

THE

Cotton

SITUATION

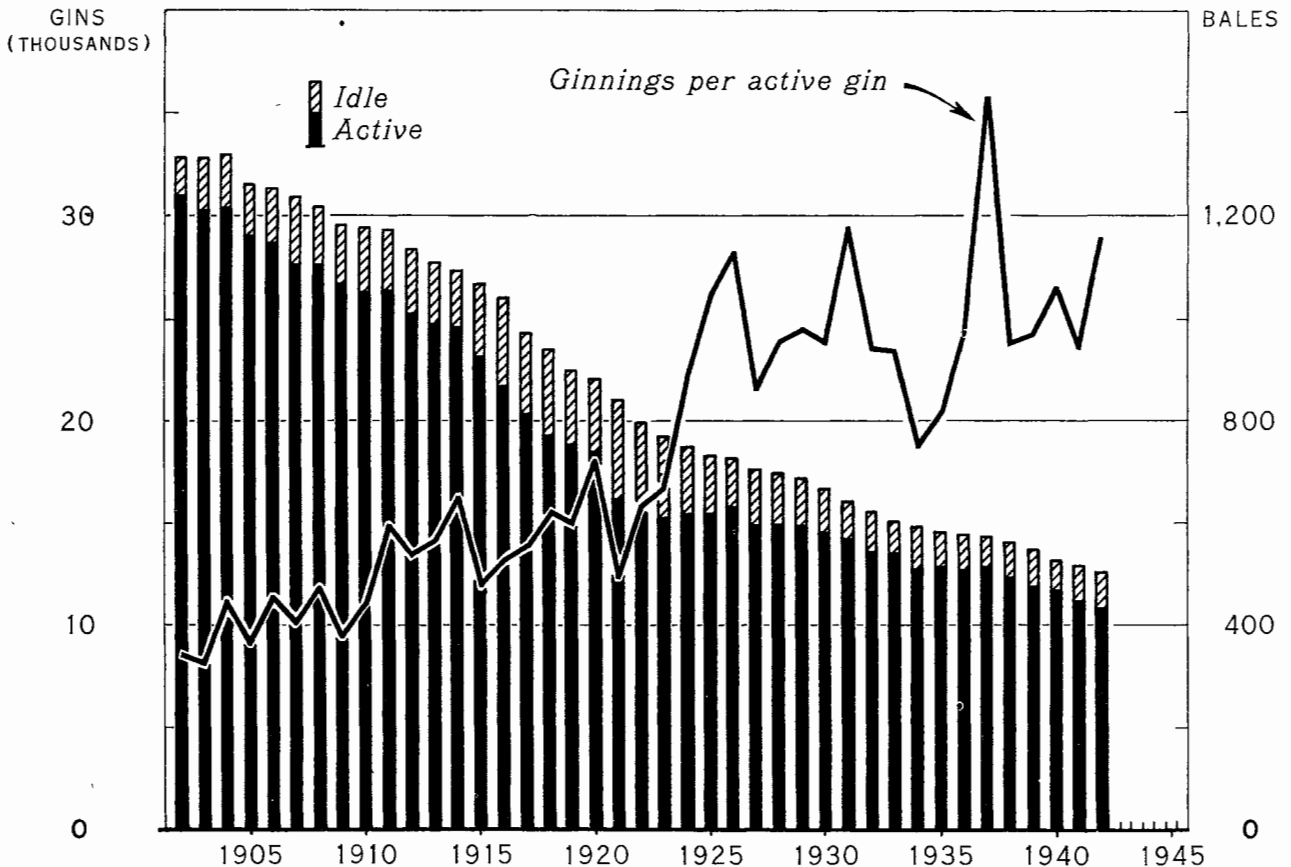
BUREAU OF AGRICULTURAL ECONOMICS
 UNITED STATES DEPARTMENT OF AGRICULTURE

CS-80



JUNE 1943

COTTON GINS, AND GINNINGS PER ACTIVE GIN, UNITED STATES, 1902-42



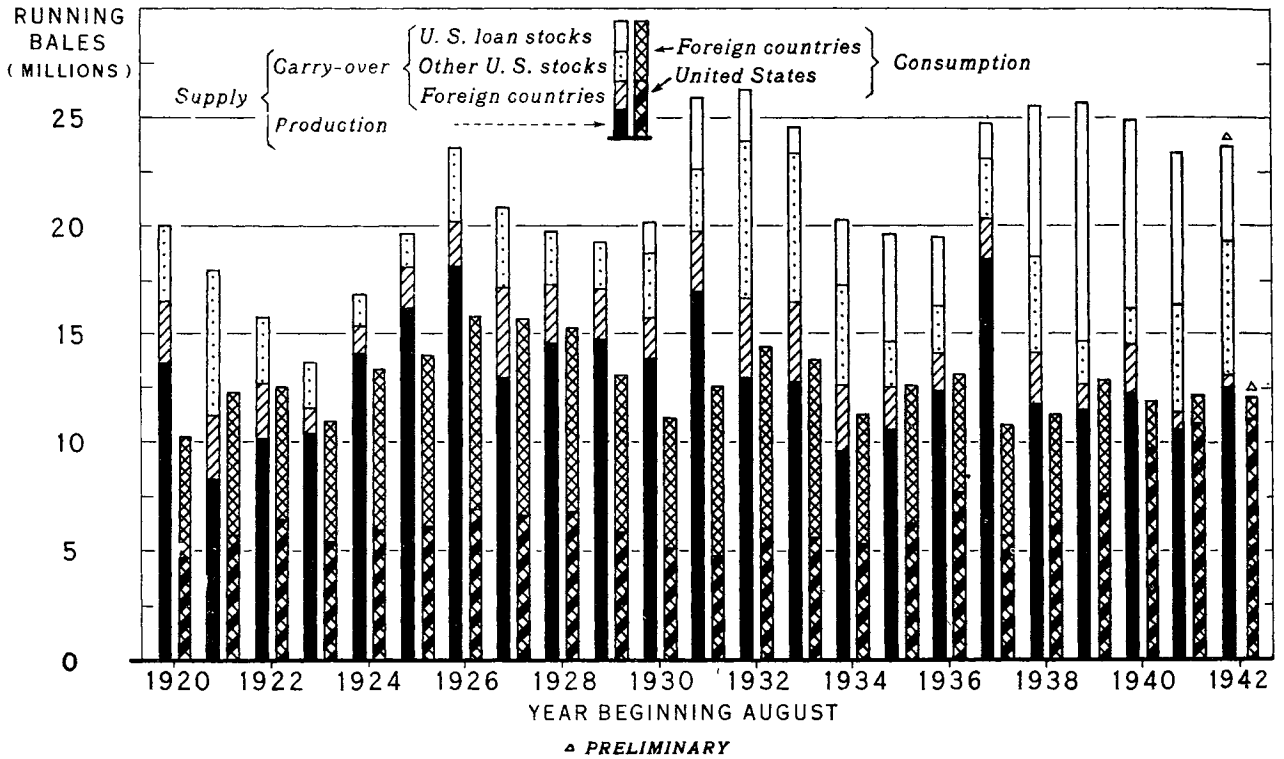
U. S. DEPARTMENT OF AGRICULTURE

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BUREAU OF AGRICULTURAL ECONOMICS

In the past 40 years thousands of public and plantation gins, many of which were small and obsolete, have been replaced by fewer, larger, and more modern plants. This trend has been facilitated by improved roads and more rapid means of transportation, as well as by technological improvements in ginning equipment. In 1942 there were 12,433 gins in the United States. Of these 10,776 were active and 1,657 were idle. As in most of the other 40 years for which records are available, this represents a decrease from the preceding year in both the total number of gins and in the number of active gins. In fact, in 1942 the total number of gins and the number of active gins were each more than 60 percent smaller than in 1902 while the number of bales ginned per active gin was more than 3 times as large.

