

Published once in June, July, and Aug., twice in Jan., March, and Nov., three times in Feb., May, Sept., Oct., and Dec., and 4 times in April by the University of Nebraska-Lincoln, Dept. of Publications Services & Control, 209 Nebraska Hall, Lincoln, NE 68588. Second-class postage paid Lincoln, Nebraska.

Prepared by the Bureau of Business Research
College of Business Administration

NEBRASKA RETAIL SALES, 1979-80

Net taxable sales in Nebraska were \$8,921 million in 1980 (see Table 2, p. 2), up \$188 million over the 1979 total of \$8,733 million.

An examination of the geographic distribution of the gains in retail sales indicates that only seven of the state's planning regions recorded increases above the state's 2.1% dollar volume increase. Regions recording above-state-average gains are summarized in Table 2 and Map 1 (p. 3), and include Region 1, up 4.0%; Region 2, 4.8%; Region 12, 3.2%; Region 15, 2.1% (equal to the state average); Region 20, 3.3%; Region 21, 5.0%; and Region 22, 4.8%.

The meager extent of retail sales gains is illustrated by the fact that the highest percentage increase was recorded in Region 21 with a 5% increase. Five percent, of course, is well below the general increase in prices, meaning that most Nebraska areas had a decline in real retail sales in 1980.

When net taxable retail sales are adjusted for price changes, real retail sales were down approximately 9% in 1980. Using the commodity component of the Consumer Price Index, deflated net taxable retail sales were estimated at \$8,029 million, down approximately \$700 million in real terms from 1979. Adjusted

and unadjusted retail sales data for 1979 and 1980 are presented in Table 2. Note that data for 1979 may not agree with that previously published, since minor data revisions have been made.

Before examining real retail sales, that is, dollar volume sales deflated by the commodity component of the Consumer Price Index, it should be noted that the Consumer Price Index is an imperfect deflator. The Index weights rapidly rising prices more heavily than less rapidly rising prices, distorting price changes in a period in which some items, such as housing and energy, rise more rapidly than others, such as clothing. By applying the commodity component of the Consumer Price Index, distortions introduced through housing are corrected, although caution still is advised in interpreting the deflated statistics for they affect individuals in very different ways. It should be stressed that the Consumer Price Index does not measure the cost of living.

With these limitations in mind, price-adjusted net taxable retail sales in Table 2 indicate that real retail sales declined in all regions. These declines range from a low of 6.4% in Region 21 and 6.6% in Region 22 and Region 2, to as high as 18.8% in Region 6 and 17.4% in Region 25. Other areas (continued on page 3)

Table 1
NET TAXABLE RETAIL SALES¹ IN SELECTED NEBRASKA TRADING CENTERS, 1979 AND 1980
WITH PERCENTAGE CHANGES FOR SALES UNADJUSTED AND ADJUSTED FOR PRICE CHANGES

Trade Center	Region ²	Unadjusted for Price Changes		Percent of Change	Adjusted for Prices ³ Percent of Change	Trade Center	Region ²	Unadjusted for Price Changes		Percent of Change	Adjusted for Prices ³ Percent of Change
		Thousands of Dollars	1979					1980	Thousands of Dollars		
Alliance	23	62,281	63,768	2.4	-8.7	Lincoln	2	904,897	960,523	6.1	-5.4
Beatrice	14	82,502	84,484	2.4	-8.7	McCook	20	76,710	78,047	1.7	-9.4
Bellevue	1	93,885	96,017	2.3	-8.8	Nebraska City	4	44,872	45,026	0.3	-10.6
Broken Bow	26	38,488	40,409	5.0	-6.4	Norfolk	11	170,754	167,030	-2.2	-12.8
Chadron	23	36,420	35,624	-2.2	-12.8	North Platte	18	180,105	173,262	-3.8	-14.3
Columbus	10	135,666	140,353	3.5	-7.8	Ogallala	19	51,910	50,102	-3.5	-14.0
Fairbury	14	35,019	33,344	-4.8	-15.2	O'Neill	24	42,202	42,587	0.9	-10.1
Falls City	7	31,454	31,401	-0.2	-11.1	Omaha	1	2,209,195	2,331,895	5.6	-5.9
Fremont	5	153,657	152,271	-0.9	-11.7	Scottsbluff/Gering	22	183,058	194,279	6.1	-5.4
Grand Island	12	320,252	339,871	6.1	-5.4	Seward	8	40,093	40,264	0.4	-10.5
Hartington	25	17,885	17,176	-4.0	-14.4	Sidney	21	38,227	38,872	1.7	-9.4
Hastings	13	164,650	167,281	1.6	-9.4	So. Sioux City	3	36,471	38,094	4.5	-6.9
Holdrege	17	53,415	55,524	3.9	-7.4	Wayne	11	35,548	34,506	-2.9	-13.5
Kearney	15	155,988	161,580	3.6	-7.7	West Point	6	30,052	29,062	-3.3	-13.8
Kimball	21	29,393	34,617	17.8	5.0	York	9	66,415	69,852	5.2	-6.2
Lexington	16	56,355	56,584	0.4	-10.5	Total 30 Centers		5,577,819	5,803,705	4.0	-7.3
						Total State⁴		7,776,581	8,099,608	4.2	-7.1

¹ Excluding motor vehicle sales.

