July–August 1992 Vol. 47 No. 573

Business in Nebraska

In This Issue

Prepared by the Bureau of Business Research, 200 College of Business Administration, University of Nebraska-Lincoln, Lincoln, NE 68588-0406, 402/472-2334

Measuring Nebraska's Income

Merlin W. Erickson
UNL Bureau of Business Research

Introduction

Personal income, disposable income, household income, per capita income, median income, et al. are terms used to quantify income. Each term is useful for its specific purpose. Sound confusing? It can be to the reader and to the worker alike.

The purpose of this article is to provide useful definitions of major income terms as well as some direction and insight in selecting the appropriate income measure.

Chart 1 shows the main income concepts along with the reporting agencies. The income statistics illustrated in Chart 1 are for 1989. These statistics will be cited later in a discussion of the main differences among the various income measures.

Meaning of Income

The Money Income Approach

Money income is the sum of all sources of cash income including wages, salaries, net farm and nonfarm self-employment income, interest, dividends, net rental or royalty income, Social Security or railroad retirement income, public assistance or welfare income, veterans payments, retirement or disability income, child support, and any other source of income received on a regular basis. The earnings portion (wages, salaries, and self-employment) represents the amount received regularly before deductions for personal income taxes, Social Security, bond purchases, union dues, Medicare, etc.

The U.S. Bureau of the Census (Census hereafter) uses the money income approach for estimating per capita income. Census estimated per capita income in Nebraska at $12,452 for 1989.

The Personal Income Approach

The personal income approach includes most of the same sources of cash or money income and transfer payments (unemployment compensation, Social Security, and welfare payments, etc.) **plus** the imputed value of nonmonetary income or benefits received by household members.

The Bureau of Economic Analysis (BEA) uses the personal income approach. BEA's definition of personal income includes the value of food stamps, Medicare, Medicaid, and public housing subsidies as well as the cash

Chart 1
Income Concepts
1989

Source	Per Capita Personal Income	Per Capita Disposable Personal Income	Median Household Income	Median Family Household Income	Median Nonfamily Household Income
U.S. Department of Commerce, Bureau of Economic Analysis (BEA)	$16,382	$14,219			
U.S. Department of Commerce, Bureau of the Census (Census)	$12,452		$26,016	$31,634	$14,267
U.S. Department of Housing and Urban Development (HUD)				$29,900	

value of employers' contributions to employee welfare and pension funds. It is this imputed value that is the main difference between BEA and Census income figures.

BEA estimated that Nebraska's per capita income was $16,382 in 1989. The difference of $3,930 between per capita income estimates from Census and BEA is substantial.