COTTON, AMERICAN: WORLD SUPPLY AND CONSUMPTION, 1920-42



COTTON, FOREIGN: WORLD SUPPLY AND CONSUMPTION, 1920-42

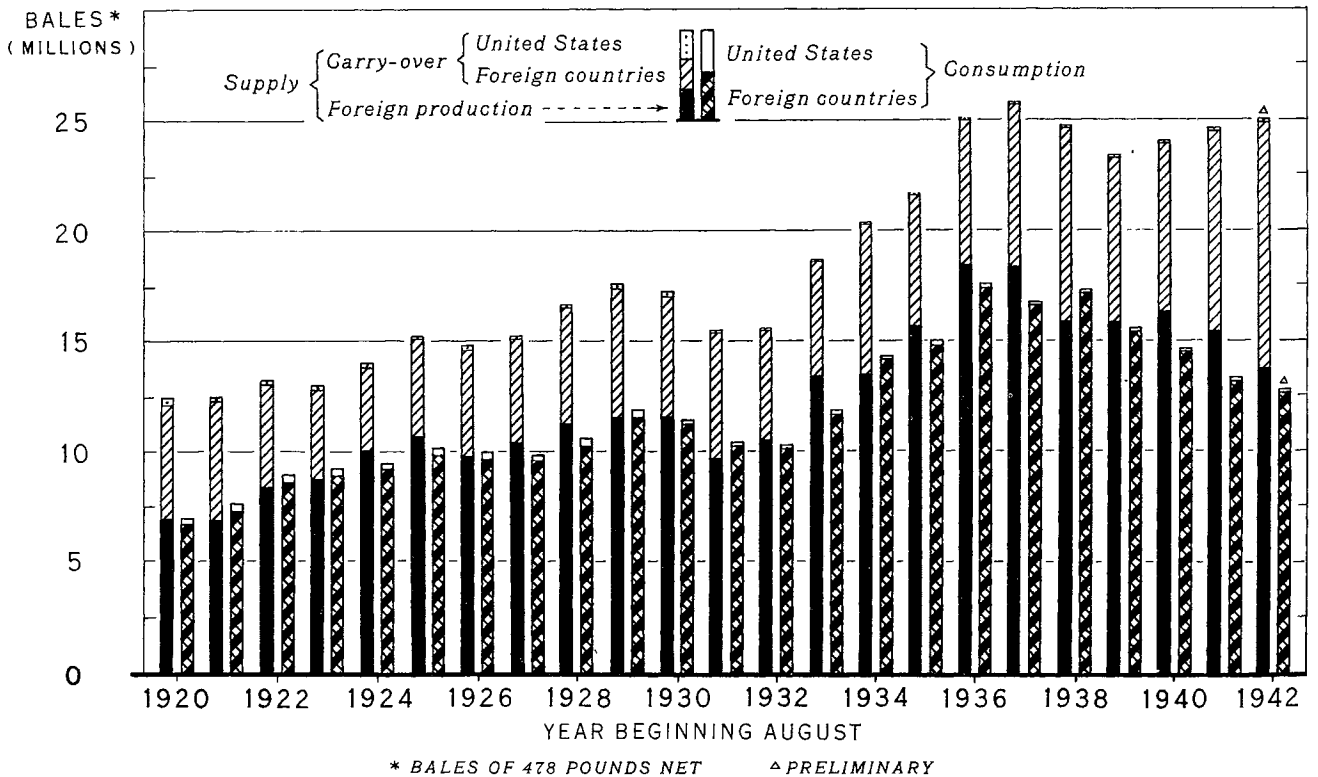


FIGURE 2

 T H E C O T T O N S I T U A T I O N

Summary

During the 45 months since the outbreak of war in Europe, the average number of hours worked per week by workers in the cotton goods industries increased 14 percent. Hourly earnings have increased 54 percent, weekly earnings 75 percent, employment 28 percent, and pay rolls 127 percent in this period. During the last 12 months, the average number of hours worked per week increased 2 percent, hourly earnings 14 percent, weekly earnings 17 percent, and pay rolls 14 percent. Employment, however, has decreased 2 percent.

Consumption totaled more than 9.3 million bales during the 10 months August-May, a new high record, exceeding by 134,000 bales the record established during the corresponding months of 1941-42. This lead over 1941-42 is expected to diminish in July, because that month has fewer working days than did July 1942. Consumption of American-Egyptian cotton totaled 4,377 bales in May, the highest since December, but the May consumption of foreign cotton was the smallest of any month since February 1941.

Cotton prices continue steady, having fluctuated within a range of less than 3/5 cent for more than 4 months. During June the range was only 26 points.