² Nebraska Planning and Development Regions.

³ Current dollar sales adjusted (deflated) for price changes using commodity prices component of the Bureau of Labor Statistics' Consumer Price Index.

⁴ Total state retail sales include some retail sales that cannot be allocated to cities, counties, or regions.

Source: Compilations by Bureau of Business Research from special tabulations provided by Nebraska Tax Commissioner.

Table 2

NET TAXABLE RETAIL SALES¹ IN NEBRASKA'S PLANNING AND DEVELOPMENT REGIONS, 1979 AND 1980
BY COUNTIES, WITH PERCENTAGE CHANGES FOR SALES UNADJUSTED AND ADJUSTED FOR PRICE CHANGES

Region and County	Unadjusted for Price Changes			Adjusted for Prices ²		Region and County	Unadjusted for Price Changes			Adjusted for Prices ²	
	Thousands of Dollars 1979	1980	Percent of Change	Percent of Change	Thousands of Dollars 1979		1980	Percent of Change	Percent of Change		
Region 1	2,649,059	2,754,605	+ 4.0	- 7.3	Region 16	153,638	152,358	- 0.8	-11.6		
Douglas	2,473,484	2,573,622	+ 4.0	- 7.3	Dawson	132,987	131,112	- 1.4	-12.1		
Sarpy	175,575	180,983	+ 3.1	- 8.1	Frontier	11,562	11,241	- 2.8	-13.4		
Region 2	1,010,753	1,059,509	+ 4.8	- 6.6	Gosper	9,089	10,005	+10.1	- 1.9		
Lancaster	1,010,753	1,059,509	+ 4.8	- 6.6	Region 17	131,418	132,238	+ 0.6	-10.3		
Region 3	58,202	57,479	- 1.2	-11.9	Franklin	18,034	16,818	- 6.7	-16.8		
Dakota	58,202	57,479	- 1.2	-11.9	Furnas	27,096	27,975	+ 3.2	- 8.0		
Region 4	200,169	189,340	- 5.4	-15.7	Harlan	18,112	17,768	- 1.9	-12.6		
Cass	55,368	54,664	- 1.3	-12.0	Phelps	68,176	69,677	+ 2.2	- 8.9		
Otoe	77,853	74,405	- 4.4	-14.8	Region 18	227,903	214,360	- 5.9	-16.1		
Saunders	66,948	60,271	-10.0	-19.8	Hooker	4,062	3,780	- 6.9	-17.0		
Region 5	268,591	260,870	- 2.9	-13.5	Lincoln	216,215	203,902	- 5.7	-16.0		
Dodge	208,778	202,844	- 2.8	-13.4	Logan	2,176	1,963	- 9.8	-19.7		
Washington	59,813	58,026	- 3.0	-13.5	McPherson	1,002	694	-30.7	-38.2		
Region 6	114,955	104,767	- 8.9	-18.8	Thomas	4,448	4,021	- 9.6	-19.4		
Burt	39,804	37,048	- 6.9	-17.0	Region 19	122,797	122,000	- 0.6	-11.4		
Cuming	59,523	53,965	- 9.3	-19.2	Arthur	1,307	1,161	-11.2	-20.9		
Thurston	15,628	13,754	-12.0	-21.6	Chase	31,378	33,388	+ 6.4	- 5.2		
Region 7	114,495	108,583	- 5.2	-15.5	Grant	3,696	3,902	+ 5.6	- 5.9		
Johnson	20,184	19,375	- 4.0	-14.4	Keith	64,746	62,124	- 4.0	-14.4		
Nemaha	32,406	31,056	- 4.2	-14.6	Perkins	21,670	21,425	- 1.1	-11.9		
Pawnee	12,082	11,333	- 6.2	-16.4	Region 20	114,949	118,715	+ 3.3	- 7.9		
Richardson	49,823	46,819	- 6.0	-16.2	Dundy	11,352	12,480	+ 9.9	- 2.1		
Region 8	158,385	152,371	- 3.8	-14.3	Hayes	2,469	2,361	- 4.4	-14.8		
Butler	31,927	30,553	- 4.3	-14.7	Hitchcock	10,137	11,729	+15.7	+ 3.1		
Seward	63,231	61,890	- 2.1	-12.7	Red Willow	90,991	92,145	+ 1.3	- 9.7		
Saline	63,227	59,928	- 5.2	-15.5	Region 21	95,395	100,184	+ 5.0	- 6.4		
Region 9	159,921	158,159	- 1.1	-11.9	Cheyenne	49,434	49,858	+ 0.9	-10.1		
Fillmore	41,132	39,372	- 4.3	-14.7	Deuel	11,410	10,545	- 7.6	-17.6		
