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The Beat Goes On ... Nebraska's Economic Growth Continues Through 2000

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The Beat Goes On ...

Nebraska's Economic Growth Continues Through 2000

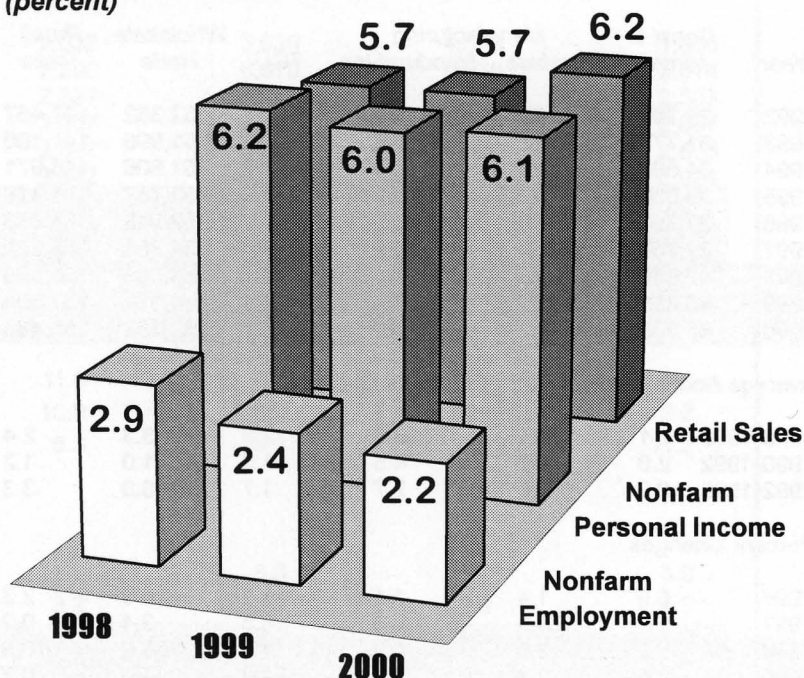
John Austin and the Nebraska Business Forecast Council

Despite some recent difficulties in the farm sector, the Nebraska nonfarm economy will continue to grow in terms of employment, income, and sales. Total nonfarm employment will grow 2.9 percent in 1998, (Figure 1) a growth rate rivaling annual rates experienced in the 1986 to 1990 and the 1992 to 1995 periods. In 1999 and 2000 total employment growth will return to the rates experienced in the 1996 and 1997 periods. While Nebraska's employment growth rates may not appear spectacular, they reflect steady progress in a state with limited population growth.

Strength in employment growth leads to strength in income growth. Nebraska's nonfarm total personal income will rise by 6.0 percent or more each year in the 1998 to 2000 forecast period. Tight labor markets, fueled by continued employment growth, will lead to wage pressures. As a result, wages and salaries will increase by 7.5 percent or more each year in the forecast period. None of the other major components of personal income will grow as fast.

Employment and income growth will stimulate retail sales. Total net taxable retail sales will grow nearly 6.0 percent annually, rivaling the 1997 growth rate.

Figure 1
Key Economic Growth Rates
(percent)



Details of the Forecast

Employment

Table 1 contains history and forecasts of nonfarm employment in Nebraska. The standard format has been changed in this table and in the income and retail sales tables. Instead of presenting each growth rate for individual years, the years were grouped into periods of common employment growth patterns. Average annual growth rates were calculated for each sector for each period. Both the 1986 to 1990 and 1992 to 1995 periods were characterized by rapid employment growth. Growth in 1991 and 1992 was considerably slower due to the impact of a weak national recession on Nebraska.

Employment growth in the 1998 to 2000 period will be led by the construction sector. Thus far in 1998, employment growth in the sector is 11.6 percent ahead of the same period in 1997 (Table 2). This increase follows healthy increases since 1991. Nebraska's construction sector employment currently is at its highest level since the historic series began (1970).

Wholesale trade also is showing large year-to-date gains. The level of employment in this sector rose steadily throughout 1997.

Overall, manufacturing employment growth rates through 2000 will be below those of total nonfarm employment. The

nondurables forecast for 1998 attempts to account for the Beef America closing in Norfolk. Growth in nondurables has been erratic in recent years.

Transportation, Communication, and Utilities (TCU), Finance, Insurance and Real Estate (FIRE), and services show similar future growth rates, all in excess of the average growth of nonfarm employment. In all three cases, the year-to-date growth rates support optimism.

Retail sales employment growth is weak and will remain so. There are concerns about a lack of potential employees for retail jobs in rural areas. At the same time, there is concern that rural sales are moving to urban areas and to catalog operations. Retail catalog operations are associated with telemarketing jobs in the service sector.

The most notable weakness is in the government sector. Year-to-date figures for 1998 indicate that federal and local government employment will show a slight increase, while state government employment will show a small decrease. In 1999 and 2000 an overall conservative approach toward government will result in cuts in government employment at all levels. Anecdotal evidence suggests that some counties are consolidating functions with other counties, implying fewer local government jobs in those counties. Nebraska's future employment growth will be generated by the private sector.

Table 1
Number of Jobs and Percent Changes by Industry

Annual Averages (whole numbers)

Year	Const & Mining	Manufacturing Durables	Manufacturing Nondurables	TCU	Wholesale Trade	Retail Trade	FIRE	Services	Federal Gov't	State & Local Gov't	Total
1992	29,760	46,922	53,791	47,165	52,362	137,457	49,429	185,605	17,076	130,588	750,153
1993	31,778	48,752	55,032	47,338	51,998	141,160	50,506	191,681	17,312	131,655	767,212
1994	34,598	51,999	56,754	48,443	51,806	146,971	51,706	202,348	17,214	134,356	796,194
1995	36,009	54,017	58,199	49,596	52,787	151,428	52,648	210,964	16,409	134,310	816,367
1996	37,796	54,780	58,855	50,201	52,948	154,873	53,079	220,848	16,003	135,387	834,768
1997	39,708	56,764	59,228	53,443	54,763	155,202	54,655	229,409	16,259	136,367	855,797
1998	42,885	58,183	60,294	55,848	58,049	156,599	56,951	239,044	16,340	136,309	880,501
1999	45,458	59,521	61,259	58,194	60,371	157,695	59,229	248,606	16,112	135,229	901,672
2000	48,185	60,890	62,116	60,521	62,182	158,483	61,302	257,804	15,886	134,161	921,531

Average Annual Growth Rates—Percent Changes

1986-1990	2.1	4.1	2.5	2.0	3.3	2.4	0.8	4.9	0.7	1.7	2.9
1990-1992	2.0	-1.7	4.5	1.0	-1.0	1.2	1.0	2.1	-2.7	2.1	1.4
1992-1995	6.6	4.8	2.7	1.7	0.3	3.3	2.1	4.4	-1.3	0.9	2.9

Percent Changes

1996	5.0	1.4	1.1	1.2	0.3	2.3	0.8	4.7	-2.5	0.8	2.3
1997	5.1	3.6	0.6	6.5	3.4	0.2	3.0	3.9	1.6	0.7	2.5
1998	8.0	2.5	1.8	4.5	6.0	0.9	4.2	4.2	0.5	0.0	2.9
1999	6.0	2.3	1.6	4.2	4.0	0.7	4.0	4.0	-1.4	-0.8	2.4
2000	6.0	2.3	1.4	4.0	3.0	0.5	3.5	3.7	-1.4	-0.8	2.2

Nonfarm Personal Income

Total nonfarm personal income will grow 6.0 percent in each of the three years in the forecast period (Table 3).