-- June 30, 1943

THE DOMESTIC COTTON SITUATION

Total Cotton Consumption Declines; American-Egyptian Highest Since December

During May, 901,608 bales of cotton were consumed by domestic mills. This total compares with consumption of nearly 939,000 bales in April and of about 958,000 bales in May 1942. Daily consumption in May was 43,981 bales, equivalent to an annual rate of about 11.2 million bales. Daily consumption in May was somewhat above the April rate, although slightly below the average for the season to date. Consumption in the 10 months August-May totaled 9,342,019 bales. This is the highest consumption on record for the period,

exceeding by 134,000 bales the previous record for the corresponding months established in 1941-42. This lead over 1941-42 is expected to diminish in July, as the month has 2 fewer working days than did July 1942. Although the consumption outlook continues generally unchanged, present prospects are for a slightly larger total domestic disappearance than heretofore expected. Consequently, the carry-over at the end of this season may be not greatly different from that on August 1, 1942.

Consumption of American-Egyptian cotton in May amounted to 4,377 bales. This was a substantial increase over both March and April and the highest monthly consumption since last December.

Only 12,406 bales of foreign-grown cotton were consumed by domestic mills in May, compared with 14,227 bales in April and 16,204 bales in May 1942. Domestic consumption of foreign cotton in May was the smallest monthly total since February 1941.

Cotton Prices Continue Steady

Cotton prices have fluctuated within a range of less than 3/5 cent for more than 4 months. Since the price of Middling 15/16-inch cotton in the 10 markets first pushed above 21 cents in late February, the price has held between 20.87 cents and 21.43 cents per pound. During June the fluctuation was between 21.01 and 21.27, a range of 26 points.

Continued Rise Noted in Hours Worked and Hourly and Weekly Earnings in Cotton Goods Industries; Greatest in Northern States

There has been a slow but steady increase in the number of hours worked per week by workers in the cotton textile industry. In the summer of 1940 the average number of hours worked per week was as low as 34.0, but by April 1943 it had risen to 41.8 hours, an increase of 23 percent (table 2). This rise, however, has been at a comparatively slow rate for the last year.

A pronounced rise in hourly earnings also has occurred during the past 3-3/4 years. In August 1939 hourly earnings averaged 38.2 cents per hour, but by April 1943 the average had risen to 58.8 cents, a gain of 20.6 cents or 54 percent. In the last 12 months the rise has amounted to 14 percent. Hourly earnings are higher in the Northern States than in the Southern States. In August 1939 hourly earnings in the Northern States averaged 44.7 cents per hour, compared with 36.2 cents in the Southern States. By April 1943, earnings in the Northern States had increased 24.7 cents or 55 percent. Earnings in the Southern States had increased 20.0 cents or 55 percent.

With increases both in number of hours worked and in hourly earnings, weekly earnings also have advanced. In August 1939 the average weekly earnings were \$14.01. The following June they were even lower, averaging \$13.92. As already noted, this decline resulted from a decrease in the average number of hours worked, which more than offset the higher average hourly earnings. Since that time, however, all three items have moved steadily upward, and by April of this year weekly earnings averaged \$24.54, or 75 percent more than at the outbreak of war. During the last 12 months the increase has been 17 percent.