Polk	27,312	24,957	- 8.6	-18.5	Kimball	34,551	39,781	+15.1	+ 2.6		
York	91,477	93,830	+ 2.6	- 8.6	Region 22	270,480	283,479	+ 4.8	- 6.6		
Region 10	279,529	272,773	- 2.4	-13.0	Banner	1,661	1,671	+ 0.6	-10.3		
Boone	37,368	34,894	- 6.6	-16.8	Garden	11,364	10,730	- 5.6	-15.9		
Colfax	46,801	44,698	- 4.5	-14.9	Morrill	32,692	32,197	- 1.5	-12.2		
Nance	15,345	15,010	- 2.2	-12.8	Scotts Bluff	224,763	238,881	+ 6.3	- 5.3		
Platte	180,015	178,171	- 1.0	-11.8	Region 23	169,384	171,374	+ 1.2	- 9.8		
Region 11	345,351	326,042	- 5.6	-15.9	Box Butte	74,270	76,177	+ 2.6	- 8.6		
Antelope	36,483	34,742	- 4.8	-15.2	Dawes	47,376	46,467	- 1.9	-12.6		
Madison	221,264	210,868	- 4.7	-15.1	Sheridan	44,123	44,995	+ 2.0	- 9.1		
Pierce	30,514	28,243	- 7.4	-17.5	Sioux	3,615	3,735	+ 3.3	- 7.9		
Stanton	12,523	11,048	-11.8	-21.4	Region 24	173,558	164,300	- 5.3	-15.6		
Wayne	44,567	41,141	- 7.7	-17.7	Boyd	11,487	10,323	-10.1	-19.9		
Region 12	463,246	478,173	+ 3.2	- 8.0	Brown	26,698	26,392	- 1.1	-11.9		
Hall	362,045	380,197	+ 5.0	- 6.4	Cherry	36,944	34,817	- 5.8	-16.0		
Hamilton	38,351	39,087	+ 1.9	- 9.2	Holt	77,874	75,348	- 3.2	-13.7		
Howard	26,366	24,364	- 7.6	-17.6	Keya Paha	2,936	2,601	-11.4	-21.0		
Merrick	36,484	34,525	- 5.4	-15.7	Rock	17,619	14,819	-15.9	-25.0		
Region 13	278,788	277,294	- 0.5	-11.3	Region 25	108,693	100,807	- 7.3	-17.4		
Adams	189,778	190,895	+ 0.6	-10.3	Cedar	45,706	42,146	- 7.8	-17.8		
Clay	35,511	34,731	- 2.2	-12.8	Dixon	16,962	15,311	- 9.7	-19.5		
Nuckolls	34,468	34,162	- 0.9	-11.7	Knox	46,025	43,350	- 5.8	-16.0		
Webster	19,031	17,506	- 8.0	-18.0	Region 26	144,625	139,932	- 3.2	-13.7		
Region 14	198,535	193,718	- 2.4	-13.0	Blaine	2,169	2,305	+ 6.3	- 5.3		
Gage	113,327	111,885	- 1.3	-12.0	Custer	68,481	67,976	- 0.7	-11.5		
Jefferson	51,210	48,326	- 5.6	-15.9	Garfield	11,987	12,175	+ 1.6	- 9.4		
Thayer	33,998	33,507	- 1.4	-12.1	Greeley	12,213	11,732	- 3.9	-14.3		
Region 15	240,917	245,860	+ 2.1	- 9.0	Loup	1,686	1,486	-11.9	-21.5		
Buffalo	209,880	213,860	+ 1.9	- 9.2	Sherman	15,605	13,780	-11.7	-21.3		
Kearney	31,037	32,000	+ 3.1	- 8.1	Valley	29,755	27,717	- 6.8	-16.9		
					Wheeler	2,729	2,761	+ 1.2	- 9.8		
					State Total³	8,733,485	8,920,736	+ 2.1	- 9.0		

¹ Motor vehicle sales are recorded as in counties in which the vehicles were first registered regardless of point of sale.² Current dollar sales adjusted (deflated) for price changes using commodity prices component of the Bureau of Labor Statistics' Consumer Price Index.³ Total state retail sales include some retail sales that cannot be allocated to cities, counties, or regions.

Source: Compilation by Bureau of Business Research, University of Nebraska-Lincoln, from tabulations provided by the Nebraska Tax Commissioner.

(continued from page 1) recording declines of 15% or more in deflated retail sales include Regions 4, 7, 11, and 24. The state was unable to escape the devastating effect of inflation in 1980.

