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A REVIEW OF NEBRASKA'S CONSTRUCTION INDUSTRY

The construction industry plays an important role in Nebraska's economy. In 1980, construction employment averaged 31,600 persons. This amounted to 5.0 percent of the nonagricultural wage and salary employment in the state. In addition, an estimated \$840 million in construction contracts were issued in 1980.

There are numerous indicators of economic activity in the construction industry. Several of the more readily available are presented in Table 1. Besides employment, data for personal earnings, current dollar gross state product (GSP), and constant dollar GSP are shown for the years 1970-1980. Personal earnings consist of both labor and proprietors' income. Gross state product reflects the net result of economic activity and is defined as the dollar value of all final goods and services produced by the construction industry in Nebraska during a year. Constant (real) dollar figures are obtained by using the appropriate national deflator.

earnings generated in the state and averaged 7.7 percent of non-agricultural earnings. Construction's relative share for 1980 will apparently be the lowest in more than a decade.

Employment, too, experienced a decline. The most recent peak (33,400) was recorded in 1979, and 1980's figure is down nearly 2,000 employees from that level and is the lowest since 1976. Because the measurement of employment is not directly affected by price level changes as are personal earnings, employment has experienced several dips since 1970. The most severe occurred in 1980, but others occurred in 1971 and 1975. Employment rebounded quickly following the two earlier declines, and it will be interesting to see if construction employment can rebound in a similar manner in 1981.

Throughout the eleven-year period covered in Table 1, employment averaged 5.2 percent of the nonagricultural wage and salary employment in the state. Only in 1971 was construction's share of employment smaller than that of 1980.

Of the two remaining measures of construction activity, real GSP will be highlighted because it excludes the influence of prices and allows for a more accurate year-to-year comparison. Although 1980 data are unavailable for both GSP series, it is reasonable to assume—based upon the experience in employment and earnings—that they also will decline.

Real GSP shows four declining years during the 1970s, with consecutive drops in 1974 and 1975. The highest level of GSP was recorded in 1978 and the lowest in 1971, but it is very likely that 1980 may be a new low.

As a percent of total GSP, construction averaged 4.7 percent between 1970-1979. It also averaged 5.4 percent of nonagricultural GSP over the same period. Construction's relative share of total GSP was the lowest in 1979, amounting to only 3.7 percent.

The cyclical aspect of the construction industry is not only apparent in earnings, employment, and GSP data, it is also readily apparent in the number and value of building permits issued. Table 2 (p. 2) presents statistics on residential construction authorized by building permits and by public contracts, as compiled by the U.S. Department of Commerce. Two important caveats should be noted before interpreting these data. First, the data are based on a sample of permit-issuing places, the number of which has increased since 1970. This results in an understatement of the actual number and value of residential construction. Second, not all building authorized by permits is actually undertaken. Therefore, the data should be viewed as the best available estimates, subject to the limitations mentioned previously.

It must also be remembered that (continued on page 2)

Table 1

INDICATORS OF CONSTRUCTION ACTIVITY IN NEBRASKA

Year	Personal Earnings (millions of \$)	Employment (average monthly)	GSP (millions of current \$)	Real GSP (millions of 1972 \$)
1970	289	24,600	330.8	392.2
1971	303	23,900	344.5	374.8
1972	349	26,900	394.8	394.8
1973	391	29,200	456.4	411.9
1974	430	29,800	494.6	409.4
1975	442	28,100	518.1	381.2
1976	524	30,300	611.3	441.3
1977	569	32,300	672.6	456.0
1978	638	33,000	735.2	456.7
1979	651	33,400	680.0	387.0
1980	638*	31,600	NA	NA

*Estimate based on first three quarters of 1980.

Sources: U.S. Department of Commerce, Nebraska Department of Labor, and computations by the Bureau of Business Research.

The construction industry in Nebraska appears to have experienced some long-term growth and seems to be sensitive to changes in general business activity, as evidenced by the variability of the data series contained in Table 1. The two series for which data are available (personal earnings and employment) show that 1980 was a poor year for construction, as both series declined from 1979.