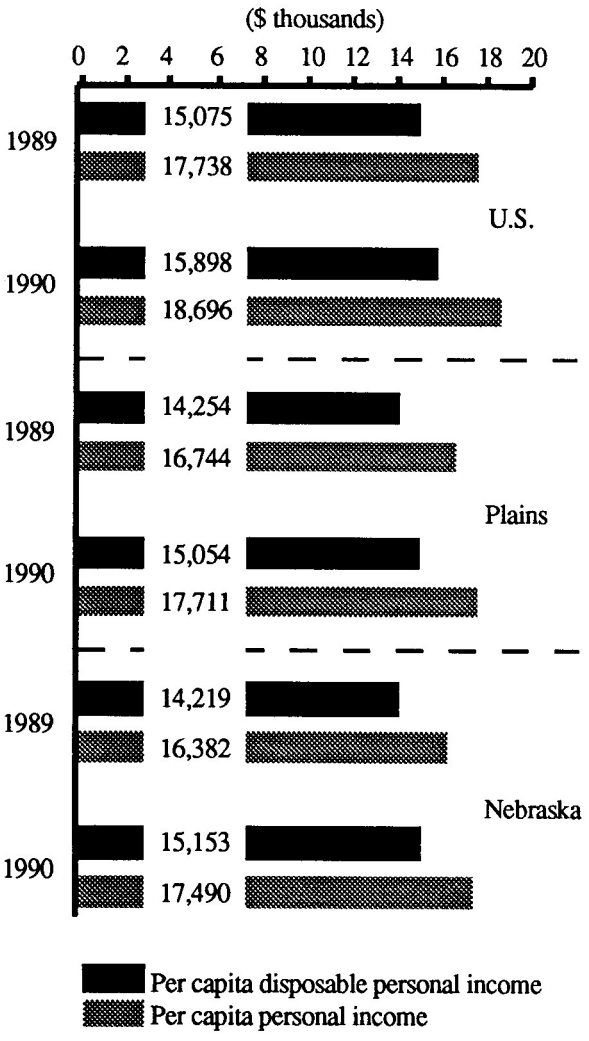
Methods of Reporting

Self-Reporting

Census relies on self-reporting to gather information on money income. Money income is gathered decennially from the long form sample conducted as part of the population census. Respondents to the long form sample during the 1990 census were asked about sources and amounts of cash income received in 1989.

The data are gathered from individuals and, in turn, aggregated to subcounty and county levels. The data then further are aggregated to state and finally national levels.

Figure 2
Per Capita Personal Income and Per Capita Disposable Personal Income ($ current)



Government Records

BEA uses information collected by others to prepare its estimates of personal income. One important source is the administrative record of various federal and state government agency programs. These programs include unemployment insurance (ES-202), various social insurances, income tax, veteran benefits, military, et al. BEA also relies on various Census data such as the censuses of agriculture and population. The data obtained from administrative records and censuses are used to estimate about 90 percent of the state and local income. Other sources are used for the remaining 10 percent.

The estimates of personal income first are constructed at the national level, then at the state level, and finally at the county level. The data for the larger geographic area serves as a control at each step from national to counties for the subsequent step.

Methods of Measurement

Previous sections of this article list the content and methods used to obtain income estimates. Gathering these income data together provides total income for a specific area. For example, total personal income in 1989 for the U.S. was estimated at nearly $4.4 trillion. The estimate of total income for Nebraska was $25.8 billion. Both of these dollar values are very large and differ sizably from each other. Additional meaning is given to both income amounts by reducing each to a per unit amount for a specific geographic area (such as the nation or the state). Similar statements can be made for other income.

The predominant per unit measures used in most discussion of income measures are per capita (mean) income and median income. Both measures represent averages. Discretionary income measures are used less frequently.

Per Capita Methods

Per capita income is the mean income of an identified group. It is obtained by dividing total income by the sum of men, women, and children in the group (nation, state, county, etc.).

Per Capita Personal Income: This measure is calculated for the U.S., regions, states, major metropolitan areas, and counties. Total personal income is estimated by BEA for each of the areas and then divided by the estimated mid-year population for the same year to obtain per capita personal income. The estimated per capita personal incomes for the U.S., Plains region (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota), and Nebraska are shown in Figure 1 for 1989 and 1990.

Per Capita Disposable Personal Income: Disposable personal income is formed of total personal income less personal tax and nontax payments. It is the amount of income available to persons for spending and saving. Examples of personal tax and nontax payments are income tax and fines, respectively. Per capita disposable income for the U.S., Plains, and Nebraska also are shown

Table 1
1989 Median Incomes
U.S. and Nebraska

	U.S.	Nebraska
All households	$30,056	$26,016
Family households	35,225	31,634
Nonfamily households	17,240	14,267

Source: *1990 Census of Population*, U.S. Bureau of Census

in Figure 1. These data are shown in current dollars (i.e., not adjusted for inflation).

Median Methods

Median income reports the midpoint in the ranked distribution of income. Half the group will have incomes below the median, and the remaining portion will have incomes above the midpoint.

Median Household Income: Household income is one of the broadest income measures estimated by Census, as it includes the income of the householder and all other persons 15 years old and over living in the household whether related to the householder or not.