An examination of retail sales on a county basis reveals the limited extent of real increases. Only two counties, Hitchcock and Kimball, managed to record increases in real retail sales. Hitchcock led all Nebraska counties with a 3.1% increase in real retail sales (15.7% on a dollar volume basis). Sales in Hitchcock County increased to \$11.7 million in 1980 from \$10.1 million in 1979. Kimball County recorded an increase of 2.6% in deflated net taxable retail sales (15.1% on a dollar volume basis) as sales increased to \$39.8 million (see Table 2).

Net retail sales increased 10.1% on a dollar volume basis in Gosper County to more than \$10 million in 1980. When adjusted for price changes, net taxable retail sales were down 1.9% in Gosper County, a somewhat better performance than the state average of -9.0% in deflated terms.

Other counties with above-average dollar volume increases (or below-average deflated decreases) in net taxable retail sales in 1980—all of these counties recorded declines in real sales—include Dundy County, 9.9%; Scotts Bluff County, 6.3%; Chase County, 6.6%; Hall County, 5.0%; Lancaster County, 4.8%; Douglas County, 4.0%; Grant County, 5.6%; Sioux County, 3.3%; Sarpy County, 3.1%; Kearney County, 3.1%; Frontier County, 2.8%; Furnas County, 3.2%; York County, 2.6%; and Phelps County, 2.2%. Counties shaded in Map 2 (p. 6) summarize those where dollar volume gains in net taxable retail sales in 1980 exceeded the state average.

Taxable net retail sales for the thirty major trade centers in Nebraska are summarized in Table 1 (p. 1). Data in Table 1 exclude motor vehicle sales and are reported both on a dollar volume basis which is unadjusted for price changes and on a deflated or price-adjusted basis.

Retail sales increased 4% on a dollar volume basis for the thirty trade centers listed in Table 1. Sales totaled \$5,804 million in 1980 compared with \$5,578 million in 1979. When adjusted for price changes, total sales in these thirty centers were down 7.3%.

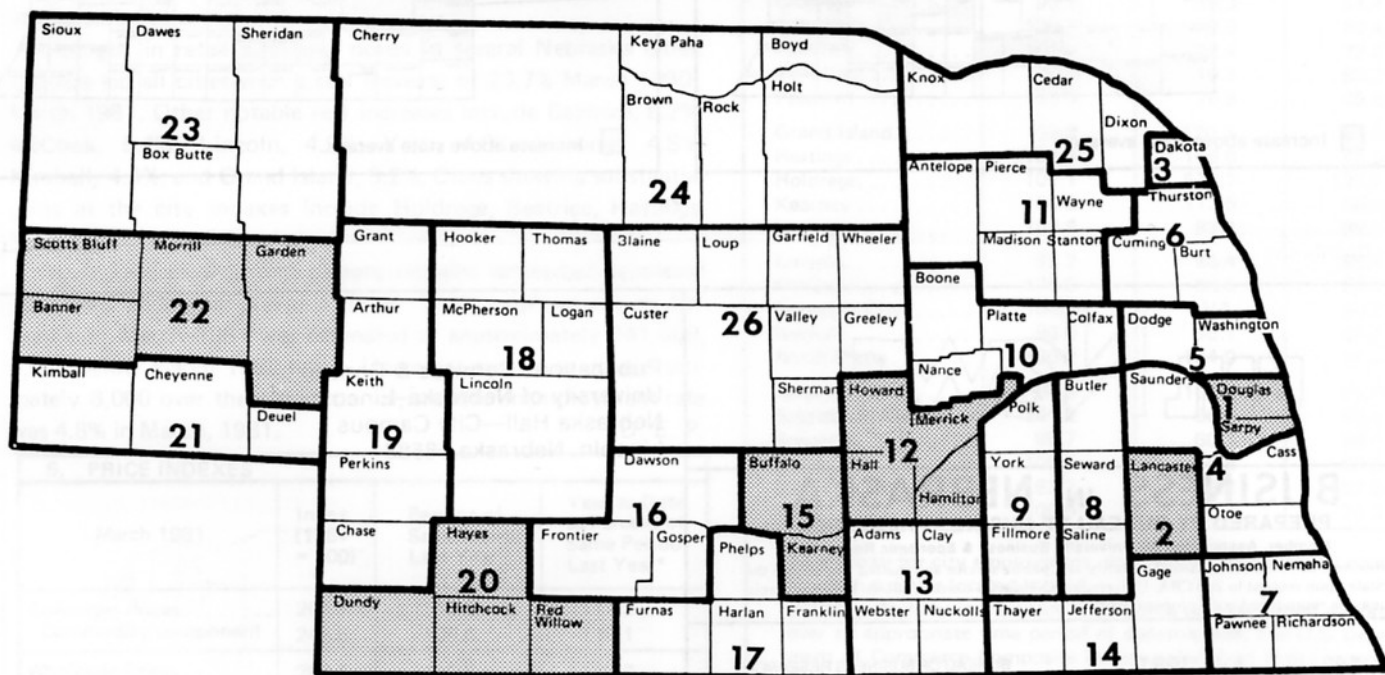
Kimball recorded the largest dollar volume increase, with a substantial 17.8% growth in retail sales. Sales in Kimball increased from \$29.4 million in 1979 to \$34.6 million in 1980. Kimball was the only center to record an increase in real retail sales, with the price-adjusted change being up 5% (see Table 1).


