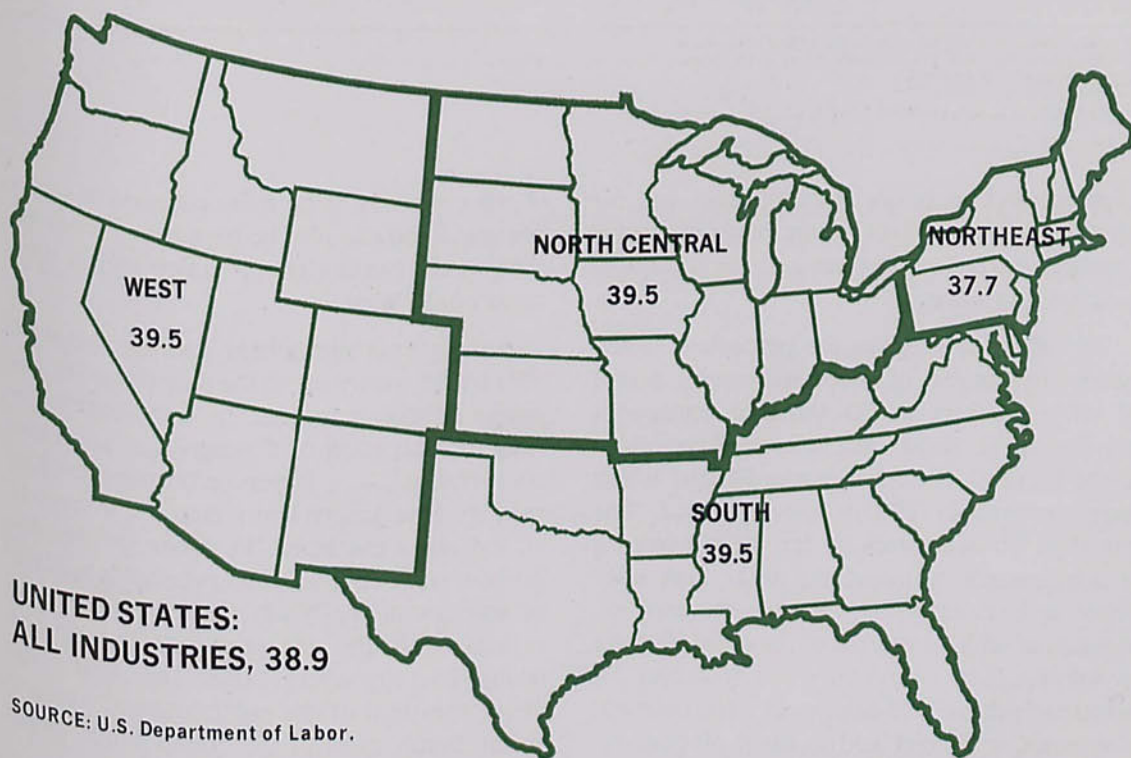
workweeks

The accompanying map gives the average scheduled workweeks for all office workers in metropolitan areas in 1965-66 in the United States and the four regions for which survey data are reported. As indicated in the map, the national average is about 1 hour under the 40-hour week, and three of the regions are somewhat closer to the 40-hour week. The workweek in the Northeast is the shortest — 1.8 hours less than the workweek in the South, North Central, and West. Among the individual metropolitan areas in the Northeast, New York (where more than 80 percent of the office workers have

less than a 40-hour week) has a heavy influence. Nationwide, office workers in the finance industries have the shortest workweek, 38.0 hours; while those in manufacturing and retail trade have the longest, 39.4 hours. Since 1960, there has been a slight reduction in the average workweek of office workers, which has changed from 39.0 hours to 38.9 hours.

A comparison of the average workweeks of female stenographers was made among 15 selected metropolitan areas in the four regions, including the Texas areas of Beaumont-Port Arthur-Orange, Dallas, Fort Worth, Houston, and San Antonio. The 5 Texas areas tend to have slightly longer hours for stenographers in most industries than any of the other 10 areas, including 2 other major southern areas, Atlanta and New Orleans. As will be seen later, the

AVERAGE SCHEDULED WEEKLY HOURS OF OFFICE WORKERS IN METROPOLITAN AREAS, 1965-66



UNITED STATES:
ALL INDUSTRIES, 38.9

SOURCE: U.S. Department of Labor.

DISTRIBUTION OF OFFICE WORKERS IN SELECTED STANDARD METROPOLITAN STATISTICAL AREAS, BY SCHEDULED WEEKLY HOURS IN ALL INDUSTRIES¹