Census relies on self-reported money income figures. These money income data are collected each ten years in the decennial census and estimated intermittently on the basis of a sample referred to as the *Current Population Survey*. The decennial data are available for the nation, states, counties, and subcounty units. Total money income was collected for calendar year 1989 during the last census. These estimates then were divided by April 1990 total population for the same geographic area to obtain 1989 per capita money income (Table 1). In order to be consistent with the decennial census, the Bureau of the Census compiles income estimates for the prior year (including intermittent years) and divides by the current year's estimated mid-year population.

Median Family Household Income: Family income is the sum of the income for all family members 15 years old and over. Table 1 contains the median household income as estimated by Census for the U.S. and Nebraska.

Median Nonfamily Household Income: This measure includes the income of householders living alone or individuals living with nonrelatives. Nonfamily households combined with family households together form total households; however, the median incomes of each are estimated separately. Because many Nebraska households consist of one person (26.5 percent of all Nebraska households in 1990), the median money income of all households is usually less than the median money income of family households (Table 1).

Discretionary Income

This term generally is used to define the amount of money available to households after all basic daily expenditures have been met. It would be arbitrary to define discretionary income in precise statistical terms, because what some consider a luxury is an essential to others.

Discretionary income estimates are neither readily available for smaller areas (including states) nor available on a regular basis. A study by the Consumer Research Center and the U.S. Bureau of the Census using 1987 data shows that approximately 28 percent of all households had some form of discretionary income.

Conclusion

There are several sources and types of income data. The Bureau of the Census and the Bureau of Economic Analysis, U.S. Department of Commerce are major providers of income data that offer broad coverage for sectors of the economy and the population. Differences in the origin of the data, collection procedures, and methods of computation limit comparability between income estimates from these two sources.

Census relies on self-reporting of individuals during the decennial census of population. BEA utilizes administrative records and information from other governmental agencies. Census collects information about money income, while BEA includes cash and noncash items in its estimates.

Users of these income data should be aware of the differences between many sets of income information. For example, Census income data are used in determining the poverty status of an area's families and unrelated individuals. A recent report by the Bureau of the Census[1] opens with the following statement:

> *Traditionally, income and poverty data presented in Census Bureau reports have been based on the amount of money income received during a calendar year before any taxes and excluding capital gains. This definition of income is narrow and does not provide a completely satisfactory measure of the distribution of income. The omission of data on taxes, capital gains, and the value of noncash benefits has an effect on comparisons over time and between population subgroups.*

The Bureau of the Census study reports the effects of median household income on the poverty rate in considerable detail. The nation's official poverty rate rose from 12.8 percent in 1989 to 13.5 percent in 1990, and the number of persons in the U.S. below poverty level increased from 31.5 million to 33.6 million using the money income definition.

When a broader definition of income that includes the effects of taxes, cash and noncash benefits and capital gains is used, however, the result is a somewhat more

[1] Current Population Reports, Series P-60, No. 176-RD, *Measuring the Effect of Benefits and Taxes on Income and Poverty: 1990*, U.S. Government Printing Office, Washington, D.C., 1991.

equal distribution of income. The ratio of black to white median household income in 1990 rises from 59.8 percent based on money income only to 67.3 percent using the broader definition. The corresponding change in the Hispanic to white ratio is 71.5 percent to 76.7 percent. Concurrently, the broader definition of income would reduce the official poverty rate for all persons in 1990 from 13.5 percent to 11.0 percent for the nation as a whole. The broader definition also would reduce the poverty rate in 1990 from 10.7 percent to 9.0 percent for whites, from 31.9 percent to 24.3 percent for blacks, and from 28.1 to 22.7 percent for Hispanics.

Sport Fishing—Big Business in Nebraska

Jan Laney
UNL Bureau of Business Research

Fly fishing, trolling, casting for crappie and sunfish, and all night drift fishing for catfish or other lunkers lure many to Nebraska lakes, reservoirs, rivers, and streams. Respondents to a 1988 State Fair survey indicated that fishing was their preferred outdoor activity. National survey results from 1985 (the most recent available) show that over 355,500 Nebraskans spent 6,860,300 fishing days, or 19.3 days average per angler, pursuing the wily creatures of the deep in 1985. Nebraska anglers spent an estimated $159,385,300 that year. These figures reflect spending by Nebraskans age 18 and older on fishing trips both within and outside the state. Trip-related expenditures include ancillary expenses such as bait, tackle, equipment, and gasoline.