The drop in personal earnings was the only drop in earnings during the eleven-year period, 1970-1980. Throughout this period, earnings in the construction industry averaged 6.7 percent of all

(continued from page 1) although residential building is important (40 percent of all construction between 1970 and 1980), nonresidential building and nonbuilding construction (such as highways, bridges, etc.) amount to a sizable portion of Nebraska's construction. Residential construction also tends to fluctuate more than the other types of construction because of the relatively short time needed for completion of a project and its dependence on the cost and availability of financing. Nonresidential building and nonbuilding construction, on the other hand, are more stable and less sensitive to interest rates and availability of funds.

Table 2 presents the number of units, the current value, and real value of residential building authorized in Nebraska by building permit and public contracts for the years 1970-1980. Total residential building is further divided into total private construction and private construction consisting of only one unit. Typically, total construction consists solely of private construction, and for those years with some public construction it is usually relatively small.

In looking at the total number of units authorized, it becomes apparent that the number of units fluctuates considerably from year to year with no discernible long-term trend. In addition, it appears that 1980 was a disaster in terms of residential construction. Total number of units peaked in 1972 at 13,556 units, dropped to a low in 1974, and then climbed steadily until reaching a smaller peak in 1977. Since then, the number of units has fallen rapidly, as the 7,144 units authorized for construction in 1980 were the fewest since 1974.

During the 1970s, the composition of residential construction changed. In the early 1970s, single units amounted to approximately one-half of all construction, but in the last part of the decade and continuing into 1980, single units comprised about three-fourths of all construction. Single-unit construction has exhibited similar fluctuations, with highs in 1972 and 1977 and a low in 1974, but the decade high occurred in 1977 rather than 1972.

Both current value and real value of authorized building have followed a cycle similar to the number of units. The only differ-

ence was that total current value reached its peak in 1978 rather than 1977.

In 1980, the value of residential building amounted to \$230 million, but fell 16.8 percent from 1979. This drop represented the largest fall in value during the eleven-year period beginning in 1970. The value of single units was \$189 million, representing an 18.9 percent decline from 1979 and the largest decline over the eleven-year period.

The extent of the current slump in construction is best exemplified by the real value of residential building. For all three types of construction presented in Table 2, the real value in 1980 was approximately three-fourths of what it was the previous year and slightly more than half the 1977 value. In other words, in just three years the real value of construction has fallen nearly 50 percent.

The forecast for 1981, however, is one of cautious optimism. Even though residential construction may not attain the levels of 1979, 1981 is expected to be no worse than 1980 and probably a slight improvement.

To summarize, it appears that Nebraska's construction activity during the years 1970-1980 has shown some growth, but was subject to severe fluctuations. Currently, the industry is in one of its slumps that may have bottomed out in 1980.

THE CENSUSES OF CONSTRUCTION INDUSTRIES

The previous section reviewed some of the end results of the construction industry (output, earnings, and employment). This section will tend to focus in more detail on the structure of the industry by using data found in the quinquennial *Census of Construction Industries* prepared by the U.S. Bureau of the Census.

The 1977 *Census of Construction Industries* indicated that there were 13,132 establishments in Nebraska which operated primarily as general contractors or operative builders, special trade contractors, or subdividers and developers. These establishments had total receipts of \$2.1 billion and an average payroll of 35,975 employees¹ during 1977. In addition to these payroll

¹Employment is the average for pay periods including the 12th of March, May, August, and November, and includes all employees of a construction firm.

Table 2
RESIDENTIAL BUILDING AUTHORIZED IN NEBRASKA BY BUILDING PERMITS AND PUBLIC CONTRACTS

Year	Number of Units			Value (thousands of \$)			Real Value*(thousands of 1972 \$)		
	Total	Total Private	1-Unit	Total	Total Private	1-Unit	Total	Total Private	1-Unit
1970	8,014	7,689	4,342	89,667	85,771	61,753	100,524	96,156	69,230
1971	13,156	13,059	6,230	141,071	139,454	88,484	149,440	147,727	93,733
1972	13,556	13,556	6,625	165,887	165,887	110,257	165,721	165,721	110,037
1973	10,207	10,207	6,139	146,793	146,793	108,617	133,205	133,205	98,743
1974	7,019	7,019	4,773	123,033	123,033	99,714	101,345	101,345	82,002
1975	7,927	7,927	6,585	163,970	163,970	146,131	124,314	124,314	110,705
1976	10,528	10,528	8,241	225,568	225,568	195,297	158,963	158,963	137,630
1977	11,322	11,322	8,788	287,043	287,043	249,425	179,402	179,402	155,891
1978	10,937	10,937	8,370	289,575	289,575	245,996	159,546	159,546	135,535
1979	8,785	8,735	6,601	277,221	275,124	233,195	135,230	134,207	113,809
1980	7,144	6,980	5,269	230,530	222,671	189,232	101,734	98,266	83,509

*Price index imputed from current and real dollar values published in various issues of *Value of New Construction Put in Place*, U.S. Department of Commerce, Bureau of the Census, Construction Reports, C30.

