Business in Nebraska

Volume 54, No. 642 | *presented by Bureau of Business Research (BBR)* | *July/August 1999*

The 1999 to 2001 Economic Outlook for Nebraska

John Austin and the Nebraska Business Forecast Council

Tight labor markets will contribute to a job growth slowdown. Overall job growth will be 2 percent in 1999, slowing to 1.8 percent in 2000 and 1.7 percent in 2001 (Figure 1). The forecast of slow job growth can be mitigated if Nebraska improves its ability to draw workers from other states; however, labor markets in other states also will be tight in the next few years.

Nebraska's nonfarm income will hold up well despite the job growth slowdown. Wages are anticipated to grow rapidly over the near term causing total wages and salaries to grow over 6 percent in each of the three forecast years. Total nonfarm personal income growth will average 5.5 percent each year in the same time period.

Farm income growth will continue to be beaten down by low grain prices. Despite a large grain harvest anticipated this fall and a return to profitability for cattle feeders, net farm income will decrease in 1999. While some recovery in net farm income is expected in 2000 and again in 2001, it still will not reach the $2.3 billion average annual net farm income seen in the 1990 to 1997 period.

Nebraska's net taxable retail sales growth will be reinforced by continued strength in motor vehicle sales in 1999. Total sales growth will fall toward, and then reach, 5 percent per year in 2000 and 2001.

Nonfarm Employment

Construction activity continues at high levels in Nebraska with major projects promising continued high levels of employment in metro areas. Table 1 contains the employment forecast and Table 2 shows the year-to-date percent changes for employment. Activity in nonmetro areas is spotty. Areas with reduced construction activity are potential sources of construction labor supply for the metro areas. Labor supply availability will dictate growth rates in construction in the next few years.

Figure 1
Key Economic Growth Rates
(percent)

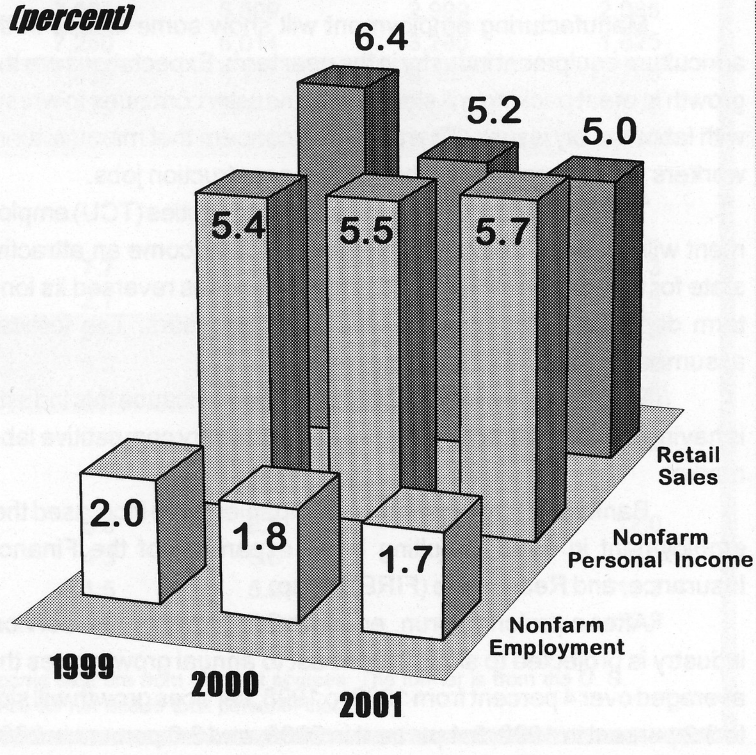


Table 1
Number of Jobs and Percent Changes by Industry

Annual Averages (whole numbers)

	Const & Mining	Manufacturing Durables	Manufacturing Nondurables	TCU	Wholesale Trade	Retail Trade	FIRE	Services	Federal Gov't	State & Local Gov't	Total
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	53,448	54,763	155,202	54,655	229,409	16,259	136,367	855,802
1998	42,200	58,055	60,738	56,070	54,672	157,473	57,452	237,780	16,136	134,777	875,352
1999	43,888	58,171	61,345	59,434	55,492	159,048	59,750	245,389	15,975	134,473	892,965
2000	45,556	58,636	62,204	62,406	55,770	160,161	61,543	252,996	15,847	134,187	909,305
2001	47,241	59,340	62,826	64,902	56,048	161,282	62,773	260,586	15,720	133,809	924,529
Annual Percent Changes											
1997	5.1	3.6	0.6	6.5	3.4	0.2	3.0	3.9	1.6	0.7	2.5
1998	6.3	2.3	2.5	4.9	-0.2	1.5	5.1	3.6	-0.8	-1.2	2.3
1999	4.0	0.2	1.0	6.0	1.5	1.0	4.0	3.2	-1.0	-0.2	2.0
2000	3.8	0.8	1.4	5.0	0.5	0.7	3.0	3.1	-0.8	-0.2	1.8
2001	3.7	1.2	1.0	4.0	0.5	0.7	2.0	3.0	-0.8	-0.3	1.7
Average Annual Growth Rates—Percent Changes											
1986 to 1990	2.1	4.1	2.5	2.0	3.3	2.4	0.8	4.9	0.7	1.7	2.9
1990 to 1992	2.0	-1.7	4.5	1.0	-1.0	1.2	1.0	2.1	-2.7	2.1	1.4
1992 to 1995	6.6	4.8	2.7	1.7	0.3	3.3	2.1	4.4	-1.3	0.9	2.9
1995 to 1998	5.4	2.4	1.4	4.2	1.2	1.3	3.0	4.1	-0.6	0.1	2.4

Manufacturing employment will show some losses in the agriculture equipment industry in the near term. Expectations are that growth in meat packing will slow as that industry continues to wrestle with labor supply issues. There is some concern that manufacturing workers will be lured into higher paying construction jobs.

Transportation, Communication, and Utilities (TCU) employment will continue to expand. Nebraska has become an attractive state for trucking firms. Railroad employment has reversed its long-term decrease and has expanded in recent years. The forecast assumes a continuation of these trends.

Retail employment will expand slowly because this industry is having difficulty attracting employees in the very competitive labor market.

Banks and large insurance companies have increased their employment in 1998, resulting in an expansion of the Finance, Insurance, and Real Estate (FIRE) group.

After a prolonged run, employment growth in the services industry is projected to slow. In contrast to annual growth rates that averaged over 4 percent from 1992 to 1998, services growth will slow to 3.2 percent in 1999, 3.1 percent in 2000, and 3.0 percent in 2001.

Table 2
Percent Changes in Employment
January-May 1999 vs January-May 1998

	State Rate
Nonfarm Employment Total	1.4
Construction & Mining	4.0
Manufacturing	
Durables	-2.5
Nondurables	0.0
TCU[1]	6.9
Trade	
Retail	0.8
Wholesale	3.4
FIRE[2]	4.0
Services	2.0
Government	
Federal	-1.6
State	-2.7
Local	0.2

[1]Transportation, Communication, and Utilities
[2]Finance, Insurance, and Real Estate

The government sector will contract over the forecast period. The state government hiring freeze has proven to be effective. Local government expansion will be reined in by lid legislation. Federal government employment will continue to decrease in the state.