The *1991 Annual Report of the Nebraska Game and Parks Commission* states that fishing has never been more popular. The number of anglers has been constant, but the number of trips taken and time spent are increasing. May and June are peak fishing months, but a small group (0.7 percent) of hardy anglers ice fish in winter.

Table 1
Estimated Expenditures by Nebraska Anglers
1985

Total Anglers	355,500
Total Fishing Days	6,860,300
Average Fishing Days Per Angler	19.3
Total Expenditures	$159,385,300
Trip-Related	97,391,300
Equipment & Other	54,444,000
Average Per Angler	461
Average Trip-Related/Angler	274
Average Equip. & Other/Angler	198
Average Per Day	23.89
Average Trip-Related Per Day	14.20
Average Equip. & Other Per Day	9.69

Source: 1985 national survey by the U.S. Fish and Wildlife Service as cited in the Nebraska Game and Parks Commission *State Comprehensive Outdoor Recreation Plan (SCORP) 1991-1995*

Boating plays a part in sport fishing. About 60,000 boats were registered in Nebraska in 1991. Nebraska's boat dealers reported $10,489,451 in taxable sales for 1991. A survey of boaters in 1990 revealed that 17.5 percent reported that all of their boating was for fishing, 2.9 percent said fishing accounted for three-fourths of their boating, and 3.7 percent used half their boating time for fishing.

Permits

Permits are required for all anglers age 16 and over who fish state waters. Free permits are issued to veterans over 65 years of age and to senior citizens age 70 and over. Three day, season, and lifetime permits are available to Nebraskans. Nebraska Game and Parks Commission figures indicate that 191,375 resident fishing and fishing/hunting permits were issued in 1991. Nonresidents purchased 31,128 permits. Permit holders who want to fish for trout must purchase a trout stamp; 27,661 trout stamps were sold last year. Revenue from permit and trout stamp sales totalled $2,688,334 (Table 2). Table 2 refers to permits sold for fishing in Nebraska in 1991 and should not be compared to 1985 survey figures in Table 1. The number of permits issued represents only a portion of the number of anglers using Nebraska waters. Not counted are children under the age of 16 years for whom permits are not required and persons who fish solely on private waterways.

Locales

Some 189,378 acres of standing water are available for lake and reservoir fishing in the state. Of this total, 115,641 acres are public access facilities, while 73,737 acres are privately owned farm ponds, grade stabilization and floodwater-retarding structures, gravel pits, and natural lakes. Private facilities meet an estimated 29.0 percent of the demand. Stream and river fishing was enjoyed by 274,726 Nebraskans who participated in a 1985 survey. Standing water fishing accounted for about 69.2 percent of Nebraska's fishing activity, while stream and river fishing provided the balance.

The Nebraska Game and Parks Commission's *State Comprehensive Outdoor Recreation Plan, 1991-1995* reports that about 17.4 percent of lake and reservoir fishing and 16.3 percent of stream and river fishing done by Nebraskans occurs outside the state. In 1991, however, 14.0 percent of all Nebraska fishing permits were issued to nonresidents. These visitors, drawn to Nebraska for fishing, spend money for gasoline, lodging, and food in addition to sport-related purchases.

Financing Improvements

Sport fishermen help support fishing in Nebraska by drawing federal dollars to the state for improvements in fishing facilities. The federal government's Sport Fish Restoration Program is funded by an excise tax on boat, bait, tackle, equipment, and other purchases Eligible state projects such as angler access facilities improvement or fish habitat development are reimbursed by the federal government at the rate of 75.0 percent.