Table 1.-- STATISTICAL SUMMARY

Item	Unit or base period	1942		1943		Pct. of year ago 1/
		May	Mar.	Apr.	May	
Prices:						
Middling 15/16-inch, 10 markets ..	Cent	20.01	21.16	21.20	21.12	106
Farm, United States	Cent	19.17	19.91	20.13	20.09	105
Parity	Cent	18.85	19.96	20.09	20.21	107
Farm, percentage of parity	Percent	102	100	100	99	97
Premium of 1-1/8-inch over basis 2/						
Memphis	Point	450	425	433	425	94
Carolina "B" mill area	Point	650	650	650	650	100
New England mill area	Point	675	675	675	675	100
American-Egyptian, farm, Arizona :	Cent	40.3	43.7	43.5	43.3	107
SxP, New England mill points 3/ ..	Cent	44.35	47.29	47.10	47.23	106
Cloth, 17 constructions	Cent	40.90	40.62	40.62	40.62	99
Mill margin (17 constructions) ..	Cent	20.95	19.60	19.62	19.69	94
Cottonseed, farm price	Dollar	43.99	45.73	45.89	46.11	105
Cottonseed, parity	Dollar	34.28	36.31	36.53	36.76	107
Cottonseed, farm, pct. of parity :	Percent	128	126	126	125	98
Consumption:						
All kinds during month, total ...	1,000 bales	957.9	995.5	939.0	901.6	94
All kinds cumulative, total	1,000 bales	9,208	7,501	8,440	9,342	101
All kinds per day, total	Bale	45,613	43,283	43,338	43,981	96
All kinds, annual rate	Million bales	11.7	11.0	11.1	11.2	96
American-Egyptian cotton, total ..	Bale	4,209	3,834	3,853	4,377	104
American-Egyptian, cumulative	Bale	37,840	34,032	37,885	42,262	112
Foreign cotton, total	Bale	16,204	16,151	14,227	12,406	77
Foreign cotton, cumulative	Bale	163,073	121,288	135,515	147,921	91
Spindle activity:						
Spindles in place	Thousand	24,056	23,545	23,483	23,478	98
Active spindles	Thousand	23,117	22,925	22,894	22,788	99
Percentage active	Percent	96.1	97.4	97.5	97.1	101
Hours operated, total	Million	11,197	11,647	10,927	10,581	94
Hours per spindle in operation ..	Hour	484	508	477	464	96
Hours per day 4/	Hour	15.6	16.4	15.9	15.0	96
Stocks, end of month:						
Consuming establishments	1,000 bales	2,585	2,489	2,421	2,321	90
Public storage and compresses ...	1,000 bales	9,403	11,470	10,596	9,669	103
Total 5/	1,000 bales	1,988	13,959	13,017	11,990	100
Egyptian cotton, total 5/	Bale	41,984	47,246	45,665	42,851	102
American-Egyptian cotton, total 5/	Bale	32,436	46,308	45,763	35,530	110
Index numbers:						
Cotton consumption	1935-39 = 100:	175	166	166	169	97
Spindle activity 6/	Percent	138.5	134.4	133.2	134.1	97
Prices paid, interest, and taxes :	1910-14 = 100:	152	161	162	163	107
Industrial production	1935-39 = 100:	174	205	203	203	117
Wholesale prices	1910-14 = 100:	144	151	151	152	106

Compiled from official sources. 1/ Applies to last month for which data are available. 2/ Premiums for Middling 1-1/8 inch based on near active month futures at New York. 3/ SxP, No. 2, 1-1/2 inch, New England mill points. 4/ Total hours per spindle in operation divided by number of days in calendar month. 5/ Includes only stocks in mills and public storage and at compresses. 6/ Based on 5-day 80-hour per week operation.

Table 2.- Selected data relating to employment and earnings in the cotton goods industry
(excluding small wares), by areas, August 1939-April 1942