Nebraska has displayed an ability to expand employment. In the past, Nebraska has filled new jobs from its own population, driving labor force participation rates to very high levels. In the near future, the working-age population will expand by about 1 percent per year. Job growth will average just under 2 percent per year in the forecast period, implying that participation rates will continue to increase.

In order to expand jobs at rates faster than forecast, Nebraska will have to attract new people from other states to fill future jobs. With labor shortages in many industries nationwide, Nebraska will find itself in a very competitive market for new workers. Of the states surrounding Nebraska, Colorado and Kansas both had job growth rates that exceeded Nebraska's from 1995 to 1998. Iowa's job growth rate was a near match to that of Nebraska in the same time period. Only South Dakota and Wyoming experienced slower job growth rates than Nebraska. Both states have smaller populations than Nebraska.

Nonfarm Personal Income

Despite a slowdown in the growth of jobs, wage pressures will result in increased rates of expansion of wages and salaries (Table 3). Historically, Nebraska's growth rate of wages and salaries has been about 4 percentage points higher

Table 3
Nonfarm Personal Income and Selected Components, and Net Farm Income (USDA) 1993 to 2001
($ millions)

Annual Averages

	Nonfarm Personal Income	*Total Wages & Salaries*	*Other Labor Income*	*DIR**	*Transfer Payments*	*Nonfarm Proprietors' Income*	*Net Farm Income USDA Basis*
1993	30,068	17,294	2,193	5,887	4,719	2,244	1,957
1994	31,434	18,384	2,321	5,762	4,902	2,505	2,214
1995	33,238	19,632	2,331	6,069	5,210	2,607	1,626
1996	35,280	20,866	2,295	6,559	5,547	2,751	3,378
1997	37,588	22,318	2,331	7,061	5,809	2,999	2,085
1998	39,514	23,694	2,365	7,250	6,014	3,280	1,825
1999	41,650	25,234	2,424	7,468	6,225	3,559	1,700
2000	43,947	26,824	2,497	7,729	6,474	3,861	1,900
2001	46,437	28,487	2,585	8,038	6,765	4,190	2,100

Annual Percent Changes

1997	6.5	7.0	1.6	7.7	4.7	9.0	-38.3
1998	5.1	6.2	1.5	2.7	3.5	9.4	-12.5
1999	5.4	6.5	2.5	3.0	3.5	8.5	-6.8
2000	5.5	6.3	3.0	3.5	4.0	8.5	11.8
2001	5.7	6.2	3.5	4.0	4.5	8.5	10.5

Average Annual Growth Rates—Percent Changes

1986 to 1990	6.3	6.7	11.6	5.9	6.1	2.0	12.0
1990 to 1992	5.9	5.3	10.9	4.3	8.6	3.5	-0.2
1992 to 1995	5.0	5.7	5.2	1.5	5.9	9.0	-13.3
1995 to 1998	5.9	6.5	0.5	6.1	4.9	8.0	3.9

Note: The historical nonfarm personal income data and net farm income data are from different sources. The former is from the U. S. Bureau of Economic Analysis, the latter is from USDA. The two series do not add to total personal income.

than its growth rate of employment. Recognizing increasing wage pressures, especially from Colorado, the forecast assumes an increase in the difference between the two growth rates of 4.5 percentage points for each of the next three years.

After undergoing a major reduction in their rate of growth in the last decade, the growth rate of benefits (other labor income) will grow more rapidly under pressure from the labor markets.

Nonfarm proprietors' income is expanding rapidly. This income group contains small business enterprises and many professionals. It is anticipated that growth will continue at high levels.

Dividends, Interest, and Rent (DIR) growth had dropped in recent years as interest rates fell. DIR will show a small improvement since interest rates are expected to grow slowly over the next few years.

Transfers, principally Social Security payments, have grown slowly in recent years as a slowing inflation rate has reduced the cost of living adjustments (COLAs) in Social Security payments and other transfers affected by COLAs. Small increases in inflation will result in slightly higher transfer payments. Increases in the number of retirees will be modest over the next few years. Those reaching the traditional retirement age of 65 were born during the depression, an era characterized by low birth rates.

Total nonfarm personal income growth rates will show small increases from 1999 to 2001. The increases will be 5.4 percent in 1999, 5.5 percent in 2000, and 5.7 percent in 2001.

Farm Income

Nebraska's farm income is divided between two major sectors—grain and livestock. The two sectors currently are heading in opposite directions. Low price levels have depressed grain incomes. Those price levels have characterized the grain markets since the second half of 1998. The current outlook calls for a large harvest this fall with an attendant large carryover of stocks into 2000. Prices likely will remain low. Thus, despite high physical volumes of Nebraska grain being moved in the grain markets, the net farm income from grain in 1999 will decrease from the 1998 level.

In contrast, the cattle market has completed a long-term cyclical bear market phase. Many cattle feeders sustained losses in 1997 and 1998. A modest price increase for finished cattle, combined with low feed grain prices, now translate into restored profitability.

Net farm income (USDA basis) will drop to $1.7 billion for 1999. A small recovery to $1.9 billion, will be seen in 2000, due to continued improvement in livestock. No improvement is foreseen in net farm income from grain for 2000. Continued improvement in livestock will be combined with a minor improvement in grains to produce a $2.1 billion net farm income in 2001.

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

	Total Sales	*Motor Vehicle*	*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	19,005	2,417	16,588
1999	20,216	2,632	17,584
2000	21,262	2,711	18,551
2001	22,333	2,855	19,478
Annual Percent Changes			
1996	6.2	9.8	5.7
1997	5.7	6.6	5.6
1998	6.7	9.6	6.3
1999	6.4	8.9	6.0
2000	5.2	3.0	5.5
2001	5.0	5.3	5.0
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
1995 to 1998	6.2	8.7	5.8

A major improvement in export demands is needed to bring the grain market out of its current doldrums. Some analysts expect a weak recovery in Japan this year. If that occurs, it will be the first sign of improvement in the vast Asian market in recent years.

Tight nonfarm labor markets with their increasingly attractive wages may lure some farmers into either an outright exit from farming or a reduced time commitment to farming. The impact will be more noticeable for rural counties located within commuting distance of expanding urban areas.

Net Taxable Retail Sales

Motor vehicle sales have remained strong so far in 1999 (Table 4). Increased nonfarm incomes have stimulated sales, and low interest rates have kept car payments low. Even though interest rates will remain relatively low and income growth will accelerate, there will be a cyclical drop in the motor vehicle sales growth rate in 2000. Historic data suggest that two years of high sales increases are followed by a sharp reduction in sales growth. Sales growth will increase to 5.3 percent per year in 2001.

Other retail sales are expected to improve in the second half of 1999, supported by moderate growth in nonfarm personal income. The rate of growth of other retail sales will decrease in both 2000 and 2001 as sales growth returns to its historical levels.

