

Special Factors Aid Current Upturn

By Philip Stoddard Brown
The Washington Post and Times Herald (1954-1959); Apr 27, 1959;
ProQuest Historical Newspapers The Washington Post (1877 - 1993)
pg. A23

Our Changing Economy

Special Factors Aid Current Upturn

By Philip Stoddard Brown

THE CONTRAST between business activity in the Washington area this spring and a year ago is striking. About 16,000 more persons are employed. Payrolls are running 5 or 6 per cent higher; the influx of visitors has been much greater, and retail sales, in the aggregate, have been 8 or 10 per cent higher.

This upturn, though it coincides in timing and amplitude with that of the country as a whole, should not be attributed solely—perhaps not even mainly—to the national business recovery. Contract awards for public construction in the first quarter of this year were 36 per cent higher than in the first quarter of last year. The number of Government employes in the Washington area is about 6000 greater than a year ago, and Government payrolls are greater also because of higher pay scales.



Brown

- Several other observations may be noted:
- The very marked increase in business activity in the past year has occurred without any increase in the aggregate employment of persons in retail stores, banks, insurance and real estate offices, railroad terminals and public utilities. But there has been some increase in the number of hours worked by many employes.
 - Over 70 per cent of the gain in employment is accounted for by the rise in construction activity and expansion of Government agencies. The remaining increase is made up of small gains in the manufacturing and service industries.
 - About half of the \$115 million of building authorized in the first quarter, in the Washington area, was for public projects.
 - Housing starts in March were unusually high. Last fall, it was feared that the rise in interest rates would bring about a decline in housing starts by early spring. This fear has not been realized. The amount of residential construction in Fairfax County is especially noteworthy.
 - The number of out-of-town visitors has been remarkable. Passenger arrivals and departures at the National Airport were 20 per cent greater in March of this year than in March, 1958. Twice as many visitors to the Smithsonian were tallied.
 - New-car sales have continued to gain over last year and are running one third higher . . . The gain is more nearly 100 per cent in the case of foreign cars, which now account for about one sixth of new-car registrations in this area.

AREA BUSINESS INDICATORS

(Per Cent Change 1958 to 1959)

	March	3 Months
Employment (Metropolitan Area):		
Government (civilian)	+ 2
Government (military)*	— 4
Construction	+15
Other Private**	+ 1
Construction Authorized:		
Value of all Building	+82	+41
Number of Dwelling Units	+56	+27
Retail Trade:		
New-Car Registrations (metropolitan area)	+36	+21
Department Store Sales		
Downtown	+ 6	+ 4
Metropolitan Area	+13	+11
Public Utility Services:		
Electric Power (Pepco Area)		
Commercial	+12	+10
Residential	+ 5	+ 9
Gas Sales (Washington Gas Light)		
Business	+ 3	+13
Residential	— 7	+ 2
Telephone Service (D. C.)		
Local Calls	+ 6	+ 7
Out-of-Town Calls	+ 7	+ 2
Telephones in Use	+ 5	..
Commercial Banking:		
Value of Checks Written	+ 30	+24
Bank Loans Outstanding		
Commercial and Industrial	+ 3
Real Estate	+ 9
Consumer and Other	+ 4
Food Prices (Metropolitan Area)	— 2
Life Insurance Sales	+18	—14
Newspaper Advertising Lineage	+11	+11
Passenger Arrivals and Departures at National Airport	+20	+ 6

*Comparison is between Feb. 1, 1958, and Feb. 1, 1959.
**Except proprietors, nonsalaried doctors and lawyers, domestics and other self-employed persons for which there is no current tally.