Replenishing the Supply

Wildlife is a renewable natural resource, but the use of high tech equipment has enabled anglers to become more efficient and has caused a strain on fish populations. Stocking state facilities and stricter regulation of the size and quantity of each species captured help to ensure a continuing plentiful supply. State fish hatcheries are located at the Calamus Reservoir near Burwell, Valentine, Parks, and North Platte and near Royal (the Grove Trout Rearing Station). Last year over 35 million small fish called fingerling and frye were stocked in the state's waterways.

So, What's the Big Deal?

Why is fishing such an attractive pastime? Anglers have ready answers to this question. Being in the fresh air and locating and catching fish are some common reasons given. A delicious fresh fish dinner serves as ample reward to others. The thrill of the chase and the uncertainty of the outcome offset the expense, sunburn, rain, fatigue, or the possibility of an empty stringer at the end of an expedition.

Unpredictable weather and water conditions, the uncertain supply of fish, and state regulations make fishing a challenge, even with the latest equipment. Anglers generate considerable revenue for the state, in addition to supporting businesses that supply their needs.

Table 2
Fishing Permits & Trout Stamps Issued
1991

Permit Type	Cost	Number Issued	Revenue
Annual Fish	$11.50	144,161	$1,657,852
Fish/Hunt Combo	19.50*	44,536	512,164*
Nonresident Annual Fish	25.00	7,241	181,025
Three Day Resident Fish	7.50	2,678	20,085
Three Day Nonresident Fish	7.50	23,887	179,153
Total Permits/Revenue		222,503	2,550,279
Trout Stamp**	5.00	27,611**	138,055
Total Permits, Stamps/Revenue		250,114	2,688,334

* Revenue reported here only on the $11.50 fish portion of the combination permit

** Trout stamps are issued to permit holders

Source: Nebraska Game and Parks Commission

Review & Outlook

John S. Austin
UNL Bureau of Business Research

With the end of the second quarter came yet another revision of the estimate of economic growth in the first quarter. We now are told that GDP increased 2.7 percent in the first quarter. It widely is believed that the second quarter growth report, which is not due until the end of July, will be below the first quarter growth rate.

Auto sales have been disappointing so far this year, and housing starts have faltered somewhat in the second quarter.

Increasing Unemployment Rates

The increase in the nation's unemployment rate to 7.8 percent for June came as somewhat of a shock. This rate was the highest since 1984. Analysts have been scrambling to explain the increase. We normally would expect unemployment to drop in a recovery, but the drop historically has lagged the start date of the recovery.

Past Recoveries and the Unemployment Rate

Recession Dates		Peak in Unemployment Rate		Comment
Peak	Trough	Date	Unemployment Rate	
Dec. 1969	Nov. 1970	Dec. 1970	6.1%	Held within 0.2 percentage points of peak rate throughout 1971
Nov. 1973	Mar. 1975	May 1975	9.0%	Began immediate downward slide after peak
Jan. 1980	July 1980	July 1980	7.8%	Slide to 7.2 percent by end of year. Never got lower before the start of the next recession
July 1981	Nov. 1982	Nov. 1982	10.8%	Remained at 10.8 percent in December; broke 10.0 percent in July 1983
July 1990	March 1991*	June 1992 (?)	7.8% (?)	Ended the recession at 6.7 percent. Broke 7.0 percent in December. Fairly steady climb from trough date

*Unofficial scientific guess

Even so, this recovery's drop in the unemployment rate has been extremely slow in coming.

The accompanying table presents the official dates for historic recessions with the peak and trough months of activities. We also note the date of the peak in the unemployment rate and the corresponding level of the unemployment rate. This table demonstrates the unusually long wait for a drop in the unemployment rate in the current recovery. If June's 7.8 percent figure is the peak unemployment rate, it will have lagged the start of the recovery by over a year.

The 1990/1991 recession ended with an unemployment rate of 6.7 percent. The rate broke 7 percent in December and has climbed fairly steadily since then.

Reasons for the delayed drop in the unemployment rate are varied. Perhaps the major reason is that the economic recovery has been weak. The recovery is so weak that it is not absorbing unemployed workers into the economy. Another related explanation is that employers have become very conservative and prefer to expand hours before they expand jobs. They are taking a wait and see attitude.

