

economy, affecting Maryland, in greater or less degree, as it does all other parts of the country. But the problem of the jobless in Maryland is not, and has not been for a year and a half, so severe as it is for the nation as a whole. Our rate of unemployment during October of last year, for example, was only 3.4 per cent, whereas the national rate was 4.7 per cent. All of these facts breed confidence in the economic strength of our state and a great hope for its future.

The Maryland Department of Economic Development, which attempts to keep your government informed at all times about the economic condition of the State, recently conducted a survey which was unique in its kind in Maryland. The survey was beyond the ordinary in that it reflects industry appraisal of itself rather than an estimate from the outside. It was unusual, too, in that it was limited to the 104 Maryland firms which *Fortune Magazine* last year ranked among the five-hundred largest corporations in the United States. The Department mailed out questionnaires to the management of these corporations, and the replies disclosed some interesting and encouraging information about Maryland industry's gains in 1963 and prospects for 1964. Of the sixty-two corporations which thus far have replied to the questionnaire, 31 reported higher earnings in 1963 than in 1962. Five of them had earnings about the same as the year before, two of them said the information was not available and twenty-four of them reported earnings down. On a question regarding gross sales for 1963, 43 of the firms said their sales were up from 1962. Four reported sales about the same and 13 reported that sales had fallen off.

So much for their analysis of their 1963 activities. What about their predictions for 1964? Forty-four of the corporations predicted that their business would be up in 1964. One of them expects an increase of 50 per cent, and many of them foresee increases ranging from 25 per cent to 30 per cent. Only seven of the corporations expect a decline in 1964, and 11 expect to maintain their business at approximately the 1963 level. Based on all the firms reporting to the Department of Economic Development, an average business increase of 6.4 per cent can be predicted for the State of Maryland this year.

I would point out that these are highly successful business organizations, competent at self-analysis and skilled in making prediction for the future, giving us their own appraisal of their conditions. It is as I have said, a most gratifying and encouraging report on the economic health of our State. In addition to the analysis it made of