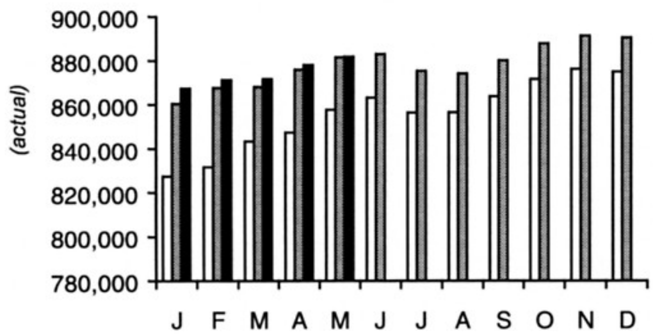
Total net taxable retail sales will increase 6.4 percent in 1999, 5.2 percent in 2000, and 5.0 percent in 2001.

BBR is grateful for the help of the Nebraska Business Forecast Council. Serving in this session were: Phil Baker and Bryan Skalberg, Nebraska Department of Labor; Tom Doering and Stu Miller, 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 Marketing and Management, UNK; Don Macke, Nebraska Rural Development Commission; Franz Schwarz, Nebraska Department of Revenue; Charles Lamphear and John Austin, Bureau of Business Research.

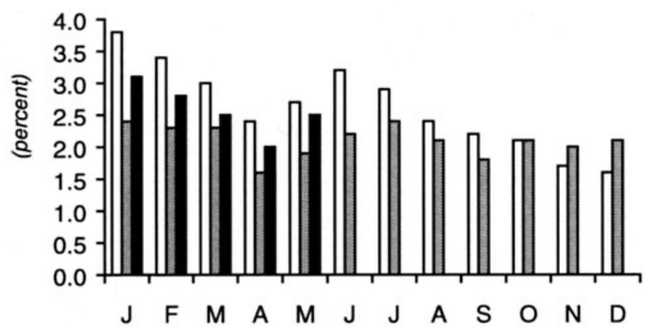
Nebraska Stats

1997 1998 1999

Total Nonfarm Wage & Salary Employment

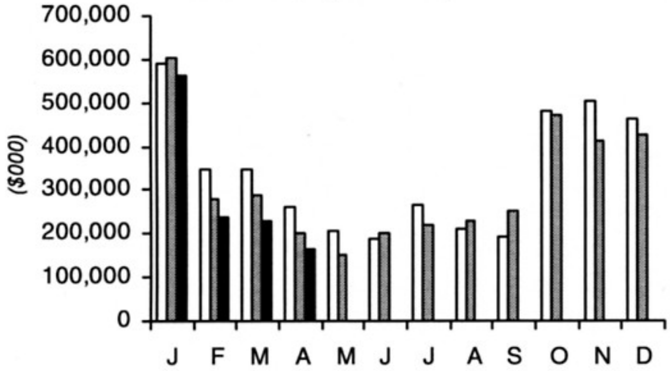


Unemployment Rate

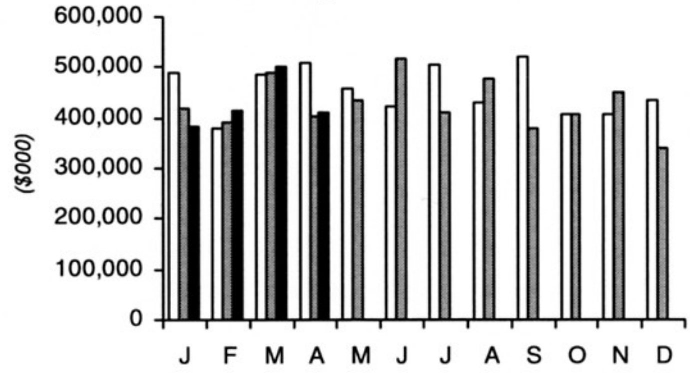


1997 1998 1999

Cash Receipts—Crops



Cash Receipts—Livestock



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

	March 1999 ($000)	YTD ($000)	YTD % Chg. vs Yr. Ago	April 1999 ($000)	YTD ($000)	YTD % Chg. vs Yr. Ago
Ainsworth, Brown	1,632	4,693	-3.0	1,669	6,362	-4.4
Albion, Boone	1,723	4,666	-3.0	1,701	6,367	-3.7
Alliance, Box Butte	5,576	15,945	-2.3	5,682	21,627	-3.3
Alma, Harlan	676	1,792	-2.9	609	2,401	-2.9
Arapahoe, Furnas	719	1,947	-1.1	759	2,706	-0.8
Arlington, Washington	206	569	0.0	186	755	0.8
Arnold, Custer	245	674	-21.3	283	957	-12.0
Ashland, Saunders	1,032	2,674	8.6	1,039	3,713	3.9
Atkinson, Holt	1,075	2,673	-1.8	895	3,568	-4.5
Auburn, Nemaha	2,466	6,467	-2.8	2,389	8,856	-2.9
Aurora, Hamilton	2,922	7,734	6.2	2,508	10,242	2.9
Axtell, Kearney	49	141	-30.2	95	236	-16.9
Bassett, Rock	435	1,053	-1.5	430	1,483	-0.9
Battle Creek, Madison	646	1,940	5.6	573	2,513	4.3
Bayard, Morrill	419	1,236	-9.4	405	1,641	-9.4
Beatrice, Gage	10,681	29,294	1.5	10,686	39,980	0.9
Beaver City, Furnas	140	358	6.2	121	479	4.1
Bellevue, Sarpy	18,466	51,474	9.1	19,221	70,695	6.3
Benkelman, Dundy	630	1,547	3.9	524	2,071	0.6
Bennington, Douglas	570	1,271	35.9	736	2,007	36.4
Blair, Washington	6,577	18,477	3.6	6,645	25,122	2.5
Bloomfield, Knox	635	1,610	-15.3	615	2,225	-11.1
Blue Hill, Webster	501	1,314	-3.9	453	1,767	-2.2
Bridgeport, Morrill	1,155	2,979	-3.6	1,146	4,125	0.1
Broken Bow, Custer	3,615	10,220	-2.4	3,731	13,951	-2.3
Burwell, Garfield	671	1,866	-4.7	645	2,511	-5.5
Cairo, Hall	206	503	-19.8	303	806	-14.3
Central City, Merrick	1,872	4,825	4.5	1,969	6,794	4.4
Chadron, Dawes	4,455	12,640	8.4	4,299	16,939	5.6
Chappell, Deuel	521	1,332	-2.1	439	1,771	1.3
Clarkson, Colfax	358	938	-15.9	486	1,424	-10.2
Clay Center, Clay	344	1,100	4.4	347	1,447	5.0
Columbus, Platte	19,900	54,792	0.9	20,365	75,157	0.7
Cozad, Dawson	3,184	8,755	4.4	2,975	11,730	3.9
Crawford, Dawes	490	1,222	-1.2	382	1,604	-3.6
Creighton, Knox	1,358	3,562	20.9	1,185	4,747	14.4
Crete, Saline	3,344	8,895	4.2	3,088	11,983	3.4
Crofton, Knox	340	965	8.9	384	1,349	8.1
Curtis, Frontier	392	1,032	0.0	333	1,365	-0.1
Dakota City, Dakota	835	1,451	39.4	321	1,772	14.9
David City, Butler	1,646	4,240	12.4	1,426	5,666	8.6
Deshler, Thayer	296	894	-3.0	278	1,172	-8.7
Dodge, Dodge	301	657	-3.2	195	852	-0.8
Doniphan, Hall	658	2,245	-10.4	1,952	4,197	23.5
Eagle, Cass	229	623	-3.9	294	917	-4.5
Elgin, Antelope	458	1,162	-7.0	362	1,524	-8.1
Elkhorn, Douglas	2,012	5,512	1.9	2,463	7,975	6.9
Elm Creek, Buffalo	517	1,197	37.0	302	1,499	32.0
Elwood, Gosper	380	1,108	-1.5	432	1,540	1.0
Fairbury, Jefferson	3,333	9,323	10.8	3,391	12,714	11.1
Fairmont, Fillmore	152	404	1.0	203	607	15.8
Falls City, Richardson	2,733	7,029	5.0	2,481	9,510	3.9
Franklin, Franklin	656	1,630	-3.6	537	2,167	-3.4
Fremont, Dodge	22,394	61,269	11.7	22,279	83,548	10.0
Friend, Saline	464	1,388	4.9	565	1,953	9.8
Fullerton, Nance	622	1,614	-1.5	407	2,021	-2.1
Geneva, Fillmore	1,761	4,486	-0.6	1,687	6,173	-2.9
Genoa, Nance	346	898	-2.0	239	1,137	-5.0
Gering, Scotts Bluff	3,629	10,096	3.8	3,563	13,659	3.1
Gibbon, Buffalo	827	2,335	-2.3	835	3,170	-0.1
Gordon, Sheridan	1,678	4,604	3.1	1,526	6,130	0.4
Gothenburg, Dawson	2,344	6,420	6.2	2,314	8,734	7.3
Grand Island, Hall	51,672	137,479	-0.5	49,028	186,507	-0.9
Grant, Perkins	1,070	2,857	2.7	961	3,818	-1.0
Gretna, Sarpy	3,005	7,352	-2.0	2,766	10,118	-5.8
Hartington, Cedar	1,646	4,466	-0.9	1,457	5,923	-3.8
Hastings, Adams	20,818	56,317	3.4	20,833	77,150	3.1