The strength of the growth will be due to large gains in wages and salaries. Growth in this largest component of personal income will be 8.0 percent in 1998 and 7.5 percent in both 1999 and 2000. Growth in wages and salaries arises not only from the robust outlook for overall employment, but also from increased pressures on hourly wages. Reports of wage pressures have characterized the results of the Nebraska Quarterly Business Conditions Survey (NQBCS) reported in *Business in Nebraska*.

Other labor income, primarily benefits, has broken its long-term pattern of growing faster than total wages and salaries. It has become commonplace for wage earners to share in the costs of some benefits. The forecast for this category shows increases at less than half the growth rate of wages and salaries.

Dividends, interest, and rent (DIR) growth has slackened with the recent fall in interest rates. Future gains will be moderate.

Gains in nonfarm proprietors' income, the income of small businesses, have slowed in recent years. Future growth is likely to be more volatile than indicated by the steady growth rates in the forecast. However, 5.0 percent may prove to be a good average annual growth rate for the period.

Table 2
Percent Change in Employment
January-May 1998 vs January-May 1997

	State Rate
Nonfarm Employment (W&S)	3.5
Construction & Mining	11.6
Manufacturing	
Durables	2.8
Nondurables	3.6
TCU ¹	4.8
Trade	
Wholesale	8.8
Retail	1.1
FIRE ²	4.8
Services	4.2
Government	
Federal	1.1
State	-0.5
Local	0.6

¹Transportation, Communication, and Utilities

²Finance, Insurance, and Real Estate

Table 3
Nonfarm Personal Income and Selected Components, 1992 to 2000
Annual Averages (\$ millions)

	Nonfarm Personal Income	Total Wages & Salaries	Other Labor Income	DIR*	Transfer Payments	Nonfarm Proprietors' Income
1992	28,760	16,621	2,002	5,930	4,383	1,963
1993	30,083	17,300	2,200	6,070	4,678	2,074
1994	31,620	18,384	2,321	5,949	4,902	2,505
1995	33,764	19,631	2,337	6,491	5,205	2,697
1996	35,722	20,857	2,367	6,901	5,526	2,803
1997	37,733	22,372	2,442	7,104	5,802	2,924
1998	40,059	24,162	2,520	7,317	6,086	3,070
1999	42,461	25,974	2,600	7,573	6,372	3,224
2000	45,046	27,922	2,683	7,876	6,659	3,385

Average Annual Growth Rates—Percent Changes

1986 to 1990	6.3	6.7	11.6	6.1	6.1	1.5
1990 to 1992	6.0	5.3	10.9	5.0	8.5	3.2
1992 to 1995	5.5	5.7	5.3	3.1	5.9	11.2

Percent Changes

1996	5.8	6.2	1.3	6.3	6.2	3.9
1997	5.6	7.3	3.2	2.9	5.0	4.3
1998	6.2	8.0	3.2	3.0	4.9	5.0
1999	6.0	7.5	3.2	3.5	4.7	5.0
2000	6.1	7.5	3.2	4.0	4.5	5.0

Farm Income

The new benchmark year for net farm income is 1996. Nebraska net farm income in 1996 (USDA basis) exceeded \$3 billion due to an unusual confluence of good incomes from both grain and livestock operations.

Inevitably, 1997 showed a decrease following the new record-setting incomes of 1996. Low harvest prices in the fall of 1997 and a reduction of earnings in the cattle sector, however, were partially offset by relatively large direct government payments that year.

From the limited information available at this time, it appears that both grain and livestock net incomes will be down in 1998 from 1997. Direct government payments will continue on the scheduled decline toward eventual termination in the year 2002.

Fluctuations in agricultural income, part of the business of agriculture, are neither new nor unexpected. However, there are some notable difficulties facing producers. A few counties in the state have suffered severe drought effects in recent months, but the problem facing most of Nebraska's agriculture industry is abundance. At harvest, crops will be large on both a statewide basis and in other agricultural states, leading to substantial downward pressures on short-

term prices. Compounding the problem is weakness in the Asian markets that has reduced agricultural export prospects. Carryover stocks could increase substantially by the end of 1998, resulting in low grain prices. Farmers who locked in relatively high prices for their 1998 fall crops through forward contracting or the futures markets may look like financial gurus this fall.

While lower grain prices usually spell relief for cattle feeders, low cattle prices are not allowing profitable conditions. Many feeders claim the opposite—losses in the current environment. Extreme hot weather in Texas may cause cattlemen in that state to liquidate some herds. If so, lower prices for livestock in the short term are to be expected, but an overall reduction of the national herd size may partially restore higher beef prices in the long term.

Weakness in farm income may translate into lower investment levels in farm capital, such as agricultural equipment. So far, however, there does not appear to be much evidence of an overall weakness in net taxable retail sales in rural areas. A substantial portion of variable expenses for the current year's crop has already been committed if not actually spent. The seed is in the ground and the fertilizer and pesticides applied. Now a wait-and-see game ensues to determine whether the total receipts from this year's crop will exceed total expenses, thereby contributing positively to net farm income.

Given the rather gloomy near-term outlook for farm income this year, it may be reasonable to expect that next year will improve. The recovery likely will be modest, depending on some improvement in the Asian markets for Nebraska agricultural products. Prospects for substantial improvements in grain prices are slim. However, lower feed prices could help restore profitability to the livestock sector. Although the amounts will be smaller than in 1998, there will be some help from direct government payments in 1999.

Net Taxable Retail Sales

Motor vehicle sales increases are expected to cool somewhat from the pace set in 1996 and 1997 (Table 4). Other net taxable retail sales (non-motor vehicle sales) will lead the rate of overall increase in 1998. The forecast allowed for a cyclical increase in motor vehicle sales in the year 2000.