Other centers with above-average increases for the thirty trade centers include Scottsbluff-Gering, Lincoln, and Grand Island, up 6.1% on a dollar volume basis (unadjusted for price changes); Omaha, up 5.6%; York, up 5.2%; Broken Bow, up 5.0%; and South Sioux City, up 4.5%. This latter group of trade centers all recorded declines when retail sales were adjusted for price changes. Note that Omaha and Lincoln had above-average gains for the thirty trade centers, which boosted the percentage gain for these cities. Excluding these two largest trade centers in Nebraska reduces the net increase for the remaining twenty-eight trade centers to 1.9% on a dollar volume basis.

1970-1980

Nebraska net taxable retail sales increased to \$8,921 million in 1980, up from \$3,303 million in 1970. Over the decade, Nebraska retail sales increased 170%. (continued on page 6)

Map 1
REGIONS RECORDING ABOVE-STATE-AVERAGE GAINS
IN RETAIL SALES DOLLAR VOLUME, 1979-1980



 Increase above state average.

Review and Outlook

Business activity in Nebraska improved slightly in March from its February level. The Nebraska physical volume index was up 0.2% in March after total output was adjusted for price changes. Data for Nebraska's agriculture sector was unavailable as this report was being prepared, but should be available next month.

All sectors of the Nebraska nonagriculture economy except government showed improvements on a February-to-March basis. Construction recorded the largest increase, with the physical volume index up 2.7%. The construction industry has come back somewhat from the depressed 1980 conditions in Nebraska. The March 1981 figure compared with year-earlier data for the construction industry shows an increase of 30.6%. The construction

index reached its low in June of 1980 and has increased nearly 60% over the nine-month interval. While activity in the construction sector has improved in the last few months, the March 1981 reading remains approximately 8% below the March 1979 level of activity in this sector.

Output in Nebraska's manufacturing sector increased 1.3% in March over the February level. Physical volume output in manufacturing has changed very little over the past four months. Activity is up from the August 1980 trough, but below levels of one and two years previous.

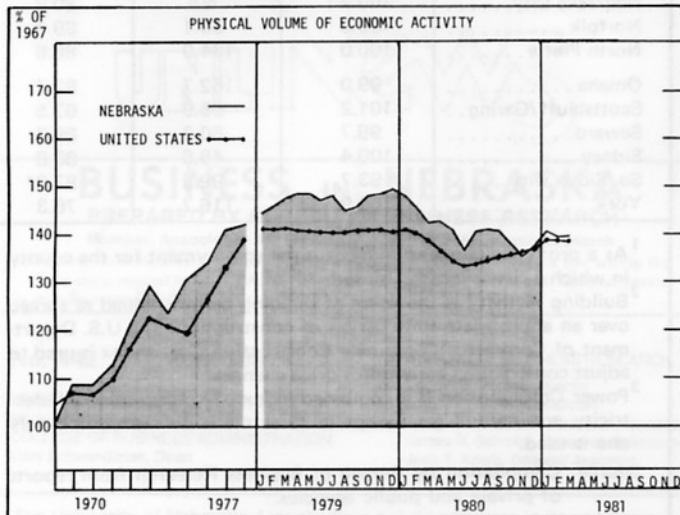
The distributive trade sector recorded a modest 0.2% increase in March. The distributive trade sector reached its low in June 1980 and has moved erratically ahead (continued on page 5)

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.

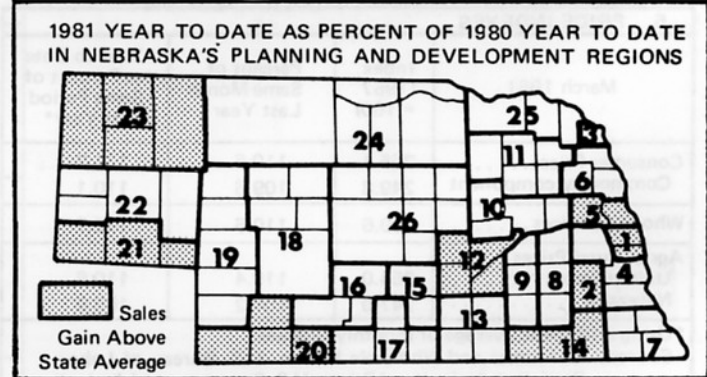
ECONOMIC INDICATORS: NEBRASKA AND UNITED STATES				
1. CHANGE FROM PREVIOUS YEAR				
March 1981	Current Month as Percent of Same Month Previous Year		1981 Year to Date as Percent of 1980 Year to Date	
Indicator	Nebraska	U.S.	Nebraska	U.S.
Dollar Volume	105.8	109.4	105.4	109.0
Agricultural	NA	NA	NA	NA
Nonagricultural	107.7	109.6	106.9	109.1
Construction	139.9	104.6	126.2	102.5
Manufacturing	104.1	107.2	102.9	107.1
Distributive	108.0	111.4	107.1	110.8
Government	102.8	108.3	106.0	108.2
Physical Volume	96.8	99.3	95.8	98.7
Agricultural	NA	NA	NA	NA
Nonagricultural	97.9	99.4	96.7	98.8
Construction	130.5	97.6	118.1	95.9
Manufacturing	94.7	97.1	93.4	96.9
Distributive	97.7	100.8	96.3	99.7
Government	97.0	99.6	98.8	100.2