So far the recovery has been an extraordinarily weak one. The restructuring of American industry coupled with major defense cuts has resulted in announcements of major employment reductions. These announcements have sent shock waves through the economy, damaging consumer confidence and in turn making it more difficult for the economy to enter a rapid recovery phase.

Other Economic News

- The Federal Reserve dropped the discount rate to 3.0 percent, and the federal funds rate was dropped to 3.25 percent in early July. These are the lowest rates since 1963.
- Strong end of June auto sales helped to raise the full month's sales to 5.0 percent above year ago levels. An unexpected surge in sales to rental car companies helped to lead the way. Domestic light truck sales increased even faster than did auto sales.
- The Purchasing Manager's Index dropped 3.5 percent in June.
- The Consumer Confidence Index as measured by the Conference Board slipped marginally to 71.7 in June from 71.9 in May. Up to that point, consumer confidence had climbed steadily from March.
- Sales of new homes slipped 5.6 percent in May, the fourth consecutive drop. Existing home sales decreased 1.8 percent in May.
- Real disposable income increased a modest 0.1 percent in May. Real spending increased 0.3 percent.
- Orders for durable goods fell 2.4 percent in May. This drop was lead by a decrease in defense orders of 27.7 percent.

Table I
Employment in Nebraska

	Revised April 1992	Preliminary May 1992	% Change vs. Year Ago
Place of Work			
Nonfarm	737,089	744,533	0.5
Manufacturing	98,516	99,294	0.5
Durables	46,980	47,484	-0.2
Nondurables	51,536	51,810	1.2
Mining	1,499	1,558	-4.3
Construction	27,607	28,522	1.5
TCU*	47,562	48,056	0.9
Trade	184,139	184,553	-1.3
Wholesale	51,754	51,636	-0.3
Retail	132,385	132,917	-1.7
FIRE**	48,820	48,767	0.8
Services	180,526	180,608	-0.4
Government	148,420	153,175	3.4
Place of Residence			
Civilian Labor Force	847,507	865,257	-0.4
Unemployment Rate	2.7	3.1	

* Transportation, Communication, and Utilities
** Finance, Insurance, and Real Estate
Source: Nebraska Department of Labor

Table II
City Business Indicators
March 1992 Percent Change from Year Ago

The State and Its Trading Centers	Employment (1)	Building Activity (2)
NEBRASKA	-1.5	24.9
Alliance	-1.8	-35.4
Beatrice	0.6	98.9
Bellevue	-3.9	42.7
Blair	-3.9	-24.5
Broken Bow	-2.4	-51.9
Chadron	2.1	920.5
Columbus	-0.2	74.6
Fairbury	-7.4	64.5
Falls City	-1.6	167.3
Fremont	-0.3	44.0
Grand Island	4.3	18.4
Hastings	-6.2	7.4
Holdrege	-0.3	-79.7
Kearney	-0.4	14.8
Lexington	18.3	12.3
Lincoln	-1.1	6.8
McCook	-10.6	-29.0
Nebraska City	-1.7	1,893.9
Norfolk	-2.3	-63.5
North Platte	4.5	-41.8
Ogallala	-1.8	-56.2
Omaha	-3.9	15.9
Scottsbluff/Gering	-1.4	203.6
Seward	2.1	-11.4
Sidney	-0.5	-74.1
South Sioux City	5.2	162.2
York	7.6	91.1

(1) As a proxy for city employment, total employment (labor force basis) for the county in which a city is located is used

(2) Building activity is the value of building permits issued as a spread over an appropriate time period of construction. The U.S. Department of Commerce Composite Cost Index is used to adjust construction activity for price changes

Sources: Nebraska Department of Labor and reports from private and public agencies

- Industrial production increased 0.6 percent in May, the fourth positive increase in a row. The increase was led by a resurgence in auto and truck production. In June output fell 0.3 percent.
- Housing starts in May reached 1.23 million units, an increase of 11.0 percent compared to April. In April housing starts had dropped 17.0 percent—despite the large increase in May, housing starts were below their March level. Starts fell 3.2 percent in June.
- The Consumer Price Index increased a modest 0.1 percent in May. Producer prices increased 0.4 percent. Wages increased only 2.5 percent in May versus year ago levels, which helps to explain the modest rates of inflation we have witnessed so far this year.