Metropolitan area	Percentage distribution				Metropolitan area	Percentage distribution			
	Under 40 hours		40 hours	Over 40 hours		Under 40 hours		40 hours	Over 40 hours
	35	37.5				35	37.5		
Northeast					North Central				
Albany-Schenectady-Troy	2	37	42	57	1				
Boston	13	25	64	36	(3)	4	8	91	1
Buffalo ⁴	3	26	37	62	(3)	3	20	39	61
Newark and Jersey City	17	30	65	34	(3)	4	16	35	63
New Haven	2	29	48	51	(3)	3	16	23	76
New York ⁴	56	13	84	16	(3)	2	9	22	75
Philadelphia ⁴	9	23	53	47	(3)	3	16	20	76
Pittsburgh ⁴	3	22	30	70	(3)	2	22	31	68
Providence-Pawtucket-Warwick ⁴	9	17	42	56	2	1	9	17	82
South					West				
Atlanta	1	15	27	71	1				
Baltimore ⁴	3	19	36	64	1				
Beaumont-Port Arthur-Orange	1	2	4	91	5				
Birmingham ⁴	—	20	27	69	4				
Charlotte	1	27	34	63	3				
Dallas ⁴	1	7	18	79	3				
Fort Worth ⁴	(3)	—	2	95	3				
Houston	(3)	6	10	86	3				
Jackson	—	18	25	66	8				
Lubbock	—	1	1	78	21				
Memphis	1	11	13	83	4				
Miami	15	10	31	58	11				
Midland and Odessa	—	1	1	96	3				
New Orleans ⁴	3	16	21	75	4				
Oklahoma City ⁴	—	1	7	90	3				
Raleigh	9	17	42	56	3				
Richmond	3	28	53	46	1				
San Antonio ⁴	—	2	7	88	5				
					Akron ⁴ (3) 4 8 91 1 Chicago ⁴ 3 20 39 61 (3) Cincinnati 4 16 35 63 2 Cleveland ⁴ 3 16 23 76 1 Columbus ⁴ 2 9 22 75 3 Dayton 3 16 20 76 3 Des Moines 2 22 31 68 1 Detroit ⁴ 1 9 17 82 1 Indianapolis (3) 7 17 80 2 Kansas City (3) 7 14 84 (3) Milwaukee ⁴ (3) 8 17 82 (3) Minneapolis-St. Paul ⁴ (3) 8 23 77 (3) Omaha (3) 4 7 88 5 St. Louis ⁴ 7 11 31 69 (3) South Bend — 2 7 91 2 Youngstown-Warren — 4 13 86 1				

¹ Data are for 1965-66 unless indicated otherwise.

² May include weekly schedules other than those presented separately.

³ Less than 0.5 percent.

⁴ Data are for 1966-67.

SOURCE: U.S. Department of Labor.

average workweeks for stenographers and for all office workers reflect a wide range of diverse practices in the four regions and the individual metropolitan areas.

The above table gives the percentage distribution, by number of scheduled weekly hours, of office workers in 50 standard metropolitan statistical areas. All metropolitan areas in the Eleventh Federal Reserve District which were surveyed in 1965-67 are included. The less than 40-hour week is far more common in northeastern metropolitan areas than elsewhere in the country; New York is the most extreme case, with 84 percent of the office workers having less than a 40-hour week, including 56 percent who have a 35-hour week. The over 40-hour week, while confined to small proportions

of office workers, is far more common in southern areas and can also be found, to a lesser extent, in the North Central section and in some areas of the West.

Although not shown here, data are also available on the workweek in the manufacturing and public utilities industries. In manufacturing—with the exception of Chicago and San Francisco-Oakland—a larger percentage of office workers have longer hours than the average in all industries combined. In public utilities, the 40-hour week covers the overwhelming majority of workers in the North Central and western regions with the exception of Detroit and Seattle-Everett, where hours are shorter for about one-third of the public utilities workers. In the South, most of the "Deep South" areas

have a significant proportion of public utilities office workers on a less than 40-hour week; while, in the Texas areas, the overwhelming majority of public utilities workers are on a 40-hour week. In fact, this generalization also covers all industries in the South. There is a greater tendency toward shorter hours for office workers in the Deep South than in Texas.

paid holidays and vacations

Office workers in metropolitan areas in the Northeast receive more paid holidays than those in the other regions. There, 10, 11, and even 12 paid holidays annually are given to a sizable percentage of workers in such areas as Albany-Schenectady-Troy, Boston, Buffalo, New Haven, New York, and Philadelphia. An outstanding exception to the larger number of paid holidays in this region is Pittsburgh, where only 6 percent of the office workers receive more than 9 paid holidays. In the other three regions, more than 9 paid holidays are virtually unknown, except for a few areas in the North Central section where a small percentage of workers receive 10 paid holidays and Baltimore, where 17 percent of the workers receive 10 paid holidays.

In 1965-66, 62 percent of the office workers in the Northeast received 9 paid holidays or

more, whereas only 9 percent of the office workers in the South received 9 paid holidays or more. The proportion was 21 percent for the North Central section and 20 percent for the West. The South gives office workers the lowest number of paid holidays in any of the four regions. Furthermore, although the average number of paid holidays increased in all the other regions from 1960 to 1966, it did not increase in the South, as is indicated in the accompanying table.

The next table gives some comparative data on paid vacations for office workers in the four regions in 1965-66. The pattern for workweeks and paid holidays is repeated here. Compared with the other regions, the Northeast gives longer paid vacations to a larger percentage of office workers, and the South gives longer vacations to a smaller percentage of office workers. From 1960 to 1966, the national trend was toward liberalization of vacation provisions — generally in the direction of shorter length-of-service requirements or longer vacations after qualifying lengths of service. For example, the proportion of office workers receiving 3 weeks or more of vacation after 10 years of service increased from 38 percent in 1960 to 66 percent in 1966.

AVERAGE NUMBER OF PAID HOLIDAYS PROVIDED METROPOLITAN OFFICE WORKERS

Area and industry division	1966	1960
All metropolitan areas	8.0	7.8
Regions		
Northeast	9.3	9.0
South	6.7	6.7
North Central	7.4	7.0
West	7.8	7.5
Industry divisions		
Manufacturing	8.0	7.4
Public utilities	8.1	7.8
Wholesale trade	7.6	7.4
Retail trade	6.7	6.6
Finance ¹	8.7	8.9
Services	7.4	7.4

¹ The small decrease in finance can be attributed to sampling variability and to the fact that some banks improved other working conditions while reducing the number of paid holidays given.