Source: *Housing Units Authorized by Building Permits and Public Contracts*, U.S. Department of Commerce, Bureau of the Census, Construction Reports, C40.

employees, 11,654 proprietors and working partners received incomes from construction establishments.

The 1977 *Census of Construction Industries* is a part of the 1977 economic censuses. The census divides construction firms into employers (firms with payroll) and nonemployers (firms without payroll). Statistical information for the employers was obtained by a survey which included all medium and large size employers and a sample of the smaller ones. Since census reports were not required from the nonemployers, statistics on them were obtained from administrative records of the federal government.

The nonemployer establishments were the most numerous, and totaled 8,186 establishments (see Table 3). Although non-employer establishments accounted for 62 percent of all establishments, they accounted for only 8 percent of all business receipts. On the other hand, the remaining 4,946 employer establishments numerically made up (continued on page 6)

Table 3
CONSTRUCTION INDUSTRIES IN NEBRASKA, 1977

	All Establishments	Establishments without Payroll	Establishments with Payroll
Number of Establishments	13,132	8,186	4,946
Proprietors and Working Partners	11,654	8,371	3,283
All Employees	35,975	---	35,975
All Business Receipts (\$000)	2,109,436	177,177	1,932,259

Source: U.S. Bureau of the Census, *Census of Construction Industries*, 1967, 1972, and 1977.

Table 4
CONSTRUCTION INDUSTRIES IN NEBRASKA, 1967, 1972, AND 1977

	1967	1972	1977	Average Annual Percent Change		
				1967-72	1972-77	1967-77
Number of Establishments	8,202	8,924	13,132	1.7	8.0	4.8
Proprietors and Working Partners	7,641	7,793	11,654	0.4	8.4	4.3
All Employees	25,527	29,438	35,975	2.9	4.1	3.5
All Business Receipts (\$000)	799,407	1,101,110	2,109,436	6.6	13.9	10.2
Constant Dollar Business Receipts* (1967=100)	799,407	796,175	975,687	-0.1	4.2	2.0

*Receipts are deflated by the Construction Cost Index prepared by the U.S. Department of Commerce.

Source: U.S. Bureau of the Census, *Census of Construction Industries*, 1967, 1972, and 1977. Calculations by Bureau of Business Research.

Table 5
EMPLOYMENT IN CONSTRUCTION INDUSTRIES IN NEBRASKA, 1967, 1972, AND 1977

	1967	1972	1977	Percent of Total 1977	Average Annual Percent Change		
					1967-72	1972-77	1967-77
Total	25,527	29,438	35,975		2.9	4.1	3.5
<i>General Building Contractors & Operative Builders</i>	7,682	9,133	10,450	29.0	3.5	2.7	3.1
Residential Builders	2,637	3,676	5,465	15.2	6.9	8.3	7.6
Nonresidential Builders	5,045	5,457	4,985	13.9	1.6	-1.8	-0.1
<i>Heavy Construction</i>							
<i>General Contractors</i>	6,241	5,250	6,845	19.0	-3.4	5.4	0.9
Highway and street construction	2,442	2,133	3,121	8.7	-2.7	7.9	2.5
Heavy construction other than highway and street	3,799	3,117	3,724	10.4	-3.9	3.6	-0.2
<i>Special Trade Contractors</i>	11,497	14,957	18,602	51.7	5.4	4.5	4.9
Plumbing, heating, & air conditioning	2,980	3,318	3,910	10.9	2.2	3.3	2.8
Painting, paper hanging, & decorating	807	890	836	2.3	2.0	-1.2	0.4
Electrical work	1,832	2,557	4,208	11.7	6.9	10.5	8.7
Masonry, plastering, & tile setting	1,870	2,898	3,235	9.0	9.2	2.2	5.6
Carpentering & flooring		1,295	1,280	3.6		-0.2	
Other special trade contractors	4,008	3,999	5,133	14.3	5.7	5.1	4.8
<i>Subdividers & Developers</i>	107	98	78	0.2	-1.7	-4.5	-3.1

Source: U.S. Bureau of the Census, *Census of Construction Industries*, 1967, 1972, and 1977. Calculations by Bureau of Business Research.