2. CHANGE FROM 1967				
Indicator	Percent of 1967 Average			
	Nebraska	U.S.		
Dollar Volume	356.2	348.3		
Agricultural	NA	NA		
Nonagricultural	364.9	349.4		
Construction	331.7	330.2		
Manufacturing	375.6	312.9		
Distributive	370.9	376.6		
Government	354.7	328.5		
Physical Volume	139.2	138.0		
Agricultural	NA	NA		
Nonagricultural	141.9	138.5		
Construction	106.3	105.8		
Manufacturing	162.6	132.5		
Distributive	139.9	142.1		
Government	143.0	149.8		

3. NET TAXABLE RETAIL SALES OF NEBRASKA REGIONS AND CITIES (Adjusted for Price Changes)			
Region Number and City	City Sales*	Sales in Region*	
	March 1981 as percent of March 1980	March 1981 as percent of March 1980	Year to date '81 as percent of Year to date '80
<i>The State</i>	100.2	101.0	98.5
1 Omaha	101.4	103.6	102.3
Bellevue	99.0		
2 Lincoln	104.9	106.4	102.1
3 So. Sioux City	100.0	98.1	95.7
4 Nebraska City	93.4	98.0	96.8
5 Fremont	99.9	98.2	99.2
Blair	88.2		
6 West Point	100.7	93.7	90.2
7 Falls City	94.6	98.3	94.2
8 Seward	99.1	99.1	97.7
9 York	104.6	96.5	90.7
10 Columbus	95.1	90.3	91.9
11 Norfolk	99.7	97.7	93.5
Wayne	70.0		
12 Grand Island	103.2	103.3	101.1
13 Hastings	104.8	102.7	97.8
14 Beatrice	108.7	103.5	100.2
Fairbury	98.2		
15 Kearney	102.1	98.1	97.9
16 Lexington	98.1	94.2	94.4
17 Holdrege	100.8	95.3	95.3
18 North Platte	97.2	97.6	94.3
19 Ogallala	123.7	92.5	95.4
20 McCook	106.1	99.8	104.4
21 Sidney	84.8	96.5	101.7
Kimball	104.4		
22 Scottsbluff/Gering	97.6	97.7	98.4
23 Alliance	102.1	97.5	99.1
Chadron	93.6		
24 O'Neill	89.4	94.4	91.7
25 Hartington	88.9	87.1	87.6
26 Broken Bow	97.0	88.9	86.6



*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.



(continued from page 4) since that point. The index is now approximately 3% above its June 1980 level.

Output in the government sector continues to decline. The March 1981 physical volume index for the public sector was below readings recorded in 1980 and 1979. The index was down 2.1% on a February-to-March basis.

Cash farm marketing receipts were unavailable, as noted above, but it is of interest to note prices received and prices paid by the agriculture sector. On a seasonally unadjusted basis, prices received by Nebraska farmers were down 4.2% February to March. When comparisons were made over twelve months, prices received by Nebraska farmers were up 4.2%. Prices received by U.S. farmers declined 1.9% February to March, but were up 10.4% when prices are compared on an annual basis. Prices received by U.S. farmers were somewhat more favorable than those received by Nebraska farmers. Prices paid by all farmers were up 9.4%, indicating an improving situation for U.S. farmers over the interval March 1980-March 1981.

Nebraska retail sales were up 10.7% on a dollar volume basis March 1980-March 1981. Motor vehicles sales were up 18.5% over the twelve-month interval, while nonmotor vehicles sales were up 9.7%.