SOURCE: U.S. Department of Labor.

PERCENTAGE OF METROPOLITAN OFFICE WORKERS ELIGIBLE FOR SELECTED VACATION PROVISIONS,¹ 1965-66

Length of service and amount of vacation	Percentage eligible			
	North-east	South	North Central	West
After 1 year:				
1 week	12	30	26	23
2 weeks	86	66	73	74
After 2 years:				
1 week	3	9	5	3
2 weeks	91	84	90	91
After 10 years:				
2 weeks	23	49	29	26
3 weeks	68	40	58	67
After 25 years:				
2 weeks	7	22	7	7
3 weeks	22	28	28	34
4 weeks	65	41	58	54

¹ Fractions of a week are omitted.
SOURCE: U.S. Department of Labor.

reasons for differences

It is clear that the workweek for office workers is shorter and there is more paid leisure in the Northeast than in any other region of the country. The average workweeks in the other three sections are the same, but there is less paid leisure in the South than in any other region. Among the individual metropolitan areas, there is considerable variation in the percentages of office workers who work a 40-hour week or less than 40 hours, as well as considerable variation in vacation provisions and in the number of paid holidays.

Are the differences in working hours and paid leisure associated with the differences among the metropolitan areas in industrial structure, population, and the extent of unionization of the work force? (Some of these variables, of course, may be interrelated.) For example, the Department of Labor has found that, among the six industries covered in its survey, the shortest workweek for office workers is in finance while the longest workweeks are in manufacturing and retail trade. This finding would lead one to expect that, in an area where manufacturing accounts for a high percentage of total employment, working hours would be longer than in an area where manufacturing has less weight. Also, there might be a tendency for metropolitan areas with very large populations to have shorter workweeks, partly because many people in such an area must commute longer distances to and from work than is the case in smaller cities.

However, when the 50 metropolitan areas in this study are ranked according to the percentage of office workers who work fewer than 40 hours and then are compared as to industrial structure (the percentage of workers employed in manufacturing and trade) and population, no overwhelmingly clear results emerge. Formal tests of the relationship between the workweek and three other variables — population, percentage of manufacturing employment, and percent-

age of trade employment—in the metropolitan areas for which data are available were made. The results of the tests indicate that the association between hours worked and these three variables is very weak.

The weakness in the association may rest, in part, on the occurrence of the following type of situation. In relating hours to manufacturing employment, the expectation is that a high percentage of such employment would be associated with a low percentage of office workers having less than a 40-hour workweek. But, in Albuquerque, which has only 8.7 percent of its total nonfarm employment in manufacturing—the lowest proportion among the 50 metropolitan areas—only 3 percent of the office workers have workweeks of less than 40 hours—also one of the lowest proportions among all 50 areas. On the other hand, and more in line with expectations, Youngstown-Warren, Akron, and South Bend are areas with 39 percent or more of their total nonfarm employment in manufacturing and are also areas where the proportion of office workers who work less than 40 hours is only 13 percent or lower.

In the comparison of hours and population, the expectation is that the larger the population the shorter the hours, and vice versa. But, the formal test does not show a more significant relationship between hours and population than exists between hours and industrial structure. Of course, the New York metropolitan area, with the shortest working hours of any of the 50 areas, is the largest in population. At the other end of the scale, the Lubbock area and the Midland and Odessa area, with the smallest proportion of office workers—1 percent—working fewer than 40 hours, also have the smallest populations among the 50 areas.

There appears at first glance to be a definite clustering of many of the smaller population areas toward the lower end of the scale (longer hours). But again, there are such anomalies as that of the Los Angeles area, which has a

combined population of 8 million and is to be found in the lower half of the scale; while San Francisco-Oakland has a population of 3 million and is well toward the upper end of the scale (shorter hours). In the Los Angeles area, 18 percent of the office workers have workweeks of less than 40 hours; in San Francisco, 40 percent. According to the expectation, their rankings on the basis of hours should be reversed.

The hours data for the 50 metropolitan areas were also compared with information on the types of manufacturing industries in the areas in order to determine whether there might be a relationship between the distribution of heavy industry and light industry and the hours worked by office workers. Data on unemployment rates for most of the 50 areas were also compared with the hours data. Inspection of these data did not reveal the existence of a relationship between hours worked and types of manufacturing industry or between hours and unemployment rates.

It has been shown that the South is the region of the United States where longer workweeks are more common than in the rest of the country — this being true of Texas metropolitan areas more so than of other southern metropolitan areas — and where there is less paid leisure. This fact may be broadly attributed to the relatively youthful industrialization status of the South and Southwest, especially in comparison with the Northeast and North Central sections. As the South and Southwest become increasingly industrialized, it is probable that they will exhibit the trends of the other areas toward shorter workweeks and more paid leisure.

As in the past, increased leisure is likely to come from increased productivity. The following calculation and conclusions from the previously cited 1962 study by Peter Henle suggest this probability. The total increase in paid leisure in the Nation between 1940 and 1960 is estimated as follows:

*hours per year
per full-time
employed person*

1½ hours less in the workweek	75
6 days more paid vacation	48
4 days more paid holidays	<u>32</u>
Total	155

The 155 hours represent almost 4 average weeks of employment, but they represent only a small fraction of the gain in productivity that the national economy has achieved since 1940. [Bureau of Labor Statistics] estimates of output per man-hour would indicate that to produce the 1960 output with the 1940 productivity would have required an additional 1,447 hours of working time... for each employed member of the 1960 labor force. Thus, the 155 hours that have been accounted for in terms of reduced hours of work, increased vacations, and paid holidays amount to only 11 percent of the hours that have been made available by the Nation's increased productivity since 1940.