Review and Outlook

The Nebraska economy recorded a 1.2% increase in physical volume output in December 1980. The increase in the state's economy was lead by a substantial increase in agriculture output, which more than offset the slight decrease in nonagriculture sectors of the Nebraska economy.

The index of agriculture output was up 16.1% above the November 1980 level. This represents one of the sharpest increases in some time in the agriculture component of the index, and likely reflects year-end marketings. Cash farm marketings in Nebraska in December totaled \$92.2 million, up 37% above year-previous levels.

Prices received by Nebraska farmers declined 1.5% in December

compared with November, while prices increased 0.4% at the national level. During 1980, prices received by Nebraska farmers advanced 8.6%, while prices paid increased 12.3%.

Output in the nonagriculture segment of the Nebraska economy declined 0.3% November to December. Construction was up 7.9% above month-previous levels. The index of construction activity now stands at 89.2, compared with 99.0 in December 1979. The construction sector of the Nebraska economy is operating at about 90% of the level one year ago, December 1979. This compares with national figures which show the construction index operating at 89.5% of the December 1979 level.

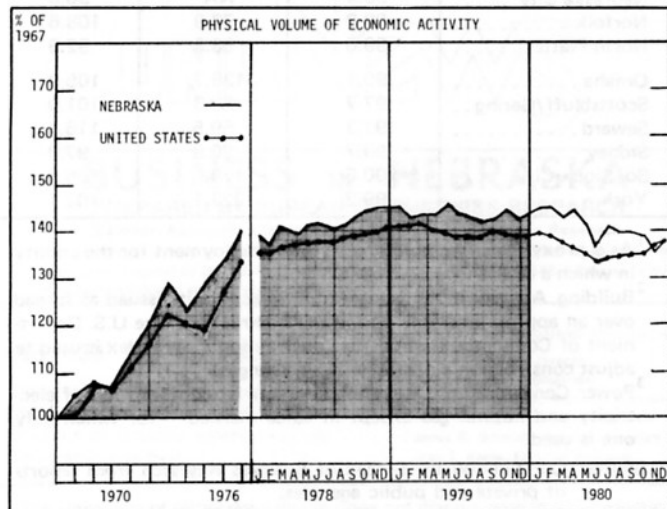
Output in Nebraska's manufacturing sector increased 0.7% November to December 1980. (continued on page 5)

Notes for Tables 1 and 2: (1) The "distributive" indicator represents a composite of wholesale and retail trade; transportation, communication and utilities; finance, insurance, and real estate; and selected services. (2) The "physical volume" indicator and its components represent the dollar volume indicator and its components adjusted for price changes using appropriate price indexes—see Table 5, page 5.

ECONOMIC INDICATORS: NEBRASKA AND UNITED STATES				
1. CHANGE FROM PREVIOUS YEAR				
December 1980	Current Month as Percent of Same Month Previous Year		1980 Year to Date as Percent of 1979 Year to Date	
	Nebraska	U.S.	Nebraska	U.S.
Indicator	Nebraska	U.S.	Nebraska	U.S.
Dollar Volume	103.5	108.9	107.4	108.8
Agricultural	104.6	118.9	115.6	107.2
Nonagricultural	103.4	108.6	106.3	108.9
Construction	99.7	99.0	78.6	100.8
Manufacturing	105.7	109.2	110.6	109.2
Distributive	102.6	109.2	107.4	109.7
Government	104.5	108.5	105.8	107.5
Physical Volume	93.4	97.7	96.8	97.0
Agricultural	96.3	107.1	113.0	105.4
Nonagricultural	93.1	97.5	94.9	96.8
Construction	90.0	89.5	70.6	90.9
Manufacturing	94.6	97.5	97.9	95.6
Distributive	91.3	97.2	94.7	96.6
Government	99.2	100.9	99.0	101.6