Nebraska Outlook

Though small, May's employment (jobs) gain of 0.5 percent (Table I) contrasts to no gain in March and a 0.1 percent gain in April. The May increase echoes increases in January and February.

Despite the slow growth in the state's jobs so far this year, April's unemployment rate was the lowest in the nation. Only nine states had rates below 5.0 percent. North Dakota, South Dakota, Iowa, Minnesota, Wisconsin, Kansas, Utah, and Hawaii also had rates under the 5.0 percent level. So far our part of the country has managed to avoid the high unemployment rates that have characterized other parts of the country. In April five states had unemployment rates in excess of 8.5 percent: Michigan, Rhode Island, Massachusetts, Alaska, and

Table III
Price Indices

	May 1992	% Change vs. Year Ago	YTD % Change vs. Year Ago
Consumer Price Index - U* (1982-84 = 100)			
All Items	139.7	3.0	3.0
Commodities	129.1	1.8	1.7
Services	150.9	4.1	4.1

U* = All urban consumers
Source: U.S. Bureau of Labor Statistics, Nebraska Department of Agriculture

Table IV
Net Taxable Retail Sales of Nebraska Regions and Cities

Region Number and City (1)		City Sales (2) March 1992 (000s)	City Sales (2) % Change vs. Year Ago	Region Sales (2) March 1992 (000s)	Region Sales (2) % Change vs. Year Ago	Region Sales (2) Year to Date % Change vs. Year Ago
NEBRASKA		961,987	7.2	1,090,133	6.7	6.6
1	Omaha	330,652	10.6	406,785	9.5	8.7
	Bellevue	11,632	-10.0	*	*	*
	Blair	4,930	3.7	*	*	*
2	Lincoln	124,277	4.4	143,004	4.6	5.5
3	South Sioux City	6,161	11.0	8,352	11.4	12.0
4	Nebraska City	4,054	0.3	19,731	3.8	6.8
6	Fremont	18,089	8.6	31,955	3.0	5.9
	West Point	3,256	2.0	*	*	*
7	Falls City	2,325	-10.4	9,589	-1.4	2.8
8	Seward	4,406	1.0	15,810	4.2	6.9
9	York	6,587	-3.2	15,089	-6..9	1.1
10	Columbus	16,207	7.1	27,637	-1.2	1.6
11	Norfolk	18,581	-1.2	34,184	-1.0	2.1
	Wayne	3,291	-1.3	*	*	*
12	Grand Island	36,543	7.7	51,603	7.9	7.5
13	Hastings	17,542	9.5	27,722	3.8	4.7
14	Beatrice	8,461	2.5	18,915	1.1	3.1
	Fairbury	2,842	4.6	*	*	*
15	Kearney	20,808	5.5	28,902	4.1	4.2
16	Lexington	5,978	-2.0	16,648	-0.7	7.1
17	Holdrege	5,699	10.9	8,840	-0.6	1.9
18	North Platte	16,919	5.2	21,146	2.2	2.9
19	Ogallala	5,090	-0.2	10,726	1.9	3.5
20	McCook	8,291	5.9	11,702	3.3	2.6
21	Sidney	4,560	29.2	8,961	17.8	7.4
	Kimball	2,152	27.5	*	*	*
22	Scottsbluff/Gering	18,445	0.7	26,136	1.3	0.4
23	Alliance	4,911	-3.8	13,180	-1.5	-3.1
	Chadron	2,745	2.0	*	*	*
24	O'Neill	4,038	-4.3	13,336	-9.3	-4.1
	Valentine	2,631	2.5	*	*	*
25	Hartington	1,499	-8.8	7,789	-12.7	-6.5
26	Broken Bow	3,649	-2.1	11,535	-3.5	1.8

(1) See Figure II of previous *Business in Nebraska* issues for regional composition
(2) Sales on which sales taxes are collected by retailers located in the state. Region totals include motor vehicle sales
*Within an already designated region
Compiled from data provided by the Nebraska Department of Revenue

West Virginia. Unemployment is not just a New England problem any longer. All of the Gulf Coast states, as well as California and Oregon, had rates above the national average (7.2 percent) in April.