The gains in total net taxable retail sales are close to the gains projected for nonfarm income. Since overall inflation is expected to remain below 3.0 percent over the forecast period, inflation-adjusted growth will be healthy. For example, in the year 2000, over half the gain in current dollar (nominal) sales will be real gains. In other words, Nebraskans will be purchasing approximately 3.0 percent more actual goods in

Table 4
Net Taxable Retail Sales, Annual Totals
(\$ millions)

	Total Sales	Motor Vehicle Sales	Other Sales
1992	13,389	1,488	11,901
1993	14,173	1,699	12,474
1994	15,229	1,813	13,416
1995	15,873	1,883	13,990
1996	16,853	2,068	14,785
1997	17,815	2,205	15,610
1998	18,831	2,315	16,516
1999	19,909	2,419	17,490
2000	21,135	2,613	18,522

Average Annual Growth Rates—Percent Changes

1986 to 1990	5.8	4.8	5.9
1990 to 1992	3.6	-0.5	4.1
1992 to 1995	5.8	8.2	5.5

Percent Changes

1996	6.2	9.8	5.7
1997	5.7	6.6	5.6
1998	5.7	5.0	5.8
1999	5.7	4.5	5.9
2000	6.2	8.0	5.9

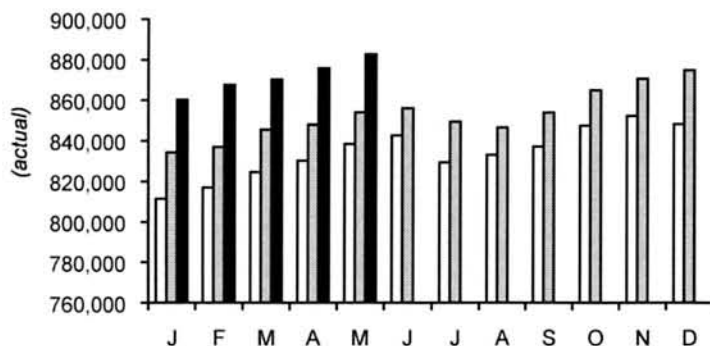
2000 than in 1999.

BBR is grateful for the help of the Nebraska Business Forecast Council. Serving in this session were: Tom Doering and Don Macke, Nebraska Department of Economic Development; Ernie Goss, Department of Economics and Finance, Creighton University; Bruce Johnson, Department of Agricultural Economics, UNL; Gene Koepke, Department of Management and Marketing, UNK; Franz Schwarz, Nebraska Department of Revenue; Charles Lamphear and John Austin, BBR.

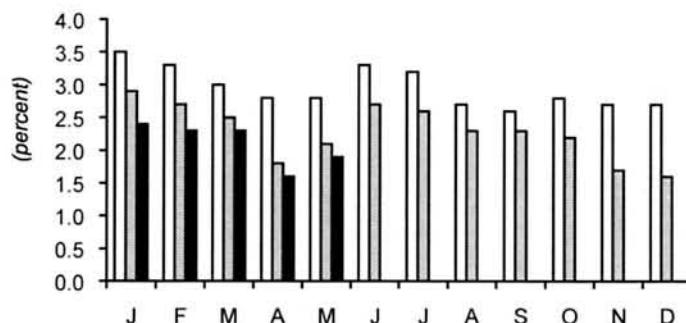
Nebraska Stats

Total Nonfarm Employment

1996 1997 1998

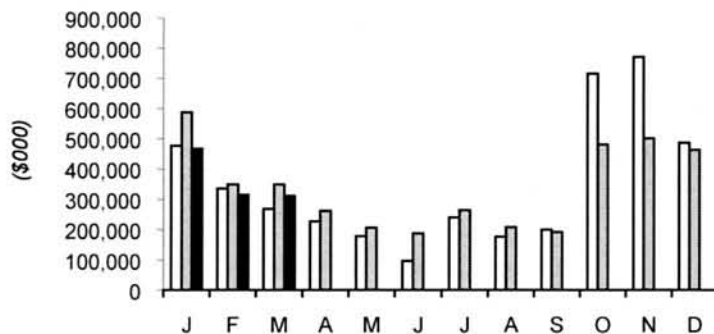


Unemployment Rate

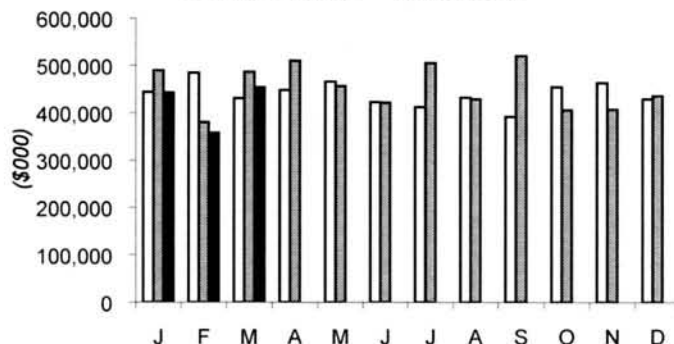


Cash Receipts—Crops

1996 1997 1998



Cash Receipts—Livestock



Net Taxable Retail Sales* for Nebraska Cities (\$000)

