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Duluth--- Because of the high level of Duluth business in December, the seasonal-drop in January was greater than normal, according to the latest Duluth Business Index.

The January index (1957-59= 100) was 79 points, a decline of 18 from December (97) and compared to a seasonal drop of 16.

However, January business was one index point higher than for the same month in 1964.

The Duluth Business Index is produced by the Department of Business and Economics at the University of Minnesota, Duluth (UMD) and is authored by Glenn O. Gronseth, research analyst, Minnesota State Employment Service, Duluth, and Dr. Cecil Meyers, professor business and economics at UMD.

In the year-to-year comparison, there was less activity in freight carloadings, bank debits, number of electric customers and grain shipments (in 1964 grain shipments to Russia was a greater plus factor).

However, offsetting gains over January, 1964 were shown in Duluth employment, up 1100 persons; department store sales, up four points; state metal mining employment, 800 persons higher; building permits issued, up \$953,000 dollars; postal receipts, \$22,000 higher; number of telephones, up 1,497; commercial electric power, up 676,000 kilowatt hours; and residential electric power, 1,327,000 kilowatt hours higher.

(more)

Meyers and Gronseth note that the January metal mining employment total marks the first time since 1960 that a higher job total over the same month a year ago has occurred at this time of the year. "The use of regular employees to work at site preparation duties prior to the construction of the taconite plants has stabilized the mining employment level this winter," they say.

Compared with December, 1964 business levels, increases were shown in building permits (up \$641,909), postal receipts (up \$69,200), residential electric power (up 1,685,000 kilowatt hours), number of electric customers (up 19), and the number of telephones (up 98). The remaining nine barometers making up the index showed seasonal decreases in January.

Because of shipments of grain to Russia in 1964, the number of bushels handled in January was about half the December activity when lake vessels were used during the regular season as a means of transportation. "All rail" shipments in January, however, were up 58% over December due to the unit system used in rail shipments during the winter months.