Hay Springs, Sheridan	365	1,010	6.3	318	1,328	6.8
Hebron, Thayer	1,849	5,367	-1.5	1,784	7,151	-2.4
Henderson, York	747	1,732	12.5	560	2,292	10.4
Hickman, Lancaster	288	743	7.5	202	945	7.8
Holdrege, Phelps	4,423	11,783	0.9	4,322	16,105	1.0
Hooper, Dodge	418	1,052	3.0	357	1,409	4.1
Humboldt, Richardson	565	1,471	7.1	500	1,971	7.9
Humphrey, Platte	745	1,757	-0.6	732	2,489	-1.6
Imperial, Chase	2,028	5,449	-0.8	2,089	7,538	-2.2
Juniata, Adams	264	683	8.8	201	884	10.9
Kearney, Buffalo	32,279	88,743	8.6	31,892	120,635	7.8
Kenesaw, Adams	281	980	3.3	229	1,209	-6.9
Kimball, Kimball	2,025	4,901	14.9	1,540	6,441	10.6
La Vista, Sarpy	8,890	24,270	9.1	8,929	33,199	8.0
Laurel, Cedar	339	903	-0.6	372	1,275	4.6
Lexington, Dawson	6,836	19,834	-1.1	6,725	26,559	-1.6
Lincoln, Lancaster	209,679	572,355	8.2	203,311	775,666	8.0
Louisville, Cass	487	1,348	18.2	624	1,972	13.7
Loup City, Sherman	619	1,774	-1.5	616	2,390	-1.4
Lyons, Burt	411	1,196	0.3	430	1,626	0.8
Madison, Madison	763	2,195	7.2	778	2,973	1.7
McCook, Red Willow	10,290	30,300	-0.7	10,655	40,955	-1.3
Milford, Seward	1,075	2,877	2.5	856	3,733	0.3
Minatare, Scotts Bluff	118	360	-18.2	132	492	-17.9
Minden, Kearney	1,936	4,891	8.3	1,670	6,561	6.4
Mitchell, Scotts Bluff	779	2,174	-2.8	714	2,888	-0.7
Morrill, Scotts Bluff	482	1,210	-6.6	510	1,720	-5.5
Nebraska City, Otoe	6,534	16,898	-1.8	6,119	23,017	-2.1
Neligh, Antelope	1,361	3,658	-2.5	1,509	5,167	-2.3
Newman Grove, Madison	342	843	0.4	292	1,135	-2.0
Norfolk, Madison	29,826	80,561	1.9	28,718	109,279	1.9
North Bend, Dodge	611	1,393	1.9	504	1,897	-2.4
North Platte, Lincoln	22,738	61,575	6.0	21,728	83,303	5.5
O'Neill, Holt	4,230	11,377	3.9	4,122	15,499	0.8
Oakland, Burt	825	2,119	10.9	632	2,751	7.8
Ogallala, Keith	5,401	14,376	4.2	5,265	19,641	4.5
Omaha, Douglas	490,196	1,350,556	7.8	465,232	1,815,788	6.6
Ord, Valley	2,014	5,357	-0.4	1,945	7,302	0.0
Osceola, Polk	791	2,010	2.3	728	2,738	-3.2
Oshkosh, Garden	402	1,254	-3.2	408	1,662	-3.1
Osmond, Pierce	432	912	1.0	543	1,455	14.1
Oxford, Furnas	528	1,495	12.0	447	1,942	9.0
Papillion, Sarpy	8,097	20,596	17.9	6,798	27,394	15.3
Pawnee City, Pawnee	417	997	12.0	326	1,323	11.5
Pender, Thurston	772	1,849	4.8	843	2,692	9.6
Pierce, Pierce	669	1,760	-5.1	635	2,395	-1.6
Plainview, Pierce	682	1,899	2.7	622	2,521	0.9
Plattsmouth, Cass	3,398	9,188	3.7	3,428	12,616	4.3
Ponca, Dixon	506	1,400	-3.1	443	1,843	-5.7
Ralston, Douglas	3,359	8,883	8.4	3,107	11,990	2.6
Randolph, Cedar	437	1,170	-6.2	360	1,530	-8.3
Ravenna, Buffalo	798	2,083	-10.0	688	2,771	-10.6
Red Cloud, Webster	750	1,909	3.4	621	2,530	0.9
Rushville, Sheridan	594	1,555	0.5	476	2,031	1.1
Sargent, Custer	211	524	2.7	177	701	2.8
Schuyler, Colfax	1,873	5,068	-7.9	1,625	6,693	-9.3
Scottsbluff, Scotts Bluff	20,684	56,707	2.3	19,955	76,662	1.5
Scribner, Dodge	401	1,043	-11.3	359	1,402	-13.8
Seward, Seward	4,496	13,047	4.0	4,730	17,777	2.9
Shelby, Polk	358	880	4.9	335	1,215	5.9
Shelton, Buffalo	664	1,907	0.9	598	2,505	-2.3
Sidney, Cheyenne	6,497	18,343	1.2	7,183	25,526	4.0
South Sioux City, Dakota	7,914	22,197	0.3	7,766	29,963	0.4
Springfield, Sarpy	520	1,294	84.3	435	1,729	59.9
St. Paul, Howard	1,227	3,328	-1.2	1,171	4,499	-2.9
Stanton, Stanton	625	1,734	1.9	574	2,308	0.3
Stromsburg, Polk	829	2,053	1.9	954	3,007	2.1
Superior, Nuckolls	1,543	4,301	6.6	1,531	5,832	1.4
Sutherland, Lincoln	368	1,002	6.4	351	1,353	8.0
Sutton, Clay	888	2,520	0.8	755	3,275	-2.1
Syracuse, Otoe	1,133	3,092	5.9	1,200	4,292	4.7
Tecumseh, Johnson	925	2,434	8.5	929	3,363	7.3
Tekamah, Burt	1,177	3,144	6.1	1,089	4,233	4.4
Tilden, Madison	449	1,261	4.0	401	1,662	3.2
Utica, Seward	355	935	3.2	261	1,196	1.6
Valentine, Cherry	3,694	10,671	2.5	3,548	14,219	1.2
Valley, Douglas	822	2,066	-14.4	993	3,059	-14.6
Wahoo, Saunders	2,352	6,146	1.1	2,172	8,318	-2.0
Wakefield, Dixon	283	846	-5.7	300	1,146	-11.0
Wauneta, Chase	323	941	-0.8	282	1,223	-0.2
Waverly, Lancaster	725	2,055	-10.1	761	2,816	-7.8
Wayne, Wayne	3,579	10,415	27.4	3,517	13,932	24.6
Weeping Water, Cass	705	1,726	-9.2	636	2,362	-9.3
West Point, Cuming	3,424	10,076	-4.7	3,485	13,561	-6.2
Wilber, Saline	532	1,342	2.0	402	1,744	1.5
Wisner, Cuming	615	1,565	2.5	538	2,103	0.9
Wood River, Hall	450	1,093	-3.8	337	1,430	-9.1
Wymore, Gage	421	1,219	6.3	372	1,591	4.9
York, York	10,098	27,602	3.4	9,986	37,588	2.6