A review of the changes in paid leisure between 1940 and 1960 shows that there was no major shift in the standard workweek. Perhaps the most significant development was that more than half the total gain in paid leisure resulted from increased vacation and holiday time, rather than from a reduction in working hours. This is a definite shift from the pattern of earlier years and seems to indicate that leisure time preferences are running more to additional whole days each year rather than additional minutes each day.⁴

⁴ "Recent Growth of Paid Leisure for U.S. Workers," pp. 256-257.

Thus, it may be foreseen that continuing economic growth—nationally, as well as in the South—based on rising productivity will make possible further increases in paid leisure in the future. It is likely that, in line with national

trends since 1940, this increased leisure will take the form of more holidays and longer vacations, rather than noticeable reductions in the workweek.

JANE KENNEDY

district highlights

At a level of 167.4 percent of its 1957-59 base, the seasonally adjusted Texas industrial production index in March dipped fractionally below the preceding month. A moderate month-to-month advance in total durable goods production was slightly more than offset by a decline in mining activity, resulting primarily from a 3.2-percent reduction in the adjusted production of crude petroleum. Changes in the output of most durable goods industries were slight. Electrical machinery, with a gain of 2.5 percent, and transportation equipment, with an increase of 5.3 percent, were the only durable goods industries exhibiting notable strength over the previous month. The nondurable goods manufacturing sector was characterized by practically no output changes for the individual industries.

Compared with March last year, industrial production in the State increased slightly better than 9 percent. The industries experiencing the strongest year-to-year gains, ranging from 18 percent to 33 percent, were electrical machinery, transportation equipment, "other" durables (mainly ordnance), and leather and leather products. Of the remaining 20 industries, 4

showed gains which moderately exceeded the overall increase in industrial production. Activity in the stone, clay, and glass products industry—one of the two industries posting modest declines—was adversely affected by the work stoppage still in progress in the glass industry during the week in which the employment data were collected.

Nonagricultural wage and salary employment in the five southwestern states in March rose fractionally above the level in the preceding month and was nearly 4 percent ahead of March 1967. Although the overall employment gain was in line with normal seasonal expectations, manufacturing employment showed a stronger increase than usual for this time of year. The number of nonmanufacturing employees advanced less than seasonally, due primarily to the fact that construction employment rose much less than is normal in March. The numbers of persons engaged in nearly all the other nonmanufacturing categories exhibited stronger-than-seasonal gains.

On a year-to-year basis, manufacturing, service, and government employment each posted

a percentage increase which was greater than the rise in total employment in the five states. Mining employment continued under a year ago.

The output of crude oil in the Eleventh District moved upward only slightly during March but was at the second highest level of record. Averaging 3.8 million barrels per day, output in March was 12.4 percent greater than a year earlier. Because of a seasonal decrease in the demand for petroleum and the possibility of increased imports of oil, the Texas allowable was lowered from 49.6 percent of the Maximum Efficient Rate of production in March to 46.7 percent in April and will be 45.7 percent in May. In Louisiana as well, the allowable has been lowered for May, although it will be unchanged in southeastern New Mexico.

The Texas Railroad Commission has permanently accepted the lease allowable system for proration of oil output in the State, but the east Texas field will not operate under the new method. Under the plan, oil operators regulate output from an oil field, rather than on the basis of individual wells. As a result, producers can rely more heavily on prolific wells than marginal ones.

Through April 20 of this year, department store sales in the Eleventh District exceeded those during the comparable period in 1967 by 10 percent. The increase between 1966 and 1967 for the like period of time was 3 percent. Reflecting, in part, the later date of Easter in 1968, sales during the 4 weeks ended April 20 showed a sharp gain of 18 percent over the corresponding weeks last year.

In March, total registrations of new passenger automobiles in the major metropolitan areas of Dallas, Fort Worth, Houston, and San Antonio were 6 percent higher than those in February. San Antonio registrations, up 24 percent, showed the largest relative gain. Compared with

the same period a year ago, when new car sales were relatively inactive, the cumulative figure for the four centers thus far in 1968 was 20 percent larger. Fort Worth and San Antonio have been particularly active markets, as reflected in increases of 48 percent and 24 percent, respectively, in cumulative registrations; Dallas and Houston have experienced more moderate increases.

With the exception of total investments, each of the major balance sheet items increased at Eleventh District weekly reporting commercial banks in the 4 weeks ended April 17. Changes in these categories were heavily influenced by seasonal factors but also reflected greater pressures on bank reserve positions and an apparent expansion in business loan demand.

Loans adjusted rose \$111 million, primarily as a result of a \$56 million advance in commercial and industrial loans. In the comparable period a year ago, loans adjusted increased \$74 million, and business loans rose \$36 million. In contrast to the sharp advance in loans, total investments fell \$4 million, principally because of a decline in Treasury bill holdings.

On the liability side of the balance sheet, total demand deposits advanced \$146 million as increases of \$114 million in the demand deposits of individuals, partnerships, and corporations and \$78 million in interbank demand deposits more than offset a \$47 million reduction in U.S. Government demand deposits. Total time and savings deposits rose \$8 million. Despite higher open market rates, negotiable time certificates of deposit issued in denominations of \$100,000 or more advanced \$43 million to a level of \$1,332 million.