	March 1998 \$	YTD \$	YTD % Chg. vs Yr. Ago	April 1998 \$	YTD \$	YTD % Chg. vs Yr. Ago		March 1998 \$	YTD \$	YTD % Chg. vs Yr. Ago	April 1998 \$	YTD \$	YTD % Chg. vs Yr. Ago
Ainsworth, Brown	1,696	4,837	-0.3	1,818	6,655	3.2	Kimball, Kimball	1,564	4,265	1.9	1,561	5,826	1.8
Albion, Boone	1,738	4,809	1.8	1,801	6,610	6.1	La Vista, Sarpy	7,808	22,251	11.7	8,492	30,743	13.4
Alliance, Box Butte	5,721	16,319	-1.9	6,035	22,354	-0.3	Laurel, Cedar	365	908	-10.6	311	1,219	-12.4
Alma, Harlan	678	1,845	3.1	628	2,473	3.9	Lexington, Dawson	6,833	20,046	-2.0	6,938	26,984	0.1
Arapahoe, Furnas	763	1,968	6.8	760	2,728	5.6	Lincoln, Lancaster	181,195	528,821	2.9	189,135	717,956	4.3
Arlington, Washington	203	569	-0.7	180	749	0.3	Louisville, Cass	379	1,140	4.7	595	1,735	10.5
Arnold, Custer	325	856	11.5	231	1,087	7.8	Loup City, Sherman	664	1,801	11.0	622	2,423	14.5
Ashland, Saunders	866	2,463	-5.3	1,112	3,575	-1.2	Lyons, Burt	418	1,193	-0.5	420	1,613	1.0
Atkinson, Holt	1,105	2,723	14.5	1,015	3,738	18.9	Madison, Madison	795	2,048	-7.2	875	2,923	-0.7
Auburn, Nemaha	2,423	6,654	-4.8	2,466	9,120	-3.5	McCook, Red Willow	10,912	30,511	1.7	10,988	41,499	2.8
Aurora, Hamilton	2,618	7,283	-3.1	2,672	9,955	-0.6	Milford, Seward	953	2,808	0.8	912	3,720	0.3
Axtell, Kearney	83	202	-9.8	82	284	-5.6	Minatare, Scotts Bluff	174	440	-36.9	159	599	-31.5
Bassett, Rock	411	1,069	9.6	427	1,496	6.1	Minden, Kearney	1,774	4,516	-1.9	1,652	6,168	-2.3
Battle Creek, Madison	634	1,837	-6.5	572	2,409	-5.4	Mitchell, Scotts Bluff	791	2,236	-22.4	673	2,909	-23.0
Bayard, Morrill	488	1,364	14.4	447	1,811	17.6	Morrill, Scotts Bluff	521	1,296	8.6	524	1,820	9.6
Beatrice, Gage	9,962	28,849	-1.4	10,786	39,635	-0.4	Nebraska City, Otoe	6,310	17,201	7.5	6,299	23,500	8.6
Beaver City, Furnas	132	337	0.3	123	460	7.0	Neigh, Antelope	1,339	3,752	-4.9	1,537	5,289	-2.6
Bellevue, Sarpy	16,810	47,159	2.9	19,326	66,485	6.1	Newman Grove, Madison	336	840	-17.8	318	1,158	-15.1
Benkelman, Dundy	580	1,489	10.6	569	2,058	8.1	Norfolk, Madison	28,188	79,031	2.0	28,229	107,260	2.4
Bennington, Douglas	369	935	12.1	536	1,471	16.8	North Bend, Dodge	569	1,367	-3.0	577	1,944	2.9
Blair, Washington	6,194	17,839	-3.0	6,662	24,501	1.9	North Platte, Lincoln	20,966	58,090	4.9	20,877	78,967	3.8
Bloomfield, Knox	674	1,900	13.9	603	2,503	10.9	O'Neill, Holt	3,867	10,953	-3.8	4,422	15,375	0.4
Blue Hill, Webster	494	1,367	13.3	439	1,806	8.2	Oakland, Burt	691	1,911	1.4	641	2,552	4.5
Bridgeport, Morrill	1,274	3,090	2.6	1,032	4,122	-0.6	Ogallala, Keith	5,157	13,793	-0.9	4,997	18,790	0.4
Broken Bow, Custer	3,604	10,466	-1.5	3,820	14,286	-1.1	Omaha, Douglas	440,730	1,253,035	3.1	450,441	1,703,476	4.7
Burwell, Garfield	761	1,959	14.4	698	2,657	14.4	Ord, Valley	1,941	5,378	0.8	1,926	7,304	3.0
Cairo, Hall	216	627	-0.2	314	941	19.7	Osceola, Polk	737	1,965	-3.0	864	2,829	1.8
Central City, Merrick	1,720	4,616	-0.5	1,889	6,505	3.1	Oshkosh, Garden	454	1,295	14.1	420	1,715	11.7
Chadron, Dawes	4,068	11,657	21.9	4,388	16,045	26.3	Osmond, Pierce	353	903	6.0	372	1,275	0.5
Chappell, Deuel	517	1,361	16.6	387	1,748	15.7	Oxford, Furnas	485	1,335	-24.1	447	1,782	-22.1
Clarkson, Colfax	353	1,115	-0.7	471	1,586	-3.2	Papillion, Sarpy	6,712	17,475	2.9	6,286	23,761	6.0
Clay Center, Clay	347	1,054	20.0	324	1,378	23.3	Pawnee City, Pawnee	322	890	-3.1	297	1,187	-3.1
Columbus, Platte	19,329	54,278	-0.5	20,346	74,624	1.4	Pender, Thurston	638	1,765	-5.9	692	2,457	-5.4
Cozad, Dawson	2,932	8,386	4.7	2,903	11,289	3.3	Pierce, Pierce	704	1,855	1.9	579	2,434	-0.4
Crawford, Dawes	484	1,237	4.6	427	1,664	4.5	Plainview, Pierce	641	1,849	-18.2	649	2,498	-12.7
Creighton, Knox	1,005	2,947	6.8	1,203	4,150	13.9	Plattsmouth, Cass	3,114	8,861	-3.2	3,230	12,091	-0.3
Crete, Saline	2,896	8,537	-6.9	3,055	11,592	-5.5	Ponca, Dixon	516	1,445	0.8	509	1,954	2.8
Crofton, Knox	288	886	-8.6	362	1,248	-6.1	Ralston, Douglas	2,621	8,192	-7.7	3,491	11,683	-1.6