*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			
	March 1999 ($000)	April 1999 ($000)	YTD ($000)	% Chg. vs Yr. Ago	March 1999 ($000)	April 1999 ($000)	YTD ($000)	% Chg. vs Yr. Ago.
Nebraska	218,796	227,939	794,083	8.2	1,428,043	1,352,484	5,218,274	5.0
Adams	3,880	4,721	14,990	25.8	21,973	21,825	80,757	3.5
Antelope	942	1,181	3,732	-9.7	2,409	2,162	8,191	-1.9
Arthur	70	40	300	18.1	46	44	156	(D)
Banner	64	88	337	-29.2	(D)	(D)	(D)	(D)
Blaine	84	77	331	12.2	76	61	243	(D)
Boone	596	969	2,941	-14.7	2,253	2,203	8,106	-4.4
Box Butte	1,530	1,718	5,807	-5.9	5,868	5,943	22,717	-3.1
Boyd	292	179	934	-4.4	604	471	1,927	0.8
Brown	428	647	1,898	14.8	1,695	1,749	6,584	-4.6
Buffalo	5,142	5,272	18,787	7.3	35,440	34,682	131,886	7.2
Burt	1,149	912	4,133	1.5	2,622	2,294	9,274	4.4
Butler	1,296	1,003	4,627	12.7	2,240	1,786	7,524	6.0
Cass	4,025	4,054	14,279	21.0	6,228	6,276	22,886	5.8
Cedar	1,483	1,432	5,012	0.8	2,760	2,458	9,733	-3.9
Chase	775	799	2,912	12.5	2,410	2,391	8,858	-2.4
Cherry	834	693	3,179	-11.3	3,948	3,698	14,947	0.9
Cheyenne	1,431	1,512	5,057	16.3	6,821	7,431	26,581	4.2
Clay	1,295	926	4,156	4.5	2,327	2,137	8,506	1.2
Colfax	1,132	1,128	4,388	0.8	2,677	2,444	9,571	-9.4
Cuming	989	1,565	4,629	-5.4	4,701	4,499	17,682	-4.9
Custer	1,534	1,425	5,743	3.0	4,684	4,664	17,605	-2.7
Dakota	2,738	2,665	9,469	25.1	9,435	8,680	34,161	1.0
Dawes	971	628	2,916	-4.5	4,956	4,680	18,552	4.7
Dawson	2,988	2,835	10,853	-7.8	12,804	12,363	48,362	1.3
Deuel	246	202	1,061	-2.6	1,057	991	3,800	3.7
Dixon	951	798	3,093	-2.0	930	824	3,379	-9.4
Dodge	4,089	4,915	16,309	12.1	24,446	24,012	90,227	9.0
Douglas	56,011	61,259	202,877	9.9	498,454	474,303	1,846,978	6.5
Dundy	252	393	1,533	16.2	642	534	2,115	-1.7
Fillmore	944	781	3,514	-11.2	2,720	2,613	9,476	1.3
Franklin	388	374	1,802	-7.8	949	755	3,081	-1.7
Frontier	441	366	1,748	4.2	807	579	2,520	0.0
Furnas	790	610	2,533	-20.2	2,355	2,118	8,493	2.4
Gage	2,727	2,647	9,985	-1.1	11,969	11,754	44,343	0.7
Garden	266	277	979	-27.7	560	584	2,219	0.7
Garfield	326	185	883	4.4	671	645	2,509	-5.6
Gosper	255	333	1,379	7.5	434	488	1,760	3.0
Grant	70	146	567	19.1	246	179	728	-11.2
Greeley	307	331	1,383	3.5	700	655	2,355	2.6
Hall	6,871	6,840	24,315	8.1	53,305	51,947	194,083	-0.6
Hamilton	1,354	1,386	5,186	11.9	3,327	2,895	11,561	0.5
Harlan	667	636	2,105	22.6	869	779	2,984	-1.5
Hayes	205	199	651	-14.8	82	(D)	(D)	(D)
Hitchcock	384	438	1,577	-2.7	643	514	2,078	-4.2
Holt	1,585	1,310	5,591	-6.5	5,922	5,541	21,269	-0.7
Hooker	166	83	469	4.5	193	185	712	-2.5