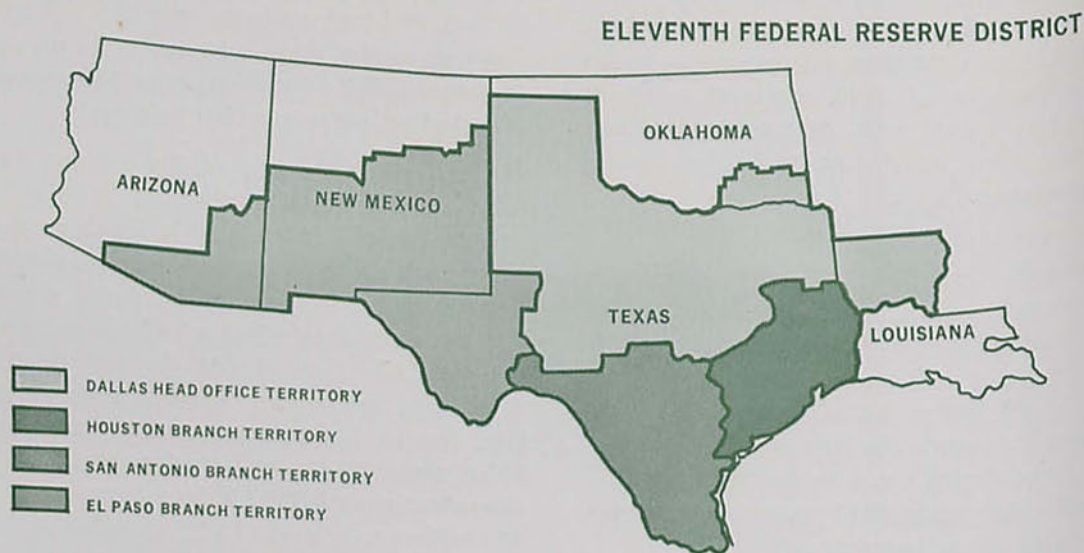
Although intermittent rainfall continues to hamper field activities in many areas of the Eleventh District, planting of spring crops is being rushed as the temperature and moisture content of soils permit. Virtually without ex-

ception, the planting schedules for the major spring crops are well behind the usual schedules. Wheat is making generally good growth in most sections except the Northern High Plains of Texas, where some wheat is showing stress due to lack of moisture. As of April 1, winter wheat production in the five southwestern states is placed at 240.8 million bushels, or 60 percent larger than the outturn in 1967. Substantial year-to-year gains are indicated for New Mexico, Oklahoma, and Texas; the crop in Arizona may be about the same as last year, but that in Louisiana is expected to be 5 percent smaller.

Seeding of cotton is virtually complete in the Lower Valley and Coastal Bend sections

of Texas, but progress continues to lag in later sections. Planting schedules for corn, peanuts, rice, and sorghums also are tardy. Harvest of citrus fruits is nearly complete in the Lower Rio Grande Valley of Texas, and prospects for next season's crop appear quite promising. The peach crop apparently escaped significant freeze damage, and prospects are favorable in Louisiana, Oklahoma, and Texas.

Reflecting ample moisture supplies, the condition of ranges and livestock continues to show improvement. Oats are furnishing lush grazing in most areas, and bloat losses have been relatively low. In the Edwards Plateau area, shearing of sheep and goats remained active in late April.



STATISTICAL SUPPLEMENT

to the

BUSINESS REVIEW

May 1968



**FEDERAL RESERVE BANK
OF DALLAS**

CONDITION STATISTICS OF WEEKLY REPORTING
COMMERCIAL BANKS

Eleventh Federal Reserve District

(In thousands of dollars)

Item	Apr. 24, 1968	Mar. 27, 1968	Apr. 26, 1967
ASSETS			
Net loans and discounts.....	5,498,476	5,390,513	5,034,440
Valuation reserves.....	107,005	107,266	96,588
Gross loans and discounts.....	5,605,481	5,497,779	5,131,028
Commercial and industrial loans.....	2,731,827	2,697,398r	2,536,541
Agricultural loans, excluding CCC certificates of interest.....	99,732	98,436	92,551
Loans to brokers and dealers for purchasing or carrying: U.S. Government securities.....	20,589	16,774	28,502
Other securities.....	20,057	25,890	34,940
Other loans for purchasing or carrying: U.S. Government securities.....	430	431	1,020
Other securities.....	336,122	337,203	307,603
Loans to nonbank financial institutions: Sales finance, personal finance, factors, and other business credit companies.....	132,406	167,593	155,570
Other.....	275,070	267,287	280,442
Real estate loans.....	543,430	536,801	468,413
Loans to domestic commercial banks.....	246,017	175,052	158,047
Loans to foreign banks.....	5,198	5,372	5,419
Consumer instalment loans.....	568,353	553,358	517,080
Loans to foreign governments, official institutions, central banks, international institutions.....	0	0	0
Other loans.....	626,250	616,184r	544,900
Total investments.....	2,496,952	2,484,919	2,302,459
Total U.S. Government securities.....	1,176,135	1,194,441	1,092,275
Treasury bills.....	85,784	100,664	58,476
Treasury certificates of indebtedness.....	0	0	15,115
Treasury notes and U.S. Government bonds maturing: Within 1 year.....	232,799	213,494	126,613
1 year to 5 years.....	608,662	616,381	624,904
After 5 years.....	248,890	263,902	267,167
Obligations of states and political subdivisions: Tax warrants and short-term notes and bills..	15,573	7,012	7,747
All other.....	1,124,511	1,094,741	1,007,362
Other bonds, corporate stocks, and securities: Participation certificates in Federal agency loans.....	105,935	112,034	130,544
All other (including corporate stocks).....	74,798	76,691	64,531
Cash items in process of collection.....	1,180,618	884,739	1,025,828
Reserves with Federal Reserve Bank.....	715,244	776,791	716,514
Currency and coin.....	85,379	81,336	80,444
Balances with banks in the United States.....	503,668	446,677	476,865
Balances with banks in foreign countries.....	4,431	4,354	4,503
Other assets.....	363,747	360,210	329,551
TOTAL ASSETS.....	10,848,515	10,429,539	9,970,604
LIABILITIES			
Total deposits.....	8,975,896	8,893,608	8,484,361
Total demand deposits.....	5,434,153	5,312,533	5,115,002
Individuals, partnerships, and corporations....	3,765,198	3,696,866	3,468,919
States and political subdivisions.....	299,720	304,544	276,704
U.S. Government.....	107,230	120,188	145,211
Banks in the United States.....	1,158,694	1,094,387	1,121,120
Foreign: Governments, official institutions, central banks, international institutions.....	3,732	4,092	3,014
Commercial banks.....	23,318	24,303	21,773
Certified and officers' checks, etc.....	76,261	68,153	78,261
Total time and savings deposits.....	3,541,743	3,581,075	3,369,359
Individuals, partnerships, and corporations: Savings deposits.....	1,077,006	1,092,905	1,108,661
Other time deposits.....	1,816,948	1,796,344	1,569,347
States and political subdivisions.....	610,508	660,602	658,522
U.S. Government (including postal savings)...	7,655	8,688	10,732
Banks in the United States.....	24,126	19,036	20,567
Foreign: Governments, official institutions, central banks, international institutions.....	5,300	3,300	800
Commercial banks.....	200	200	730
Bills payable, rediscounts, and other liabilities for borrowed money.....	724,193	406,333	431,667
Other liabilities.....	240,945	228,011	181,278
CAPITAL ACCOUNTS.....	907,481	901,587	873,298
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	10,848,515	10,429,539	9,970,604