Curtis, Frontier	410	1,032	22.4	335	1,367	21.9	Randolph, Cedar	459	1,247	21.0	421	1,668	23.5
Dakota City, Dakota	365	1,041	-10.5	501	1,542	-0.3	Ravenna, Buffalo	817	2,315	16.3	784	3,099	11.6
David City, Butler	1,370	3,772	-1.6	1,445	5,217	-0.6	Red Cloud, Webster	675	1,847	-16.3	660	2,507	-15.2
Deshler, Thayer	346	922	52.4	362	1,284	59.3	Rushville, Sheridan	553	1,548	5.0	461	2,009	8.0
Dodge, Dodge	344	679	8.1	180	859	6.2	Sargent, Custer	205	510	-13.0	172	682	-10.1
Doniphan, Hall	665	2,506	53.5	892	3,398	17.5	Schuyler, Colfax	1,916	5,504	1.0	1,872	7,376	5.1
Eagle, Cass	247	648	-0.3	312	960	4.6	Scottsbluff, Scotts Bluff	20,291	55,454	-6.7	20,083	75,537	-3.9
Elgin, Antelope	505	1,249	-5.3	410	1,659	-3.4	Scribner, Dodge	416	1,176	2.1	451	1,627	-0.7
Elkhorn, Douglas	1,816	5,409	2.9	2,049	7,458	5.8	Seward, Seward	4,356	12,550	-6.4	4,732	17,282	-3.8
Elm Creek, Buffalo	309	874	5.2	262	1,136	2.9	Shelby, Polk	296	839	-12.9	308	1,147	-8.5
Elwood, Gosper	380	1,125	22.1	399	1,524	22.7	Shelton, Buffalo	674	1,890	40.9	674	2,564	26.9
Fairbury, Jefferson	2,958	8,411	-3.1	3,031	11,442	0.5	Sidney, Cheyenne	6,286	18,129	2.2	6,412	24,541	4.0
Fairmont, Fillmore	171	400	-19.5	124	524	-14.8	South Sioux City, Dakota	7,839	22,124	-2.3	7,725	29,849	-1.6
Falls City, Richardson	2,379	6,697	-11.2	2,459	9,156	-9.0	Springfield, Sarpy	274	702	11.1	379	1,081	18.0
Franklin, Franklin	606	1,690	45.6	554	2,244	45.6	St. Paul, Howard	1,172	3,368	-4.5	1,264	4,632	-2.3
Fremont, Dodge	18,920	54,847	2.2	21,102	75,949	4.8	Stanton, Stanton	597	1,702	-2.4	598	2,300	2.3
Friend, Saline	443	1,323	-14.6	456	1,779	-12.8	Stromsburg, Polk	750	2,015	-24.1	929	2,944	-22.5
Fullerton, Nance	612	1,639	-5.4	426	2,065	-7.8	Superior, Nuckolls	1,383	4,036	-13.4	1,716	5,752	-9.0
Geneva, Fillmore	1,668	4,515	-10.0	1,845	6,360	-7.8	Sutherland, Lincoln	376	942	19.8	311	1,253	22.8
Genoa, Nance	349	916	40.1	281	1,197	38.1	Sutton, Clay	874	2,501	-21.2	845	3,346	-19.6
Gering, Scotts Bluff	3,466	9,725	16.5	3,520	13,245	15.7	Syracuse, Otoe	1,040	2,921	7.7	1,179	4,100	9.8
Gibbon, Buffalo	829	2,391	0.8	781	3,172	-1.2	Tecumseh, Johnson	767	2,243	-25.6	892	3,135	-18.3
Gordon, Sheridan	1,655	4,466	-10.8	1,638	6,104	-6.6	Tekamah, Burt	1,083	2,963	-6.3	1,090	4,053	-0.4
Gothenburg, Dawson	2,101	6,045	1.9	2,098	8,143	2.2	Tilden, Madison	441	1,212	-1.5	399	1,611	-0.8
Grand Island, Hall	49,472	138,126	4.9	50,109	188,235	7.0	Utica, Seward	320	906	55.7	271	1,177	41.0
Grant, Perkins	994	2,781	-2.3	1,075	3,856	3.3	Valentine, Cherry	3,727	10,410	1.8	3,646	14,056	3.5
Gretna, Sarpy	2,992	7,503	-8.1	3,243	10,746	-4.6	Valley, Douglas	904	2,414	-10.4	1,169	3,583	-10.1
Hartington, Cedar	1,562	4,505	2.1	1,652	6,157	2.3	Wahoo, Saunders	2,040	6,077	-14.9	2,414	8,491	-13.3
Hastings, Adams	19,263	54,455	-2.5	20,395	74,850	-0.8	Wakefield, Dixon	311	897	-16.6	390	1,287	-9.4
Hay Springs, Sheridan	318	950	-2.7	293	1,243	0.4	Wauweta, Chase	306	949	-3.5	277	1,226	-3.8
Hebron, Thayer	1,900	5,448	1.2	1,881	7,329	0.9	Waverly, Lancaster	780	2,287	-7.1	768	3,055	-2.2
Henderson, York	626	1,539	9.1	538	2,077	2.2	Wayne, Wayne	2,590	8,173	-7.6	3,010	11,183	-4.6
Hickman, Lancaster	283	691	7.0	186	877	7.0	Weeping Water, Cass	641	1,900	5.9	704	2,604	9.1
Holdrege, Phelps	4,127	11,678	-7.2	4,269	15,947	-6.7	West Point, Cuming	3,735	10,569	-7.1	3,881	14,450	-3.1
Hooper, Dodge	372	1,021	-0.4	333	1,354	1.1	Wilber, Saline	470	1,316	-3.9	402	1,718	-3.2
Humboldt, Richardson	486	1,373	-8.9	453	1,826	-7.3	Wisner, Cuming	527	1,527	-12.4	558	2,085	-8.6
Humphrey, Platte	695	1,767	-9.1	763	2,530	-2.0	Wood River, Hall	433	1,136	21.0	438	1,574	13.6
Imperial, Chase	2,125	5,494	13.5	2,215	7,709	16.3	Wymore, Gage	405	1,147	-6.7	370	1,517	-5.4
Juniata, Adams	2,227	628	-18.3	169	797	-16.0		9,446	26,693	7.5	9,953	36,646	10.5
Kearney, Buffalo	28,617	81,707	3.4	30,172	111,879	5.9							
Kenesaw, Adams	305	949	245.1	350	1,299	266.9							