	Motor Vehicle Sales				Other Sales			
	March 1999 ($000)	April 1999 ($000)	YTD ($000)	% Chg. vs Yr. Ago	March 1999 ($000)	April 1999 ($000)	YTD ($000)	% Chg. vs Yr. Ago.
Howard	990	656	3,108	0.4	1,699	1,482	5,829	-1.1
Jefferson	1,163	1,020	4,101	-7.7	4,453	4,306	16,396	8.7
Johnson	676	691	2,323	1.6	1,365	1,201	4,686	5.7
Kearney	719	1,252	3,569	-12.8	2,178	1,897	7,277	5.4
Keith	1,281	1,348	5,241	33.4	5,960	5,695	21,365	4.3
Keya Paha	96	136	424	9.6	99	103	343	25.6
Kimball	516	619	2,137	35.7	2,098	1,566	6,583	9.3
Knox	957	1,196	4,213	-0.3	3,010	2,692	10,514	4.7
Lancaster	28,071	30,471	102,342	15.5	212,236	205,988	784,842	7.9
Lincoln	4,581	5,114	17,326	16.2	23,705	22,664	86,874	5.5
Logan	109	133	508	-9.8	120	(D)	(D)	(D)
Loup	22	58	338	-8.9	(D)	(D)	(D)	(D)
McPherson	30	49	187	-36.0	(D)	(D)	(D)	(D)
Madison	4,254	4,342	15,759	6.4	32,098	30,809	117,813	1.9
Merrick	1,265	1,121	4,285	8.6	2,483	2,542	8,889	5.0
Morrill	919	666	2,776	20.3	1,583	1,598	5,909	-1.3
Nance	500	492	1,755	-10.4	1,009	657	3,221	-4.4
Nemaha	904	986	3,502	-4.9	2,750	2,566	9,836	-3.6
Nuckolls	606	778	2,569	6.7	2,208	2,059	8,067	3.0
Otoe	1,985	1,796	7,460	1.0	8,126	7,741	28,875	-0.8
Pawnee	442	387	1,403	-16.2	685	501	2,071	7.4
Perkins	618	423	2,716	25.5	1,322	1,180	4,597	0.6
Phelps	1,597	1,362	5,256	3.0	4,737	4,583	17,127	0.1
Pierce	972	1,105	3,689	2.6	1,917	1,867	6,671	3.1
Platte	4,008	4,435	15,957	4.5	21,507	21,699	79,909	0.6
Polk	1,096	967	3,488	7.8	2,160	2,173	7,658	1.3
Red Willow	1,670	1,381	5,124	-6.3	10,679	10,989	42,135	-1.4
Richardson	1,098	1,231	3,710	0.6	3,599	3,116	12,310	2.8
Rock	235	249	845	-21.8	477	436	1,542	1.4
Saline	1,769	1,788	6,258	9.7	4,854	4,441	17,344	4.1
Sarpy	15,605	18,273	57,417	15.5	40,599	39,715	148,781	8.7
Saunders	2,741	2,876	10,293	0.5	5,691	5,349	20,313	0.0
Scotts Bluff	4,489	4,022	15,331	0.0	25,772	24,935	95,674	1.4
Seward	2,344	2,093	7,996	4.7	6,228	6,101	23,676	2.2
Sheridan	616	842	2,815	-9.4	2,935	2,608	10,582	1.7
Sherman	466	355	1,640	-4.0	797	698	2,829	0.3
Sioux	190	156	816	-25.2	115	100	386	-13.6
Stanton	984	783	2,985	0.6	831	790	3,076	6.5
Thayer	819	810	3,221	-4.8	2,817	2,510	10,250	-2.4
Thomas	114	78	429	1.2	227	256	913	-9.0
Thurston	537	513	1,988	2.5	948	964	3,249	8.7
Valley	455	589	1,909	-7.4	2,184	2,115	8,090	1.2
Washington	3,220	3,362	11,408	13.4	7,318	7,249	27,726	3.1
Wayne	1,080	1,151	4,023	0.2	3,723	3,667	14,494	23.4
Webster	445	477	1,540	-14.7	1,391	1,154	4,668	-1.1
Wheeler	109	119	453	-34.3	94	98	320	-13.7
York	2,092	1,708	7,228	0.8	11,344	10,905	41,432	2.7

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

Source: Nebraska Department of Revenue

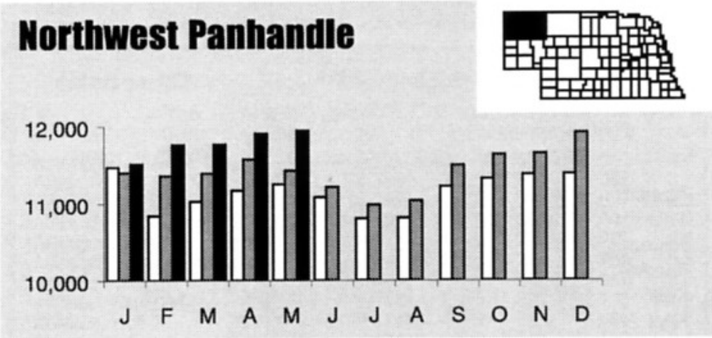
Note on Net Taxable Retail Sales

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 Nonfarm Wage and Salary Employment* 1997 to May** 1999

1997 1998 1999

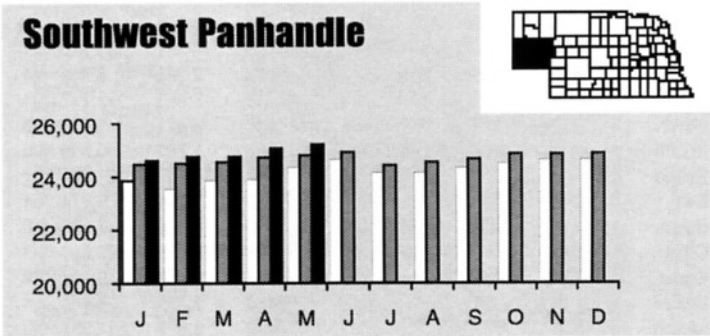
Northwest Panhandle



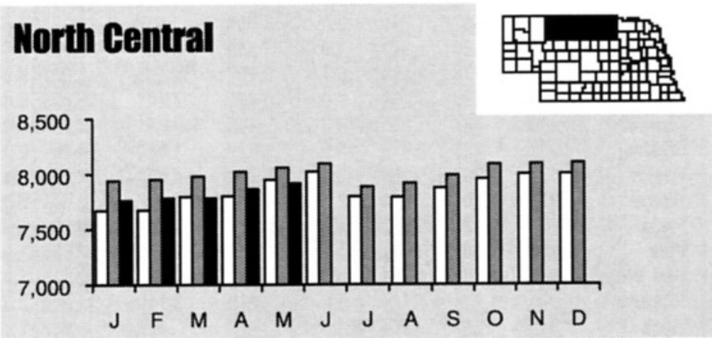
Note to Readers

The charts on pages 8 and 9 report nonfarm employment by place of work for each region.