r — Revised.

RESERVE POSITIONS OF MEMBER BANKS

Eleventh Federal Reserve District

(Averages of daily figures. In thousands of dollars)

Item	4 weeks ended Apr. 3, 1968	4 weeks ended Mar. 6, 1968	5 weeks ended Apr. 5, 1967
RESERVE CITY BANKS			
Total reserves held.....	699,388	698,261	640,156
With Federal Reserve Bank....	651,800	651,662	595,680
Currency and coin.....	47,588	46,599	44,476
Required reserves.....	692,992	692,990	635,777
Excess reserves.....	6,396	5,271	4,379
Borrowings.....	3,743	3,003	1,029
Free reserves.....	2,653	2,268	3,350
COUNTRY BANKS			
Total reserves held.....	700,282	700,371	644,169
With Federal Reserve Bank....	536,850	537,146	492,380
Currency and coin.....	163,432	163,225	151,789
Required reserves.....	665,286	665,965	602,341
Excess reserves.....	34,996	34,406	41,828
Borrowings.....	5,061	1,181	3,273
Free reserves.....	29,935	33,225	38,555
ALL MEMBER BANKS			
Total reserves held.....	1,399,670	1,398,632	1,284,325
With Federal Reserve Bank....	1,188,650	1,188,808	1,088,060
Currency and coin.....	211,020	209,824	196,265
Required reserves.....	1,358,278	1,358,955	1,238,118
Excess reserves.....	41,392	39,677	46,207
Borrowings.....	8,804	4,184	4,302
Free reserves.....	32,588	35,493	41,905

CONDITION OF THE FEDERAL RESERVE BANK OF DALLAS

(In thousands of dollars)

Item	Apr. 24, 1968	Mar. 27, 1968	Apr. 26, 1967
Total gold certificate reserves.....	410,348	365,747	394,896
Discounts for member banks.....	78,729	34,499	2,089
Other discounts and advances.....	855	855	1,450
U.S. Government securities.....	2,109,679	2,113,582	1,880,934
Total earning assets.....	2,189,263	2,148,936	1,884,473
Member bank reserve deposits.....	1,154,778	1,215,948	1,094,844
Federal Reserve notes in actual circulation....	1,416,474	1,391,160	1,249,134

CONDITION STATISTICS OF ALL MEMBER BANKS

Eleventh Federal Reserve District

(In millions of dollars)

Item	Mar. 27, 1968	Feb. 28, 1968	Mar. 29, 1967
ASSETS			
Loans and discounts.....	9,502	9,523	8,939
U.S. Government obligations.....	2,562	2,606	2,353
Other securities.....	2,704	2,680	2,301
Reserves with Federal Reserve Bank.....	1,216	1,133	1,034
Cash in vault.....	240	239	227
Balances with banks in the United States....	1,125	1,090	1,084
Balances with banks in foreign countries ^a ...	7	6	833
Cash items in process of collection.....	1,001	1,008	512
Other assets ^a	462	456	17,290
TOTAL ASSETS^a.....	18,819	18,741	17,290
LIABILITIES AND CAPITAL ACCOUNTS			
Demand deposits of banks.....	1,369	1,368	1,355
Other demand deposits.....	8,148	8,206	7,644
Time deposits.....	6,966	6,904	6,296
Total deposits.....	16,483	16,478	15,295
Borrowings.....	433	412	278
Other liabilities ^a	339	309	237
Total capital accounts ^a	1,564	1,542	1,480
TOTAL LIABILITIES AND CAPITAL ACCOUNTS^a.....	18,819	18,741	17,290

e — Estimated.