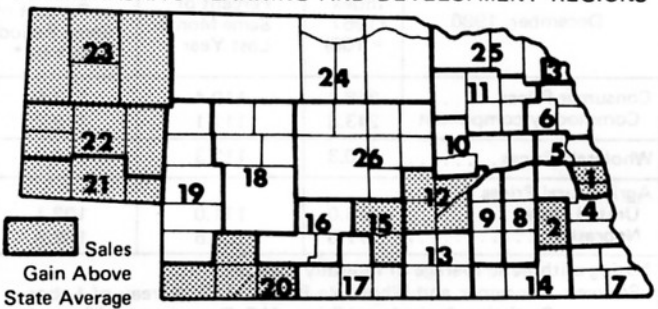
2. CHANGE FROM 1967		
Indicator	Percent of 1967 Average	
	Nebraska	U.S.
Dollar Volume	346.8	337.5
Agricultural	296.5	358.6
Nonagricultural	354.3	336.8
Construction	277.4	321.7
Manufacturing	366.9	301.7
Distributive	361.1	360.8
Government	355.2	324.5
Physical Volume	136.9	136.9
Agricultural	107.0	131.4
Nonagricultural	141.4	137.1
Construction	89.2	103.4
Manufacturing	162.4	132.4
Distributive	139.7	139.6
Government	146.6	150.2

3. NET TAXABLE RETAIL SALES OF NEBRASKA REGIONS AND CITIES (Adjusted for Price Changes)			
Region Number and City	City Sales*	Sales in Region*	
	Dec. 1980 as percent of Dec. 1979	Dec. 1980 as percent of Dec. 1979	Year to date '80 as percent of Year to date '79
<i>The State</i>	91.2	91.5	91.0
1 Omaha	92.9	93.4	92.7
Bellevue	87.4		
2 Lincoln	97.1	97.8	93.4
3 So. Sioux City	85.2	89.5	88.0
4 Nebraska City	90.0	87.4	84.3
5 Fremont	88.3	88.6	86.6
Blair	89.9		
6 West Point	84.0	84.0	81.2
7 Falls City	77.9	81.7	84.5
8 Seward	90.5	84.9	85.7
9 York	93.4	93.8	88.1
10 Columbus	108.3	96.2	87.0
11 Norfolk	87.0	86.4	84.1
Wayne	89.1		
12 Grand Island	95.3	94.0	92.0
13 Hastings	92.6	90.8	88.6
14 Beatrice	89.6	87.3	87.0
Fairbury	87.6		
15 Kearney	93.8	93.5	91.0
16 Lexington	91.6	90.1	88.4
17 Holdrege	87.1	93.3	89.7
18 North Platte	88.2	87.0	83.8
19 Ogallala	85.9	87.8	88.5
20 McCook	87.6	93.7	92.0
21 Sidney	80.6	89.5	93.6
Kimball	93.7		
22 Scottsbluff/Gering	94.8	102.4	93.4
23 Alliance	75.0	81.7	90.2
Chadron	76.7		
24 O'Neill	82.8	79.4	84.4
25 Hartington	90.0	86.2	82.7
26 Broken Bow	87.8	81.0	86.2



* State totals include sales not allocated to cities or regions. The year-to-year ratios for city and region sales may be misleading because of changes in the portion of unallocated sales. Region totals include, and city totals exclude, motor vehicle sales. Sales are those on which sales taxes are collected by retailers located in the state. Compiled from data provided by Nebraska Department of Revenue.

1980 YEAR TO DATE AS PERCENT OF 1979 YEAR TO DATE IN NEBRASKA'S PLANNING AND DEVELOPMENT REGIONS



(continued from page 4) The index now stands at 162.4, which is up from the June low of 159.9 but still remains below the February 1980 peak of 176.1. Nebraska's manufacturing sector produced approximately 95% of year-previous (December 1979) levels. Nationally, December 1979 was approximately 97.5% of year-earlier levels.

Nebraska's distributive trade sector declined 1.2% in December 1980 compared with November 1980. This sector has displayed minimal increase since rebounding from second-quarter lows. The index for the distributive trade sector stood at 139.7 in December 1980. This compared with an index value of 153.0 December 1979, and indicates that the distributive sector is operating at approximately 91% of the level recorded in December 1979.

