

Noon Release  
Friday, Dec. 29

UMD NEWS SERVICE  
724-8801, Ext. 210  
December 28, 1967

Duluth--- November business activity in Duluth was the highest on record for that month, according to figures from the Duluth Business Index.

With six of the 15 barometers that make up the Index recording record highs for November, the total index for the month was 148 (1957-1959=100) or six points above the November, 1966 figure.

The non-seasonal economic trends of November and October helped bolster the Duluth average index for the first 11 months of 1967. Duluth business activity for that period was about two per cent less than the corresponding period of last year.

The Index is compiled monthly by Dr. Cecil H. Meyers, professor and head of economics at UMD, and Glenn O. Gronseth, research analyst for the Minnesota State Employment Service. It is published by the UMD Department of Economics in cooperation with the Minnesota Department of Employment Security, the Duluth Chamber of Commerce and the Duluth Industrial Bureau.

November business activity also recorded an eight point gain over October, in contrast to an average 11 point decline recorded during past years. Ten of the 15 barometers showed gains over October.

Showing gains over last year and October were freight carloadings, bank debits, building permits, postal receipts, residential and commercial usage of electric power and grain shipments.

Normally recording a substantial drop in the October to November comparisons, freight carloadings were boosted last month by a 13 per cent increase in rail receipts of grain, particularly corn.

Bank debits recorded a 25 point increase over October, contrary to a normal decline that occurs during the period. In a year to year comparison, bank debits were 13 points higher than November, 1966 -- the highest bank debit index ever recorded for that month.

(more)

Although the dollar value (in 1957 to 1959 dollars) of building permits for new residential construction was down about nine per cent from last year, nonresidential building permit values were up 146 per cent and alteration and repair work was up 27 per cent. A substantial jump was noted between October and November for non-residential alteration work.

Postal receipts were up eight and five points over last year and October, respectively.

Electric power consumption for the residential, commercial and industrial categories was up over October, a normal trend during fall and winter.

Grain volume handled recorded a sizeable gain as elevator inventories were being built up for winter storage. Receipts of corn showed the greatest single commodity gain over the previous month.

Coal receipts and iron ore shipments were down from October; both reflect seasonal declines for this period. Other lake cargo, was up 124 points over October, but 92 points less than a year ago.

Employment in Duluth showed a two point gain over a year ago, due to increased employment in transportation, retail trade, service and government. However, the rate of unemployment was also up over last year -- from 3.3 per cent to 4.0 per cent -- because of the return of workers laid off from jobs outside the area.

The unadjusted volume of retail trade in November was at the same level as last year. For the year to date, overall retail sales volume was ahead of last year by six per cent, while general merchandise stores were up 11 per cent, and apparel stores were down two per cent. A 13 point gain from October to November was recorded.