BANK DEBITS, END-OF-MONTH DEPOSITS, AND DEPOSIT TURNOVER

(Dollar amounts in thousands, seasonally adjusted)

Standard metropolitan statistical area	DEBITS TO DEMAND DEPOSIT ACCOUNTS ¹					DEMAND DEPOSITS ¹		
	March 1968 (Annual-rate basis)	Percent change			March 31, 1968	Annual rate of turnover		
		March 1968 from	February 1968	March 1967		March 1968	February 1968	March 1967
ARIZONA: Tucson.....	\$ 4,137,216	-8	2	4	\$ 179,132	23.9	26.9	24.5
LOUISIANA: Monroe.....	2,082,084	-3	4	7	77,862	27.2	26.8	28.0
Shreveport.....	6,244,068	-3	10	10	226,772	28.0	28.9	26.4
NEW MEXICO: Roswell ²	621,420	-7	2	5	31,499	19.5	20.2	18.2
TEXAS: Abilene.....	1,759,044	-3	-9	-8	92,016	19.0	19.1	20.3
Amarillo.....	4,671,648	-8	9	10	133,343	35.1	37.5	30.8
Austin.....	4,946,556	-10	8	19	238,299	21.3	24.0	24.4
Beaumont-Port Arthur-Orange.....	5,500,740	-1	4	2	223,531	24.7	25.0	24.0
Brownsville-Harlingen-San Benito.....	1,406,280	-6	5	11	76,037	18.7	20.1	22.2
Corpus Christi.....	4,254,948	-6	11	12	191,283	22.0	23.5	21.2
Corsicana ²	447,168	26	21	15	27,851	15.9	12.5	12.8
Dallas.....	78,232,524	5	16	15	1,887,520	42.0	40.7	39.3
El Paso.....	5,401,284	7	3	5	201,139	26.8	25.5	25.1
Fort Worth.....	17,696,820	1	20	17	558,169	32.1	31.9	29.3
Galveston-Texas City.....	2,606,412	6	23	16	95,385	27.0	24.9	23.1
Houston.....	75,491,424	0	13	14	2,201,680	35.2	35.9	34.2
Laredo.....	675,204	1	8	11	33,656	20.0	20.2	18.8
Lubbock.....	3,483,072	1	-1	2	140,064	24.4	24.4	25.3
McAllen-Pharr-Edinburg.....	1,335,732	0	8	6	79,077	16.4	15.9	17.1
Midland.....	1,618,068	-3	5	7	126,242	13.0	13.6	12.9
Odessa.....	1,196,544	-3	1	2	63,927	18.4	18.9	17.8
San Angelo.....	978,156	-3	5	6	60,783	16.0	16.5	16.7
San Antonio.....	13,528,896	-10	14	17	559,585	24.3	27.4	23.2
Sherman-Denton.....	882,636	6	6	8	53,239	16.5	15.4	16.2
Texarkana (Texas-Arkansas).....	1,314,468	-5	11	10	62,841	20.7	22.2	20.6
Tyler.....	1,735,020	2	14	9	85,245	20.4	20.2	18.6
Waco.....	2,292,792	-1	11	9	114,374	20.3	20.3	18.7
Wichita Falls.....	1,936,968	-4	8	1	113,271	17.0	18.0	15.9
Total—28 centers.....	\$246,477,192	0	13	13	\$7,933,822	31.5	31.7	30.0

¹ Deposits of individuals, partnerships, and corporations and of states and political subdivisions.
² County basis.

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
1966: March.....	8,788	4,047	4,741	5,674	2,688	2,986
1967: March.....	8,951	4,106	4,845	6,183	2,738	3,445
October.....	9,511	4,448	5,063	6,457	2,753	3,704
November.....	9,582	4,417	5,165	6,509	2,744	3,765
December.....	9,841	4,589	5,252	6,571	2,762	3,809
1968: January.....	9,923	4,560	5,363	6,698	2,815	3,883
February.....	9,561	4,391	5,170	6,863	2,851	4,012
March.....	9,510	4,388	5,122	6,935	2,863	4,072

WINTER WHEAT PRODUCTION

(In thousands of bushels)

Area	1968, indicated April 1	1967	Average 1962-66
Arizona.....	2,451	2,450	1,174
Louisiana.....	2,475	2,600	1,312
New Mexico.....	5,763	3,948	4,092
Oklahoma.....	132,572	88,689	94,946
Texas.....	97,508	53,216	60,621
Total.....	240,769	150,903	162,145

SOURCE: U.S. Department of Agriculture.

BUILDING PERMITS

VALUATION (Dollar amounts in thousands)