Year and month	Average hours worked per week			Average hourly earnings			Average weekly earnings			Index of employment	Index of pay rolls
	Northern States	Southern States	United States	Northern States	Southern States	United States	Northern States	Southern States	United States	1939 = 100	1939 = 100
	1/	1/	2/	1/	1/	2/	3/	3/	2/	2/	2/
	Number	Number	Number	Cents	Cents	Cents	Dollars	Dollars	Dollars		
1939-40											
Aug.	37.3	36.4	36.6	44.7	36.2	38.2	16.67	13.18	14.01	97.8	95.6
Sept.	38.5	37.5	37.8	44.6	36.3	38.4	17.17	13.61	14.49	100.2	101.3
Oct.	37.8	38.1	38.0	44.7	36.3	38.4	16.90	13.83	14.61	105.8	107.7
Nov.	38.3	37.1	37.4	46.8	38.9	41.0	17.92	14.43	15.36	108.7	116.2
Dec.	38.5	37.4	37.6	47.2	38.9	41.0	18.17	14.55	15.44	108.6	117.0
Jan.	37.6	36.5	36.8	47.1	39.2	41.2	17.71	14.31	15.18	107.6	113.8
Feb.	36.4	36.2	36.2	47.1	39.2	41.1	17.14	14.19	14.92	107.2	111.8
Mar.	36.1	35.4	35.6	47.1	39.2	41.0	17.00	13.88	14.59	103.4	105.9
Apr.	35.3	35.0	35.0	47.3	39.2	41.0	16.70	13.72	14.39	101.9	103.1
May	34.9	34.4	34.5	47.3	39.4	41.2	16.51	13.55	14.24	99.6	99.9
June	33.7	34.0	34.0	47.6	39.3	41.0	16.04	13.36	13.92	97.5	95.5
July	36.4	34.6	34.9	47.6	39.4	41.2	17.33	13.63	14.43	98.8	100.0
1940-41											
Aug.	36.6	35.2	35.5	47.7	39.6	41.3	17.46	13.94	14.67	99.5	102.3
Sept.	37.3	36.2	36.4	47.5	40.0	41.5	17.72	14.48	15.11	102.9	109.1
Oct.	38.1	36.9	37.2	47.6	39.6	41.4	18.14	14.61	15.41	106.7	115.5
Nov.	36.3	37.1	36.9	47.3	39.6	41.2	17.17	14.69	15.23	110.1	118.0
Dec.	39.0	37.8	38.0	47.4	39.9	41.3	18.49	15.08	15.70	112.8	125.3
Jan.	38.2	37.0	37.2	47.5	40.3	41.9	18.14	14.91	15.60	113.0	123.9
Feb.	39.0	38.2	38.4	47.6	40.2	41.8	18.56	15.36	16.04	115.1	130.1
Mar.	39.6	38.6	38.8	48.1	40.6	42.3	19.05	15.67	16.39	116.3	134.0
Apr.	39.3	39.3	39.3	51.8	42.6	44.6	20.36	16.74	17.54	117.5	144.9
May	40.1	39.4	39.5	52.3	43.1	45.1	20.97	16.98	17.83	119.3	149.5
June	40.0	39.5	39.6	52.6	43.1	45.1	21.04	17.02	17.87	121.8	153.4
July	39.6	38.5	38.8	53.2	45.4	47.1	21.07	17.48	18.25	122.4	157.3

Continued -

Table 2.- Selected data relating to employment and earnings in the cotton goods industry
(excluding small wares), by areas, August 1939-April 1942 - Continued

Year and month	Average hours worked per week			Average hourly earnings			Average weekly earnings			Index of employment	Index of pay rolls
	Northern States	Southern States	United States	Northern States	Southern States	United States	Northern States	Southern States	United States	^{2/} 1939 = 100	^{2/} 1939 = 100
	^{1/} Number	^{1/} Number	^{2/} Number	^{1/} Cents	^{1/} Cents	^{2/} Cents	^{3/} Dollars	^{3/} Dollars	^{2/} Dollars		
1941-42											
Aug.	40.0	39.2	39.4	53.0	45.6	47.2	21.20	17.88	18.58	123.3	161.4
Sept.	39.9	39.6	39.6	57.1	45.8	48.3	22.78	18.14	19.12	123.7	165.5
Oct.	39.0	39.5	39.4	58.0	48.2	50.4	22.62	19.04	19.80	125.1	174.2
Nov.	37.8	39.5	39.1	58.1	48.1	50.3	21.96	19.00	19.65	125.5	173.0
Dec.	40.4	40.2	40.2	57.9	48.3	50.5	23.39	19.42	20.27	125.6	178.8
Jan.	41.3	40.1	40.3	58.4	48.4	50.7	24.12	19.41	20.40	126.0	181.2
Feb.	41.6	40.7	40.9	58.8	48.7	51.0	24.46	19.82	20.80	126.7	185.6
Mar.	41.9	40.8	41.0	59.0	48.9	51.1	24.72	19.95	20.92	127.0	187.2
Apr.	41.6	40.9	41.0	59.1	49.2	51.4	24.59	20.12	21.05	128.1	190.4
May	42.1	40.8	41.1	59.9	50.9	52.3	25.22	20.77	21.67	128.3	196.1
June	41.6	40.8	41.0	60.1	50.9	52.8	25.00	20.77	21.63	128.5	195.9
July	41.9	40.1	40.4	60.1	50.8	52.8	25.18	20.37	21.35	128.5	195.0
1942-43											
Aug.	42.0	40.5	40.8	60.7	53.4	54.9	25.49	21.63	22.39	128.0	202.2
Sept.	40.6	40.2	40.2	67.3	55.1	57.5	27.32	22.15	23.10	127.7	203.2
Oct.	42.0	40.3	40.6	67.7	55.1	57.6	28.43	22.21	23.39	127.7	210.6
Nov.	41.6	40.8	41.0	67.8	55.2	57.7	28.20	22.52	23.62	127.7	212.8
Dec.	42.5	41.1	41.4	67.9	55.4	57.9	28.86	22.77	23.95	128.9	217.7
Jan.	42.7	41.0	41.4	68.4	55.9	58.2	29.21	22.92	24.22	127.2	215.8
Feb.	42.7	41.2	41.5	68.6	55.8	58.4	29.29	22.99	24.19	126.8	216.1
Mar.	42.9	41.3	41.6	68.8	56.0	58.6	29.52	23.13	24.38	126.9	217.4
Apr.	43.2	41.5	41.8	69.4	56.2	58.8	29.98	23.32	24.54	125.5	217.1