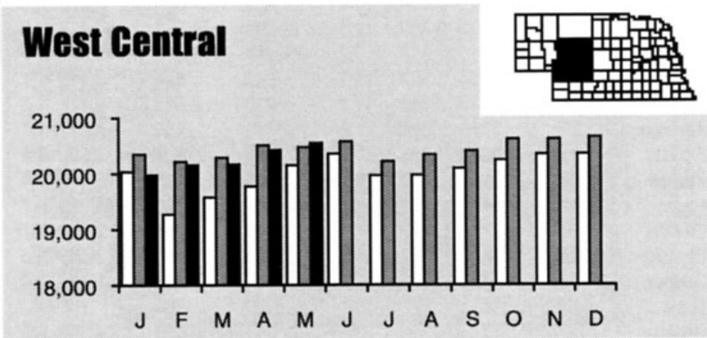
Southwest Panhandle



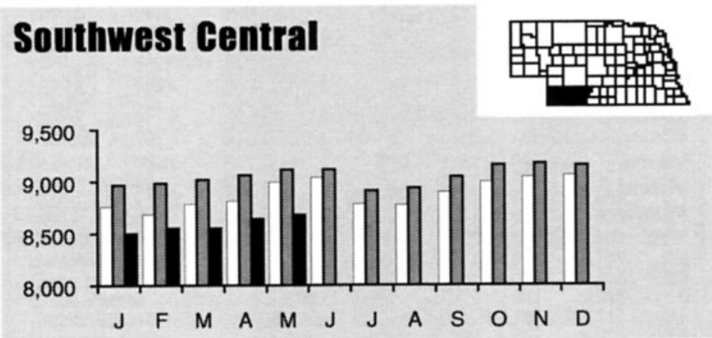
North Central



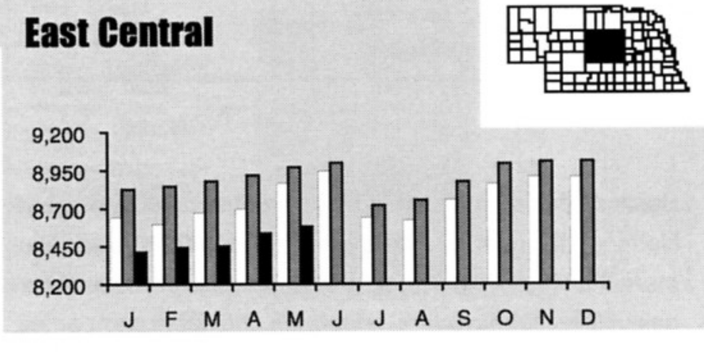
West Central



Southwest Central



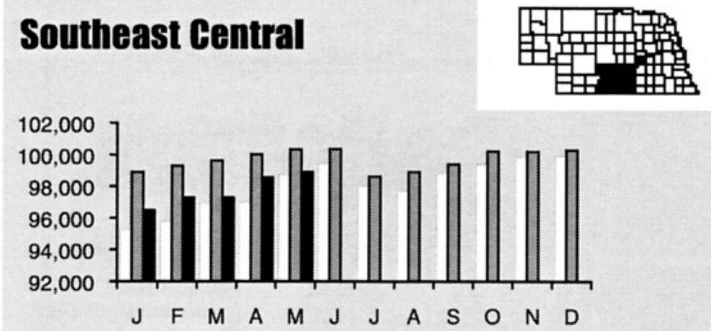
East Central



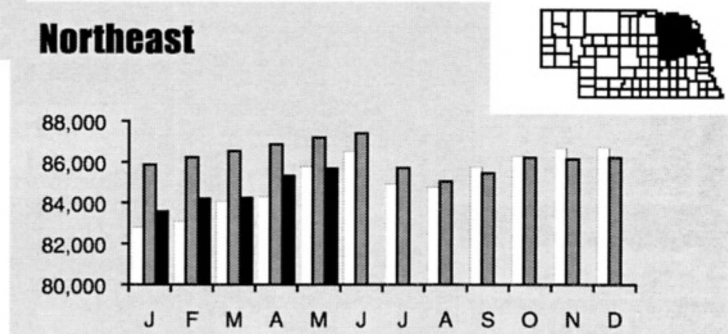
Regional Nonfarm Wage and Salary Employment* 1997 to May** 1999