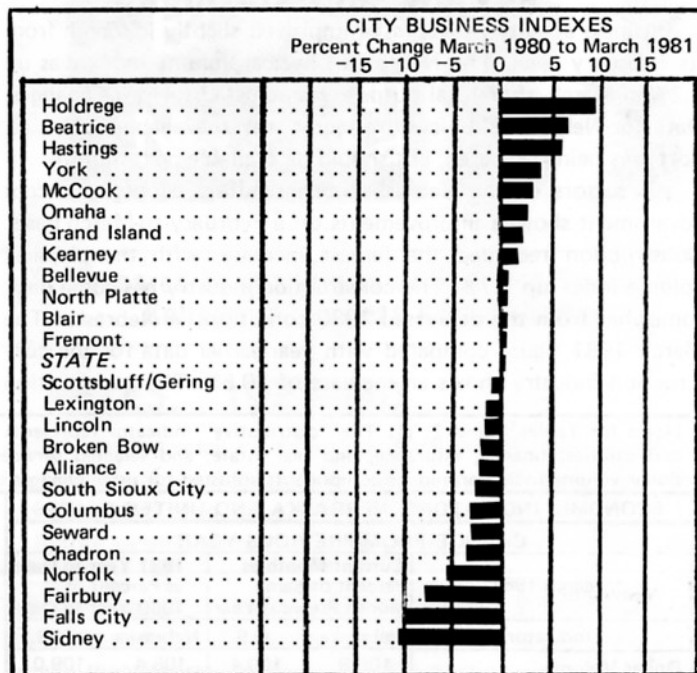
When adjustments are made for the rising prices, total retail sales were up 1 percent in real terms. Motor vehicles sales were up 8.2% in price-adjusted terms, while nonmotor vehicles sales were up 0.2%.

Inflation continues to moderate slowly, with the commodity component of the Consumer Price Index showing a 9.6% increase above the same month in 1980. All consumer prices were 10.6% higher in March 1981 compared with the year-earlier data. The rate of increase in the Consumer Price Index and the commodity component of this index has, of course, slowed since March 1981, which provides encouragement as future price reports will contain improved inflation news.

Strength in retail sales was noted in several Nebraska cities. Ogallala led all cities with a real increase of 23.7% March 1980-March 1981. Other notable real increases include Beatrice, 8.2%; McCook, 6.1%; Lincoln, 4.9%; York, 4.6%; Hastings, 4.8%; Kimball, 4.4%; and Grand Island, 3.2%. Cities showing substantial gains in the city indexes include Holdrege, Beatrice, Hastings, York, McCook, and Omaha.

Nebraska's employment picture remains somewhat depressed compared with year-previous levels. Total employment in Nebraska in March 1981 was estimated at approximately 741,000, 9,000 below March 1980 levels. Unemployment was up approximately 6,000 over the same interval, and the unemployment rate was 4.8% in March, 1981.

D. E. P.



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

4. MARCH CITY BUSINESS INDICATORS			
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>	99.5	104.7	84.1
Alliance	100.5	49.9	85.0
Beatrice	100.0	182.6	79.2
Bellevue	99.0	126.6	88.4*
Blair	99.7	317.6	114.2
Broken Bow	100.3	84.8	102.7
Chadron	99.1	88.3	81.4
Columbus	100.7	79.8	80.4
Fairbury	101.0	22.4	72.8
Falls City	100.7	19.3	83.2
Fremont	103.3	76.8	95.6*
Grand Island	99.8	120.3	91.8
Hastings	101.4	169.8	48.5
Holdrege	101.1	574.7	133.5
Kearney	100.6	113.5	86.5
Lexington	100.8	83.4	89.3
Lincoln	95.2	66.4	85.4
McCook	101.0	88.5	86.2
Nebraska City	100.7	NA	80.2
Norfolk	99.8	36.1	89.4
North Platte	100.0	134.9	86.6
Omaha	99.0	162.7	82.7
Scottsbluff/Gering ..	101.2	95.9	67.5
Seward	99.7	60.3	89.7
Sidney	100.4	46.6	83.8
So. Sioux City	93.7	99.8	87.9*
York	100.9	116.7	76.3

¹As a proxy for city employment, total employment for the county in which a city is located is used.

²Building 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.

³Power 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.

5. PRICE INDEXES			
March 1981	Index (1967 = 100)	Percent of Same Month Last Year	Year to Date as Percent of Same Period Last Year*
Consumer Prices	265.1	110.6	111.2
Commodity component	249.8	109.6	110.1
Wholesale Prices	289.6	110.6	110.7
Agricultural Prices			
United States	254.0	110.4	110.6
Nebraska	247.0	104.2	106.9

*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)

Real retail sales in Nebraska increased more rapidly than inflation. The best available measure is the commodity component of the Consumer Price Index. This measure is not ideal, but it is probably a better measure of trends in retail sales than the entire Consumer Price Index. Over the decade 1970-80, the commodity component of the Consumer Price Index increased 118%. Since retail sales in Nebraska were up approximately 170%, this indicates a real gain of nearly 44%.