^{1/} Compiled by Bureau of Labor Statistics. Southern States include: Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Oklahoma, Tennessee, Texas, and Virginia. Northern States include all other. ^{2/} Published by Bureau of Labor Statistics. ^{3/} Computed by Bureau of Agricultural Economics by multiplying "average hours worked per week" by "average hourly earnings."

Table 3.-- Cotton: Statistics on gins and ginnings, United States, 1902-42

Crop year	Gins				Production, 1,000 bales 1/	Bales ginned per active gin
	Total	Idle	Active	Percentage active		
	Number	Number	Number	Percent		
1902	32,753	1,805	30,948	94.5	10,588	342
1903	32,705	2,487	30,218	92.4	9,820	325
1904	32,855	2,518	30,337	92.3	13,451	443
1905	31,441	2,403	29,038	92.4	10,495	361
1906	31,325	2,616	28,709	91.6	12,983	452
1907	30,822	3,230	27,592	89.5	11,058	401
1908	30,345	2,747	27,598	90.9	13,086	474
1909	29,465	2,796	26,669	90.5	10,073	378
1910	29,380	3,146	26,234	89.3	11,568	441
1911	29,225	2,876	26,349	90.2	15,553	590
1912	28,358	3,079	25,279	89.1	13,489	534
1913	27,649	2,900	24,749	89.5	13,983	565
1914	27,339	2,792	24,547	89.8	15,906	648
1915	26,721	3,559	23,162	86.7	11,068	478
1916	25,999	4,375	21,624	83.2	11,364	526
1917	24,272	3,921	20,351	83.8	11,248	553
1918	23,439	4,180	19,259	82.2	11,906	618
1919	22,418	3,603	18,815	83.9	11,326	602
1920	21,876	3,436	18,440	84.3	13,271	720
1921	20,938	4,746	16,192	77.3	7,978	493
1922	19,939	4,519	15,420	77.3	9,729	631
1923	19,195	3,897	15,298	79.7	10,171	665
1924	18,656	3,178	15,478	83.0	13,639	881
1925	18,262	2,780	15,482	84.8	16,123	1,041
1926	18,179	2,426	15,753	86.7	17,755	1,127
1927	17,566	2,703	14,863	84.6	12,783	860
1928	17,327	2,353	14,974	86.4	14,297	955
1929	17,129	2,261	14,868	86.8	14,548	978
1930	16,649	2,141	14,508	87.1	13,756	948
1931	16,001	1,850	14,151	88.4	16,629	1,175
1932	15,460	1,890	13,570	87.8	12,710	937
1933	15,060	1,517	13,543	89.9	12,664	935
1934	14,784	2,121	12,663	85.7	9,472	748
1935	14,497	1,685	12,812	88.4	10,420	813
1936	14,364	1,739	12,625	87.9	12,141	962
1937	14,285	1,447	12,838	89.9	18,252	1,422
1938	13,998	1,719	12,279	87.7	11,623	947
1939	13,628	1,743	11,885	87.2	11,481	966
1940	13,119	1,469	11,650	88.8	12,298	1,056
1941	12,835	1,637	11,148	86.9	10,495	941
1942	12,433	1,657	10,776	86.7	12,438	1,154

Compiled from reports of the Bureau of the Census:

1/ Running bales counting round bales as half bales.

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