Nebraska's winter wheat harvest is late this year. Adverse weather conditions are likely to reduce yields. Nebraska's indicated acres for harvest are down 7.0 percent from last year in contrast to a national increase in acres for harvest of 9.0 percent.

Recent rain across the state has allowed some catch-up with normal precipitation, and yet no crop reporting region has had normal rainfall for the April 1 to July 3 period. Nevertheless, subsoil moisture statewide is reported as only 14 percent short in contrast to a 32 percent short figure a year ago.

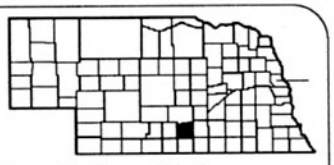
Back to Net Taxable Retail Sales ...

The last two issues of *Business in Nebraska* included tables improperly labeled as *gross taxable retail sales*. Gross sales include both taxable and nontaxable sales and, hence, the title *gross taxable* is inappropriate. Following a discussion with the Nebraska Department of Revenue, we are convinced that the net taxable retail sales series is a superior series. Net taxable retail sales data cover all taxable items and are monitored closely. Net taxable retail sales generally track the level of taxable retail sales and, to that extent, can measure economic activity for the state and localities. We return to using net taxable retail sales data with this issue.

John S. Austin

County of the Month

Kearney



County Seat: Minden
License plate prefix number: 52 —Next County of Month
Size of county: 516 square miles, ranks 75th in the state
Population: 6,629 in 1990, a change of -6.0 percent from 1980
Median age: 35.7 years in Kearney County, 33.0 years in Nebraska in 1990
Per capita personal income: $17,564 in 1990, ranks 33rd in the state
Net taxable retail sales ($000): $30,935 in 1991, a change of +2.5 percent from 1990; $7,406 during Jan.-March 1992, a change of +6.4 percent from the same period one year ago
Number of business and service establishments: 183 in 1989; 62.3 percent had less than five employees
Unemployment rate: 1.9 percent in Kearney County, 2.7 percent in Nebraska for 1991

Nonfarm employment (1991):

	State	Kearney County
Wage and salary workers	736,172	1,859
	(percent of total)	
Manufacturing	13.5%	4.9%
Construction and Mining	4.0	4.4
TCU	6.4	2.7
Retail Trade	18.3	17.2
Wholesale Trade	7.0	7.1
FIRE	6.6	4.8
Services	24.4	29.6
Government	19.8	29.3
Total	100.0%	100.0%

Agriculture:
Number of farms: 608 in 1987, 581 in 1982
Average farm size: 553 acres in 1987
Market value of farm products sold: $127.6 million in 1987 ($209,906 average per farm)

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

Merlin W. Erickson

Business in Nebraska

PREPARED BY BUREAU OF BUSINESS RESEARCH
Association for University Business & Economic Research

Business in Nebraska is issued as a public service and mailed free of charge upon request to 200 CBA, University of Nebraska-Lincoln, Lincoln, NE 68588-0406. ISSN 0007-683X.

July–August 1992, Volume 47, No. 573

University of Nebraska-Lincoln—Graham Spanier, *Chancellor*
College of Business Administration—Gary Schwendiman, *Dean*

Bureau of Business Research
John S. Austin, *Research Associate*
Carol Boyd, *Staff Secretary*
David DeFruiter, *Information Systems Coordinator*
Merlin W. Erickson, *Research Associate*
F. Charles Lamphear, *Director*
Jan Laney, *Composing Technician*
Lisa Valladao, *Information Specialist*
Margo Young, *Communications Associate*

Nonprofit Org.
U.S. Postage
PAID
Lincoln, Nebraska
Permit No. 46