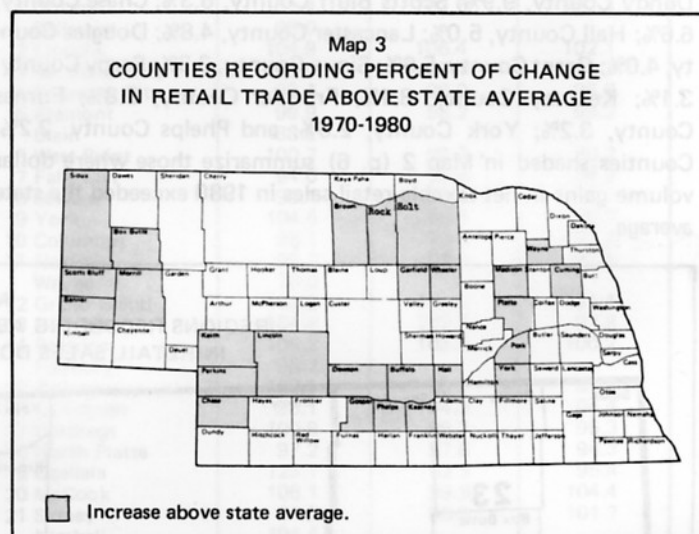
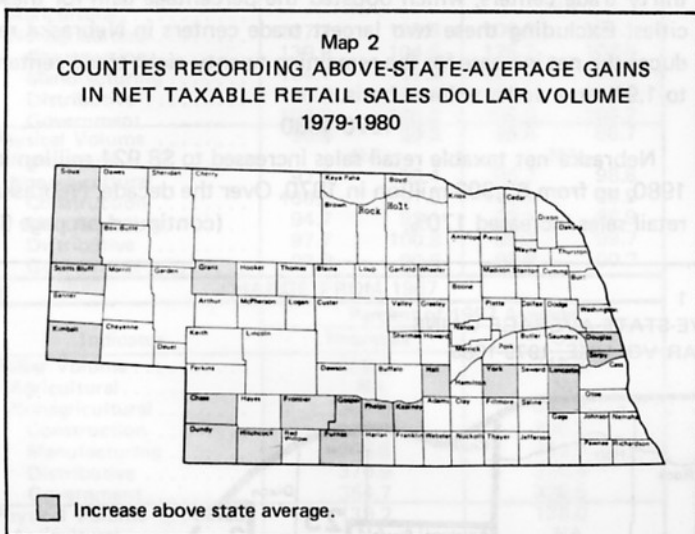
Counties where retail sales increased most rapidly during the 1970s include Wheeler County, up 250%; Chase County, +248%; Box Butte, +243%; Banner, +240%; Gosper, +223%; Rock, +222%; Holt, +210%; Buffalo, +209%; Morrill, +207%; Hall, +206%; and Perkins, +201%. With the exception of Box Butte, Buffalo, Hall, and Holt counties, retail sales in the remaining six counties totaled less than \$35 million in 1980. In other words, the percentage increases for some of the counties was coming upon exceedingly small dollar volume sales. Wheeler County, for instance, recorded retail sales of \$2.8 million in 1980 and Gosper County recorded retail sales of approximately \$10 million.

Box Butte, Buffalo, Hall, and Holt counties had more substantial sales and consequently were less affected by the small numbers phenomenon. Holt County, which ranked seventh, recorded an increase in retail sales from \$24 million in 1970 to more than \$75 million in 1980. Box Butte County, where growth has been stimulated by the Burlington and Northern in Alliance, recorded an increase in retail sales from \$22 million to more than \$76 million over the decade.

The state's two largest retailing areas, Douglas and Lancaster counties, had real gains in retail sales, but Douglas County failed to match the state average in terms of growth. Retail sales in Lancaster County totaled \$399 million in 1970 and \$1,060 million in 1980 for an increase over the decade of 165%.

A number of the state's counties recorded real gains in retail sales and these are indicated by the shaded areas in Map 3. Gains above the state average were well dispersed across the state. Decade indications of changes in retail sales for counties are available upon request from the Bureau of Business Research, 200 CBA, University of Nebraska-Lincoln, Lincoln, NE 68588.

D. E. P.



-6-

UNL News

BUSINESS IN NEBRASKA

PREPARED BY BUREAU OF BUSINESS RESEARCH

Member, Association for University Business & Economic Research

Business in Nebraska is issued monthly as a public service and mailed free within the State upon request to 200 CBA, University of Nebraska-Lincoln 68588. Material herein may be reproduced with proper credit.

Publications Services & Control
University of Nebraska-Lincoln
Nebraska Hall—City Campus
Lincoln, Nebraska 68588

No. 442 July 1981

BUREAU OF BUSINESS RESEARCH

UNIVERSITY OF NEBRASKA-LINCOLN
Martin A. Massengale, Chancellor
COLLEGE OF BUSINESS ADMINISTRATION
Gary Schwendiman, Dean

Donald E. Pursell, Director
Charles L. Bare, Statistician
Jerome A. Deichert, Research Associate
James R. Schmidt, Research Associate
Jean T. Keefe, Editorial Assistant

The University of Nebraska-Lincoln does not discriminate in its academic, admissions, or employment programs and abides by all federal regulations pertaining to same.

Postmaster: Send address changes to publishing address