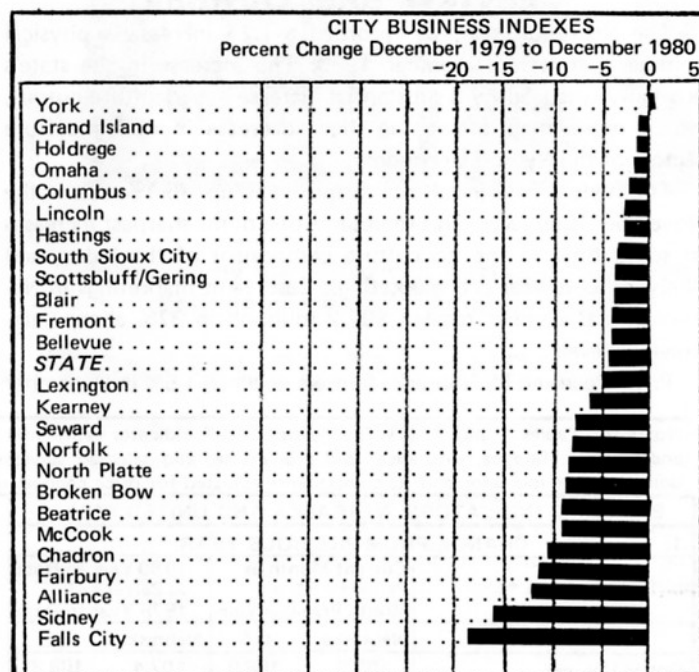
Output in the government sector showed no change in December 1980. This sector has had little movement during the past two years and is approximately 1% below year-previous levels. While output in Nebraska's public sector has declined during the past two years, there has been a slight increase nationally.

Nebraska's retail sales continued to show small dollar volume increases. December sales were up an estimated 1.2% on a dollar volume basis. Commodity price increases were up 11.1% over the past year, so when deflated for price changes, real retail sales were down.

Cities showing strength in retail sales include Columbus, Lincoln, and Grand Island. Real retail sales were up more than 8% above December 1979 in Columbus, one of the few communities in the state to record a real increase. Lincoln recorded a dollar volume increase of 7.9% compared with year-earlier levels, while Grand Island recorded a 5.9% increase.

An examination of the consumer price index over the past twelve months indicates that inflation peaked in the second quarter of 1980. Price increases at that time were running 14.4% above year-previous levels and since have declined gradually. The December 1980 reading indicates that the consumer price index was 13.5% above year-earlier levels, down from the peak of 14.4%. It would be premature to suggest whether this indicates a slowing of inflationary trends or simply a pause before price increases accelerate.

D. E. P.



Source: Table 3 (page 4) and Table 4 below.

The State and Its Trading Centers	Percent of Same Month a Year Ago		
	Employment ¹	Building Activity ²	Power Consumption ³
<i>The State</i>	98.5	94.9	101.2
Alliance	100.9	59.0	88.9
Beatrice	99.1	46.1	93.0
Bellevue	99.1	136.5	148.0
Blair	98.3	123.6	77.7
Broken Bow	99.0	58.8	90.8
Chadron	97.4	129.1	102.5
Columbus	97.4	36.0	107.5
Fairbury	99.1	33.3	94.9
Falls City	99.1	17.2	108.2
Fremont	105.9	67.7	106.8*
Grand Island	98.1	130.7	94.6
Hastings	99.8	109.5	96.0
Holdrege	98.6	256.0	153.2
Kearney	94.3	74.9	99.4
Lexington	98.5	89.2	103.4
Lincoln	95.9	105.3	91.5
McCook	98.5	57.6	98.2
Nebraska City	99.4	NA	90.0
Norfolk	98.2	73.9	108.6
North Platte	99.0	58.3	92.9
Omaha	99.1	136.7	105.9
Scottsbluff/Gering	97.7	88.3	101.0
Seward	97.3	59.5	116.1
Sidney	99.7	20.9	97.8
So. Sioux City	100.6	179.8	106.6
York	99.2	223.1	102.1

¹ As a proxy for city employment, total employment for the county in which a city is located is used.
² Building Activity is the value of building permits issued as spread over an appropriate time period of construction. The U.S. Department of Commerce Composite Construction Cost Index is used to adjust construction activity for price changes.
³ Power Consumption is a combined index of consumption of electricity and natural gas except in cases marked * for which only one is used.