*Does not include motor vehicle sales. Motor vehicle net taxable retail sales are reported by county only.

Source: Nebraska Department of Revenue

Net Taxable Retail Sales for Nebraska Counties (\$000)

	Motor Vehicle Sales				Other Sales					Motor Vehicle Sales				Other Sales			
	March 1998 \$	April 1998 \$	YTD \$	% Chg. vs Yr. Ago	March 1998 \$	April 1998 \$	YTD \$	% Chg. vs Yr. Ago		March 1998 \$	April 1998 \$	YTD \$	% Chg. vs Yr. Ago	March 1998 \$	April 1998 \$	YTD \$	% Chg. vs Yr. Ago
Nebraska*	191,098	208,763	734,124	5.4	1,290,394	1,303,097	4,969,316	5.9		772	786	3,097	-5.1	1,569	1,544	5,895	-3.2
Adams	2,788	3,377	11,920	-5.4	20,249	21,193	77,990	0.3	Howard	1,226	1,279	4,443	7.2	3,930	4,073	15,088	2.5
Antelope	1,052	897	4,133	-2.2	2,313	2,342	8,348	-0.9	Jefferson	572	633	2,286	19.5	1,180	1,171	4,433	-13.7
Arthur	66	10	254	111.7	90	(D)	90	(D)	Johnson	832	1,141	4,091	-3.4	2,040	1,825	6,903	-2.7
Banner	59	144	476	-13.8	(D)	(D)	(D)	(D)	Kearney	905	1,160	3,930	-11.3	5,678	5,453	20,480	1.0
Blaine	56	62	295	-23.2	95	(D)	211	-27.0	Keith	53	124	387	39.7	82	58	273	-15.2
Boone	728	884	3,449	-9.1	2,320	2,223	8,476	2.1	Keya Paha	542	267	1,575	-19.9	1,652	1,599	6,021	2.3
Box Butte	1,529	1,632	6,172	5.7	6,038	6,306	23,442	-0.5	Kimball	1,007	1,153	4,227	-3.1	2,613	2,685	10,040	5.4
Boyd	160	220	977	28.7	605	473	1,912	-12.2	Knox	23,435	26,079	88,570	9.1	183,954	191,639	727,569	4.5
Brown	372	470	1,654	7.7	1,782	1,896	6,905	4.2	Lancaster	4,266	4,203	14,908	17.4	21,920	21,730	82,372	4.0
Buffalo	4,459	4,565	17,503	5.6	31,592	32,993	123,067	6.2	Lincoln	108	141	563	58.1	110	91	286	115.0
Burt	1,009	1,285	4,073	5.0	2,429	2,295	8,884	0.4	Loup	48	100	371	-17.6	35	(D)	35	(D)
Butler	964	1,077	4,106	8.9	2,033	1,900	7,097	-1.3	McPherson	27	77	292	23.2	(D)	(D)	(D)	(D)
Cass	2,841	3,717	11,802	-2.0	5,482	6,022	21,637	-0.4	Madison	3,969	4,307	14,808	6.2	30,488	30,434	115,608	1.9
Cedar	983	1,498	4,972	9.4	2,730	2,694	10,130	2.0	Merrick	733	1,011	3,947	0.3	2,313	2,363	8,469	4.1
Chase	698	549	2,589	-2.8	2,517	2,525	9,074	12.7	Morrill	540	647	2,307	-19.6	1,776	1,491	5,987	2.3
Cherry	834	779	3,585	19.9	3,940	3,835	14,816	3.8	Nance	462	419	1,958	-10.4	1,000	734	3,371	5.0
Cheyenne	1,165	1,455	4,347	-10.3	6,603	6,640	25,521	3.4	Nemaha	771	901	3,682	23.5	2,784	2,669	10,202	-2.8
Clay	977	937	3,977	0.4	2,239	2,282	8,402	-0.8	Nuckolls	568	691	2,408	-1.4	1,953	2,232	7,834	-5.7
Colfax	1,088	1,201	4,355	-1.2	2,822	2,684	10,569	2.8	Otoe	1,746	1,846	7,388	7.7	7,768	7,893	29,110	8.1
Cuming	1,245	1,403	4,891	-13.9	4,885	4,989	18,593	-3.7	Pawnee	387	314	1,675	25.8	570	494	1,928	-4.9
Custer	1,457	1,405	5,574	-3.5	4,743	4,738	18,093	1.4	Perkins	414	555	2,164	7.8	1,197	1,269	4,571	1.8
Dakota	1,928	2,062	7,570	8.5	8,909	8,817	33,833	-3.9	Phelps	1,354	1,165	5,102	-20.8	4,510	4,528	17,108	-4.8
Dawes	687	687	3,054	19.4	4,556	4,815	17,713	23.8	Pierce	824	1,018	3,596	-15.3	1,795	1,659	6,469	-5.8
Dawson	2,711	3,298	11,768	-3.0	12,277	12,278	47,720	1.0	Platte	4,038	4,088	15,273	8.0	20,796	21,604	79,435	0.8
Deuel	256	294	1,089	-13.6	1,092	886	3,665	29.9	Polk	751	815	3,237	-7.9	1,936	2,252	7,560	-9.1
Dixon	711	664	3,155	16.0	954	1,012	3,729	-1.7	Red Willow	1,401	1,483	5,471	6.5	11,253	11,309	42,719	2.9
Dodge	3,950	4,425	14,546	-2.6	20,966	22,898	82,763	4.4	Richardson	824	851	3,688	-4.4	3,223	3,133	11,975	-9.5
Douglas	51,536	57,002	184,616	12.4	447,896	459,208	1,733,557	4.6	Rock	255	224	1,080	19.1	435	427	1,520	5.0
Dundy	273	320	1,319	-8.9	630	587	2,151	6.9	Saline	1,235	1,687	5,705	5.9	4,275	4,247	16,663	-5.8
Fillmore	906	1,020	3,955	4.4	2,649	2,579	9,356	-6.1	Sarpy	13,976	14,550	49,732	4.7	35,689	38,611	136,913	8.0
Franklin	493	433	1,954	8.6	876	746	3,133	27.2	Saunders	2,641	2,727	10,241	3.8	5,189	5,391	20,324	-5.2
Frontier	348	440	1,677	-0.4	720	645	2,518	5.1	Scotts Bluff	3,838	4,628	15,338	3.5	25,338	25,015	94,370	-2.4
Furnas	840	849	3,176	14.3	2,371	2,132	8,294	-15.3	Seward	2,107	2,129	7,640	7.2	5,946	6,128	23,162	-1.5
Gage	2,486	2,627	10,095	8.6	11,326	11,790	44,055	-0.7	Sheridan	699	747	3,106	15.1	2,783	2,677	10,401	-1.9
Garden	269	242	1,354	13.7	632	545	2,204	11.8	Sherman	464	469	1,708	2.3	817	727	2,821	4.4
Garfield	224	135	846	26.6	761	698	2,657	14.4	Sioux	246	229	1,091	12.9	138	126	447	-6.1
Gosper	325	442	1,283	-2.6	424	451	1,708	17.1	Stanton	724	835	2,967	5.9	724	825	2,888	-0.2
Grant	96	80	476	22.4	249	201	820	63.3	Thayer	809	757	3,383	4.8	2,775	2,737	10,502	3.1
Greeley	350	315	1,336	-0.4	715	619	2,296	-3.3	Thomas	51	116	424	28.5	247	269	1,003	-18.3
Hall	6,099	6,140	22,494	9.7	51,074	52,089	195,221	7.1	Thurston	392	480	1,939	-11.9	791	820	2,989	-7.1
Hamilton	1,182	1,104	4,634	-16.6	3,082	3,143	11,503	-0.6	Valley	595	566	2,061	-1.7	2,164	2,079	7,994	4.1
Harlan	444	453	1,717	-9.9	830	810	3,029	4.1	Washington	2,470	3,446	10,057	14.2	6,935	7,195	26,895	1.2
Hayes	202	160	764	21.1	66	(D)	66	-14.3	Wayne	860	1,258	4,015	1.6	2,754	3,139	11,749	-4.7
Hitchcock	351	436	1,620	13.9	663	491	2,169	-7.5	Webster	425	470	1,805	-14.5	1,304	1,175	4,722	-6.2
Holt	1,338	1,415	5,979	3.0	5,616	6,124	21,412	3.8	Wheeler	89	193	690	-7.4	72	154	371	33.5
Hooker	106	155	449	42.1	184	202	730	-7.5	York	1,831	1,674	7,169	-12.0	10,606	10,630	40,346	8.9

*Totals may not add due to rounding
(D) Denotes disclosure suppression

Source: Nebraska Department of Revenue

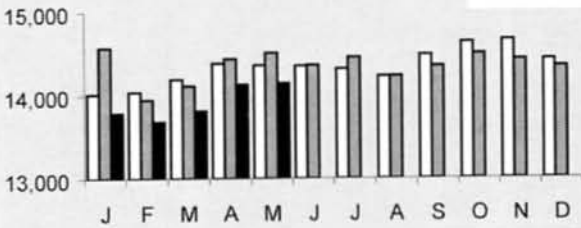
Note on Net Taxable Retail Sales

Users of this series should be aware that taxable retail sales are not generated exclusively by traditional outlets such as clothing, discount, and hardware stores. While businesses classified as retail trade firms account for, on average, slightly more than half of total taxable sales, sizable portions of taxable sales are generated by service establishments, electric and gas utilities, wholesalers, telephone and cable companies, and manufacturers.