Area	NUMBER		VALUATION		Percent change		
	Mar. 1968	3 mos. 1968	Mar. 1968	3 mos. 1968	Mar. 1968 from	Feb. 1968	Mar. 1967
					1968 from	1967	3 months, 1968 from 1967
ARIZONA							
Tucson.....	596	1,472	\$ 1,804	\$ 5,523	-11	-53	-15
LOUISIANA							
Monroe-West							
Monroe.....	74	197	1,664	4,278	105	52	-25
Shreveport.....	352	931	2,466	6,094	28	-33	4
TEXAS							
Abilene.....	51	104	855	1,501	415	-14	-70
Amarillo.....	110	336	2,170	6,200	2	20	45
Austin.....	392	1,096	8,354	28,710	-35	-62	-27
Beaumont.....	129	381	1,238	4,037	-13	-22	0
Brownsville.....	115	361	335	1,201	-44	63	99
Corpus Christi.....	406	1,192	2,017	11,244	-7	14	59
Dallas.....	1,651	4,419	20,734	54,828	13	9	15
El Paso.....	487	1,334	5,484	21,223	-6	31	49
Fort Worth.....	492	1,394	5,776	18,203	-35	3	-7
Galveston.....	69	195	1,236	2,371	78	240	63
Houston.....	1,979	6,401	36,656	114,200	-11	-20	25
Laredo.....	37	94	141	442	-29	10	-60
Lubbock.....	114	337	1,505	5,151	26	-43	-2
Midland.....	88	193	1,312	2,844	55	67	19
Odessa.....	77	177	684	1,584	96	27	1
Port Arthur.....	72	181	306	806	4	4	-35
San Angelo.....	67	189	598	1,927	-32	6	22
San Antonio.....	1,319	3,359	8,835	40,844	-39	-11	33
Texarkana.....	46	120	163	1,214	-77	-80	-6
Waco.....	219	641	1,649	4,967	39	8	93
Wichita Falls.....	86	201	692	1,871	10	-35	-11
Total—24 cities.....	9,028	25,305	\$106,674	\$341,263	-11	-18	13

VALUE OF CONSTRUCTION CONTRACTS

(In millions of dollars)

Area and type	March 1968	February 1968	January 1968	January—March	
				1968	1967 ^r
FIVE SOUTHWESTERN STATES¹					
Residential building.....	566	390	453	1,406	1,257
Nonresidential building....	253	190	199	598	468
Nonbuilding construction...	150	92	177	418	446
	163	108	77	348	344
UNITED STATES.....					
Residential building.....	5,417	3,704	3,714	12,784	10,793
Nonresidential building....	2,220	1,495	1,462	5,161	3,855
Nonbuilding construction...	1,835	1,251	1,347	4,417	4,282
	1,362	958	905	3,205	2,655

¹ Arizona, Louisiana, New Mexico, Oklahoma, and Texas.
 r — Revised.

 NOTE: — Details may not add to totals because of rounding.
 SOURCE: F. W. Dodge, McGraw-Hill, Inc.

NONAGRICULTURAL EMPLOYMENT

 Five Southwestern States¹

Type of employment	Number of persons			Percent change Mar. 1968 from	
	March 1968p	February 1968	March 1967 ^r	Feb. 1968	March 1967
Total nonagricultural					
wage and salary workers..	5,817,400	5,791,000	5,599,800	0.5	3.9
Manufacturing.....	1,074,500	1,069,000	1,027,000	.5	4.6
Nonmanufacturing.....	4,742,900	4,722,000	4,572,800	.4	3.7
Mining.....	221,500	220,300	229,200	.5	-3.4
Construction.....	376,000	371,600	364,400	1.2	3.2
Transportation and public utilities.....	431,800	433,500	425,000	-.4	1.6
Trade.....	1,316,200	1,307,600	1,275,900	.7	3.2
Finance.....	281,600	280,700	271,900	.3	3.6
Service.....	890,200	884,400	835,500	.7	6.5
Government.....	1,225,600	1,224,000	1,170,900	.1	4.7

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

p — Preliminary.

r — Revised.

SOURCE: State employment agencies.

DAILY AVERAGE PRODUCTION OF CRUDE OIL

(In thousands of barrels)

Area	March 1968p	February 1968p	March 1967	Percent change from	
				February 1968	March 1967
ELEVENTH FEDERAL RESERVE DISTRICT.....					
Texas.....	3,815.3	3,813.1	3,395.4	0.0	12.4
Gulf Coast.....	3,321.8	3,321.1	2,931.2	.0	13.3
West Texas.....	671.6	668.9	547.7	.4	22.6
Panhandle.....	1,549.9	1,550.3	1,368.2	.0	13.3
East Texas (proper).....	154.0	154.1	130.4	-.1	18.1
Rest of State.....	95.0	95.0	95.9	.0	-9
Southeastern New Mexico..	851.2	852.8	789.0	-.2	7.9
Northern Louisiana.....	323.7	320.0	317.4	.9	2.0
	169.8	172.0	146.8	-1.3	15.7
OUTSIDE ELEVENTH DISTRICT.....					
UNITED STATES.....	5,638.1	5,638.0	5,150.8	.0	9.9
	9,453.4	9,451.1	8,546.2	.0	10.6

p — Preliminary.

SOURCES: American Petroleum Institute.

U.S. Bureau of Mines.

Federal Reserve Bank of Dallas.

INDUSTRIAL PRODUCTION

(Seasonally adjusted indexes, 1957-59 = 100)

Area and type of index	March 1968p	February 1968	January 1968	March 1967 ^r
Total industrial production.....	167.4	168.3	163.9 ^r	153.3
Manufacturing.....	189.5	188.5	183.6 ^r	174.3
Durable.....	216.9	212.2	208.9 ^r	193.0
Non-durable.....	171.2	172.8	166.8 ^r	161.9
Mining.....	126.2	130.0	126.0 ^r	114.3
Utilities.....	214.8	214.9	212.7 ^r	197.8
UNITED STATES				
Total industrial production.....	162.0	162.0	161.0	156.0
Manufacturing.....	164.0	163.0	163.0	158.0
Durable.....	168.0	167.0	167.0	163.0
Non-durable.....	158.0	157.0	157.0 ^r	153.0
Mining.....	126.0	124.0	123.0	122.0
Utilities.....	196.0	197.0	195.0 ^r	182.0

p — Preliminary.

r — Revised.

SOURCES: Board of Governors of the Federal Reserve System.

Federal Reserve Bank of Dallas.