Source: Compilation by Bureau of Business Research from reports of private and public agencies.

December, 1980	Index (1967 = 100)	Percent of Same Month Last Year	Year to Date as Percent of Same Period Last Year*
Consumer Prices	258.4	112.4	113.5
Commodity component	243.8	111.1	112.2
Wholesale Prices	280.3	112.3	114.0
Agricultural Prices			
United States	273.0	111.0	102.1
Nebraska	277.0	108.6	102.8

*Using arithmetic average of monthly indexes.
 Sources: Consumer and Wholesale Prices: U.S. Bureau of Labor Statistics; Agricultural Prices: U.S. Department of Agriculture.

(continued from page 3) 38 percent of the industry but accounted for 92 percent of the receipts of the construction industry.

As might be expected, proprietors and working partners are disproportionately represented in the nonemployer category. In fact, 72 percent of the proprietors and working partners fall into this category.

Table 4 (p. 3) shows some of the changes which occurred in Nebraska's construction industry between 1967 and 1977. The data in Table 4 are for all establishments, that is, both those with and those without payroll employees. In looking at the table, two things become readily apparent: first, most of the growth in construction occurred during the 1972-1977 period; and second, business receipts have increased more rapidly than any other measure. Business receipts, however, reflect both increased costs of construction as well as increased activity. In fact, if increased costs are taken into account, the changes in business receipts would be less than the changes in other measures.

Between 1967 and 1977, the number of establishments increased at an average annual rate of 4.8 percent. This rate was larger than the growth rate for proprietors and working partners (4.3 percent) and the rate for employees (3.5 percent). This seems to indicate that during this time period the average number of persons working in each firm declined. Table 4 also indicates that the increase in payroll employees was more stable than either the expansion in the number of establishments or the number of proprietors and working partners.

Because information for construction firms with payroll was obtained directly from them, the census presents much more detailed information for employers than it does for nonemployers. Besides, most of the construction activity (as measured by receipts) is centered in these establishments. Tables 5 (p. 3) and 6, therefore, present a more detailed look at employers. As mentioned earlier, there are several measures which can be used to describe the construction industry. Tables 5 and 6 concentrate on employment because it is not directly influenced by changing prices and does not have the problems of disclosure that are associated with receipts.

In 1977, slightly more than half (51.7 percent) of the 35,975 construction employees were employed by special trade contractors (see Table 5). An additional 29.0 percent were employed by

general building contractors and operative builders, 19.0 percent were employed by heavy construction general contractors, and the remainder were employed by subdividers and developers.

Table 5 also shows the changes in employment for employment establishments. Between 1967 and 1977, employment grew at an average annual rate of 3.5%. The major industry groups did not share equally in this growth, however. Not only was special trade contractors the largest group, it was also the fastest growing, with an average yearly increase of 4.9 percent. This group outpaced the 3.1 percent growth in general building contractors and operative builders and the 0.9 percent growth of heavy construction and general contractors. Subdividers and developers declined by an average of 3.1 percent per year.

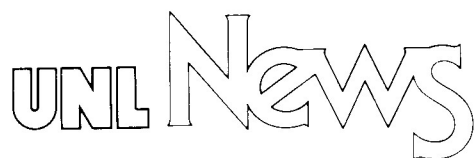
Based on the information in Table 6, it appears that the typical construction establishment in Nebraska provides employment opportunities for a proprietor or working partners, and/or 1 to 4 employees. This does not mean, however, that all construction activity is carried on by relatively small firms. Table 6 shows that in 1977, 35 firms employed 100 or more persons, with 2 of those employing 500 to 999. Although these 35 firms amount to less than 1 percent of the employers, they account for approximately one-fourth of all employees.

J. A. D.

Table 6
ESTABLISHMENTS WITH PAYROLL
BY EMPLOYMENT SIZE CLASS: 1967 AND 1977

Number of Employees	Number of Firms	
	1967	1977
Total	3,501	4,946
1 to 4	2,485	3,205
5 to 9	520	1,009
10 to 19	264	433
20 to 49	167	216
50 to 99	42	47
100 to 249	17	19
250 to 499	5	14
500 to 999	0	2
1,000 or more	1	0

Source: U.S. Bureau of the Census, *Census of Construction Industries, 1967, 1972, and 1977.*



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