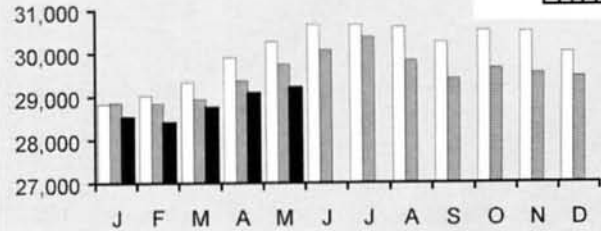
Regional Employment—1996 to May 1998

1996 1997 1998

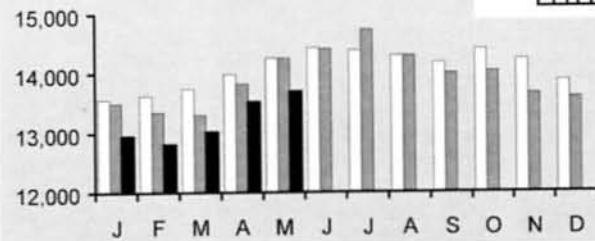
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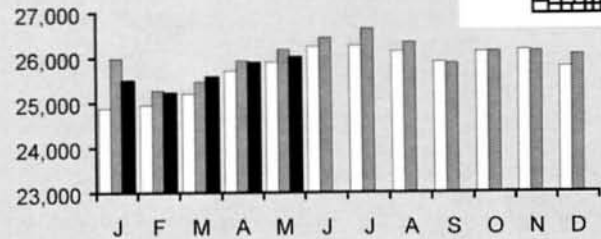
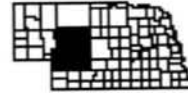
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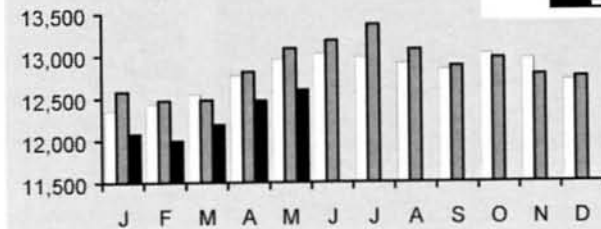
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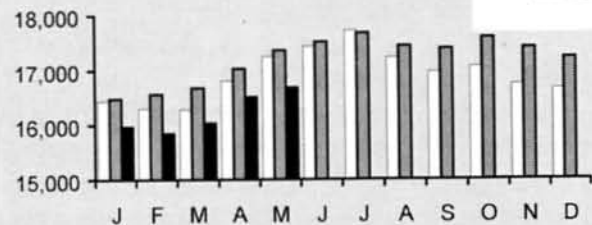
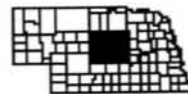
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Southwest Central



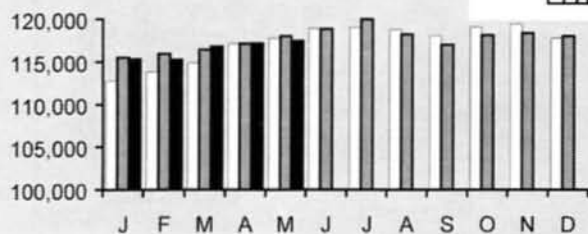
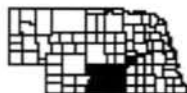
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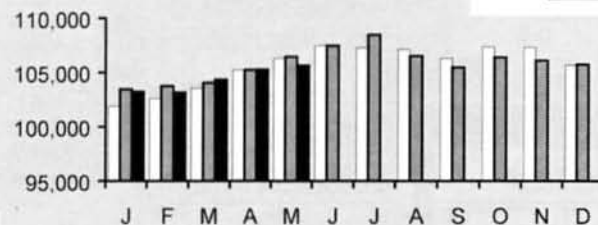
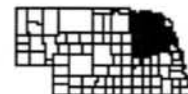
Regional Employment—1996 to May 1998

1996 1997 1998

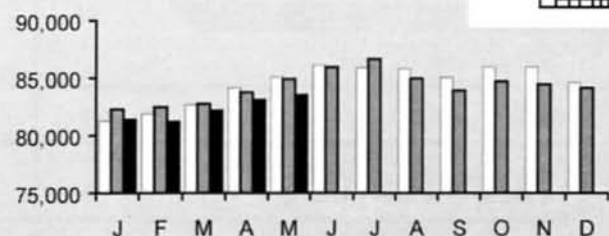
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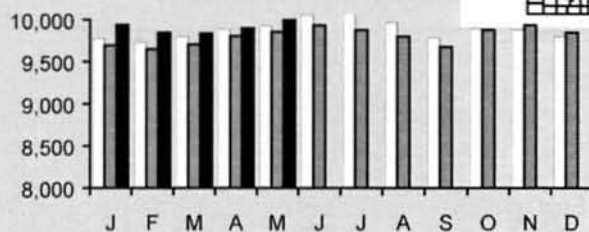
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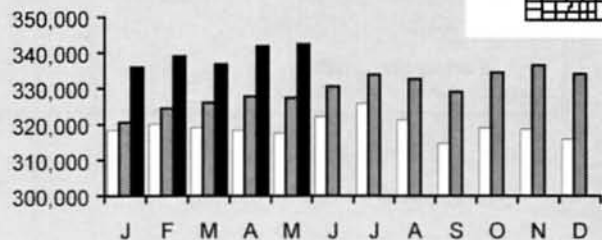
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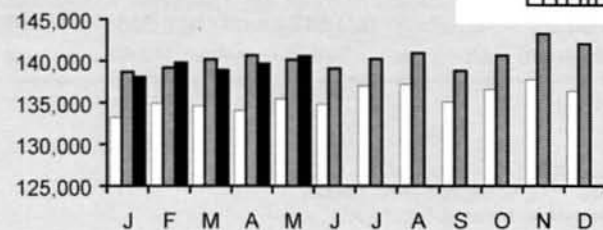
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Omaha MSA

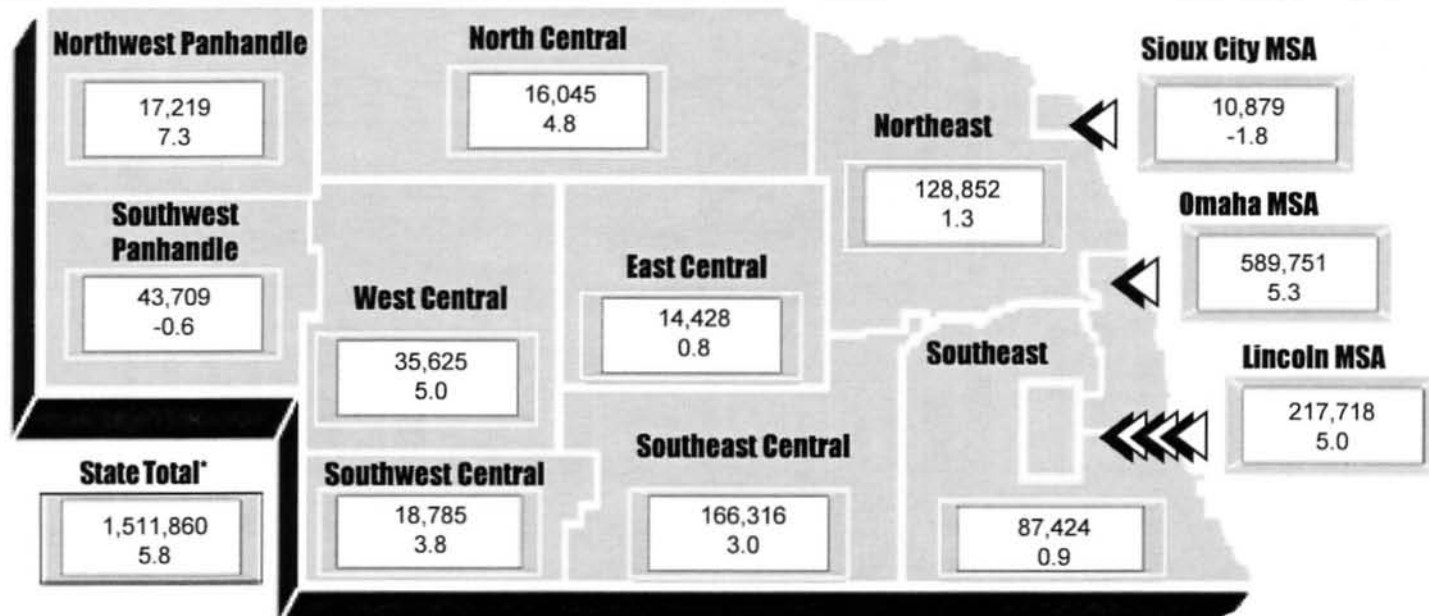


Lincoln MSA



April 1998 Regional Retail Sales (\$000)

Percent Change from Year Ago



*Regional values may not add to state total due to unallocated sales

Employment by Industry

	Revised April 1998	Preliminary May 1998	% Change vs Yr. Ago
Nonfarm Emp. (W&S)	875,894	882,764	5.3
Construction & Mining	118,788	118,797	5.4
Manufacturing	57,888	58,076	7.3
Durables	60,900	60,721	3.6
Nondurables	41,128	43,011	10.5
TCU*	55,127	55,112	9.7
Trade	213,304	214,922	3.9
Retail	155,875	157,663	2.3
Wholesale	57,429	57,259	8.3
FIRE**	56,737	56,966	8.1
Services	237,037	238,970	8.4
Government	153,773	154,986	-1.0
Labor Force	923,505	929,503	1.9
Unemployment Rate	1.6	1.9	

* Transportation, Communication, and Utilities

** Finance, Insurance, and Real Estate

Source: Nebraska Department of Labor

Inflation Rate

Price Indices

Consumer Price Index - U*
(1982-84 = 100)

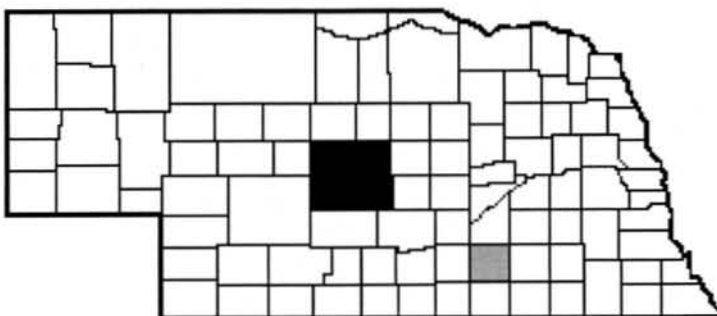
	June 1998	% Change vs Yr. Ago	YTD % Change vs Yr. Ago
All Items	163.0	1.7	1.5
Commodities	141.8	0.2	-0.1
Services	184.2	2.7	2.7

*U = All urban consumers

Source: U.S. Bureau of Labor Statistics

Custer

Broken Bow-County Seat



Next County of Month

License plate prefix number: 4

Size of county: 2,571 square miles, ranks

2nd in the state

Population: 12,086 in 1997, a change of -1.5 percent from 1990

Per capita personal income: \$19,399 in 1996, ranks 56th in the state

Net taxable retail sales (\$000): \$75,134 in 1997, a change of -0.9 percent from 1996; \$23,667 from January through April of 1998, a change of 0.2 percent from the same period the previous year.

Number of covered business and service worksites¹: 437 in 1997

Unemployment rate: 2.2 percent in Custer County, 2.6 percent in Nebraska for 1997

	State	Custer County
Nonfarm employment (1997):	816,623	3,387
	<i>(percent of total)</i>	
Construction and Mining	4.8	3.2
Manufacturing	14.2	12.5
TCU	5.1	2.2
Wholesale Trade	6.6	6.6
Retail Trade	19.1	20.6
FIRE	6.4	4.3
Services	26.1	20.9
Government	17.7	29.6

Agriculture:

Number of farms: 1,321 in 1992, 1,457 in 1987

Average farm size: 1,079 acres in 1992

Market value of farm products sold: \$219.1 million in 1992 (\$165,869 average per farm)

¹ Covered worksites and employment refer to business activity covered under the Nebraska Employment Security Law. Information presented has been extracted from the Employer's Quarterly Contribution Report, Nebraska Form UI-11. For further details about covered worksites and employment, see the Nebraska Employers Guide to Unemployment Insurance.

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, Nebraska Department of Labor, Nebraska Department of Revenue

bulletin board

About 42 Million Americans Moved Between 1996 and 1997

Between March 1996 and March 1997, about 42 million Americans (16 percent of the population) moved. Most (66 percent) stayed in the same county, 19 percent moved to another county in the same state, and 15 percent took up residence in a new state. Other findings:

- Almost a third of America's renters moved from March 1996 to March 1997. Only 8.0 percent of homeowners moved during the same period.
- Central cities lost 3 million people due to migration, while the suburbs gained about 2.8 million.
- The South was the only region with a significant net change in population due to internal migration, gaining 391,000 people from the other three regions.
- Moving rates declined with age: 32 percent of the people 20 to 29 years old moved, while only 5 percent of those 65 and over did so.
- More than 1 million people moved to the United States from abroad. Over 92 percent settled in metropolitan areas.

Source: Bureau of the Census, U.S. Department of Commerce

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