1997 1998 1999

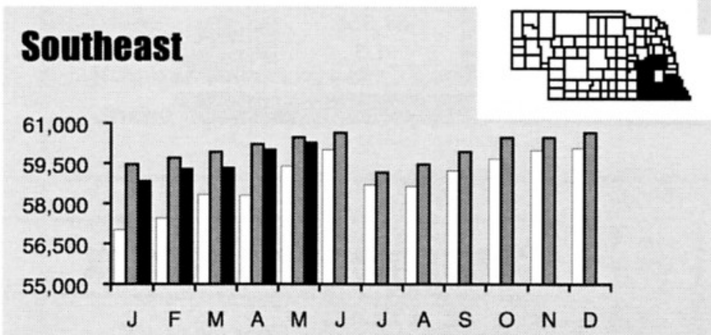
Southeast Central



Northeast

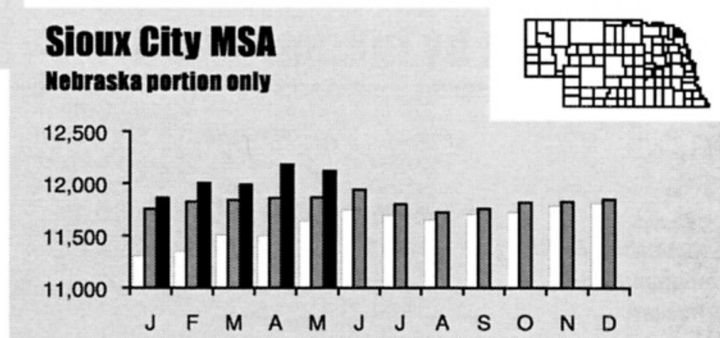


Southeast



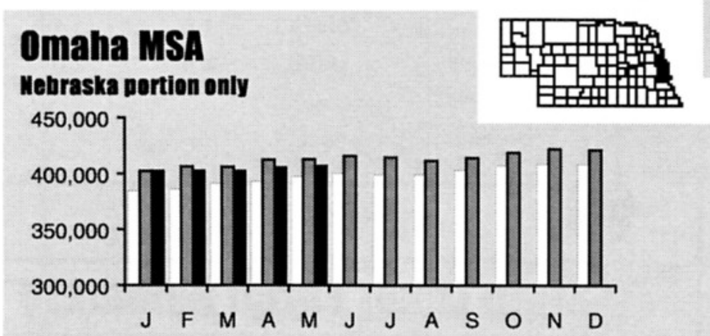
Sioux City MSA

Nebraska portion only

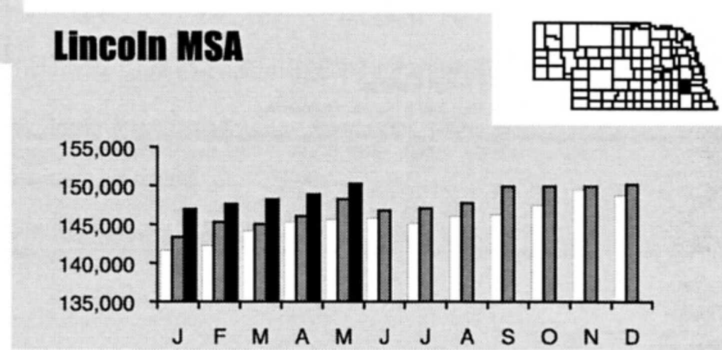


Omaha MSA

Nebraska portion only



Lincoln MSA

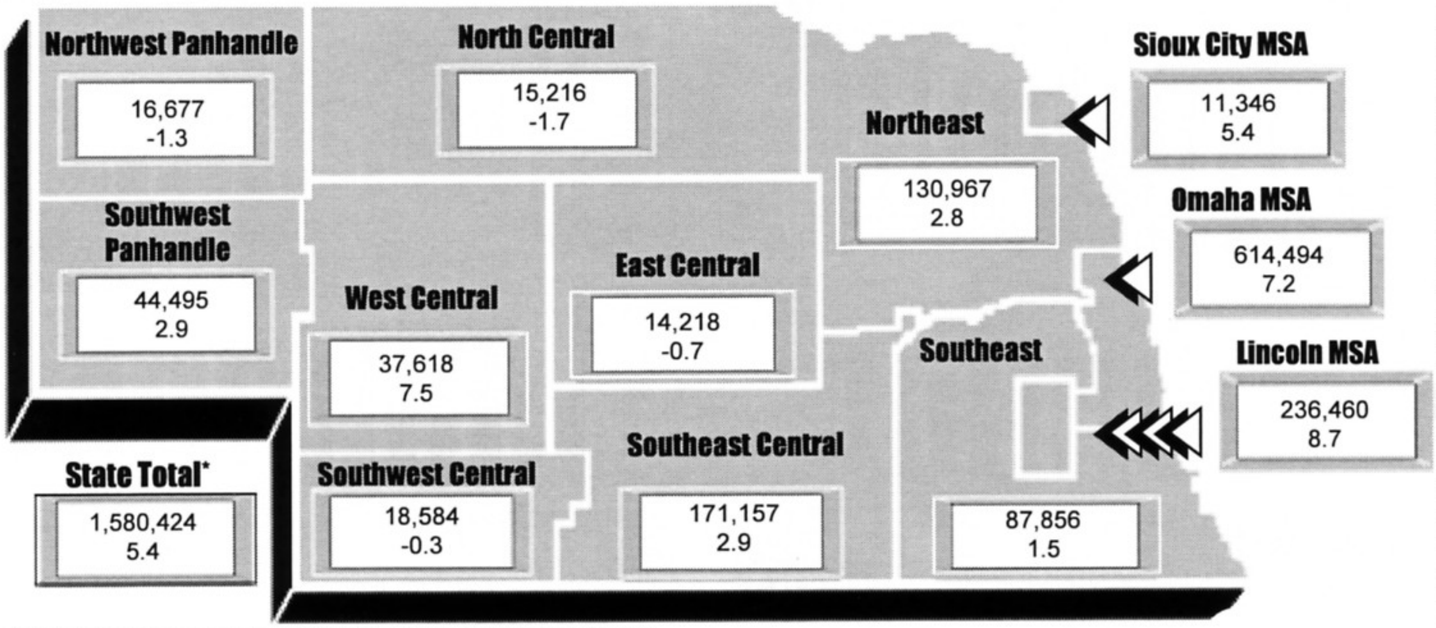


*By place of work

**Current month data are preliminary and subject to revision

Source: Nebraska Department of Labor, Labor Market Information - Kathy Copas and Amy Schofield

April 1999 Regional Retail Sales ($000) YTD Change vs Yr. Ago



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

Source: Nebraska Department of Revenue

State Nonfarm Wage & Salary Employment by Industry*

	Preliminary May 1999	Revised April 1999	April % Change vs Yr. Ago
Total	881,897	878,155	0.3
Construction & Mining	43,170	41,526	1.0
Manufacturing	116,696	117,327	-1.2
Durables	56,821	56,929	-1.7
Nondurables	59,875	60,398	-0.8
TCU**	59,151	58,961	7.0
Trade	212,011	211,392	-0.9
Wholesale	56,148	55,275	-3.8
Retail	155,863	156,117	0.2
FIRE***	58,714	58,477	3.1
Services	238,899	239,211	0.9
Government	153,256	151,261	-1.6

*By place of work

**Transportation, Communication, and Utilities

***Finance, Insurance, and Real Estate

Source: Nebraska Department of Labor, Labor Market Information

Consumer Price Index

*Consumer Price Index - U**
(1982-84 = 100)
(not seasonally adjusted)

	June 1999	% Change vs Yr. Ago	YTD % Change vs Yr. Ago (inflation rate)
All Items	166.2	2.0	1.9
Commodities	143.9	1.5	1.1
Services	188.6	2.4	2.5

*U = All urban consumers

Source: U.S. Bureau of Labor Statistics

State Labor Force Summary*

	Preliminary May 1999	Revised April 1999	April % Change vs Yr. Ago
Labor Force	931,732	925,357	0.2
Employment	908,806	906,608	-0.2
Unemployment Rate	2.5	2.0	

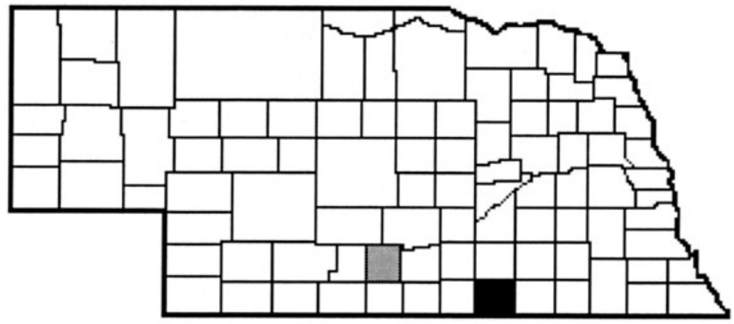
*By place of residence

Source: Nebraska Department of Labor, Labor Market Information

County of the Month

Nuckolls

Nelson-County Seat



Next County of Month

License plate prefix number: 42

Size of county: 576 square miles, ranks 49th in the state

Population: 5,226 in 1998, a change of –9.7 percent from 1990

Per capita personal Income: $20,120 in 1997, ranks 49th in the state

Net taxable retail sales ($000): $33,530 in 1998, a change of –1.3 percent from 1997; $10,639 from January through April of 1999, a change of 3.9 percent from the same period the previous year.

Number of worksites[1]: 212 in 1997

Unemployment rate: 1.9 percent in Nuckolls County, 2.6 percent in Nebraska for 1997

	State	Nuckolls County
Nonfarm employment (1997)[2]:	855,802	1,672
(wage & salary)	*(percent of total)*	
Construction and Mining	4.6	1.9
Manufacturing	13.6	1.3
TCU	6.2	3.1
Wholesale Trade	6.4	12.0
Retail Trade	18.1	21.9
FIRE	6.4	4.9
Services	26.8	31.5
Government	17.8	26.1

Agriculture:

Number of farms: 541 in 1992, 621 in 1987

Average farm size: 616 acres in 1992

Market value of farm products sold: $47.3 million in 1992 ($87,477 average per farm)

[1]Worksites refers 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, see the Nebraska Employers Guide to Unemployment Insurance.

[2]By place of work

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

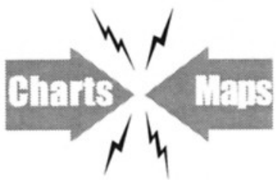
bulletin board

CPI available at **www.bbr.unl.edu** *Click* National Conditions

Presenting...

BBR's Chart/Map Room

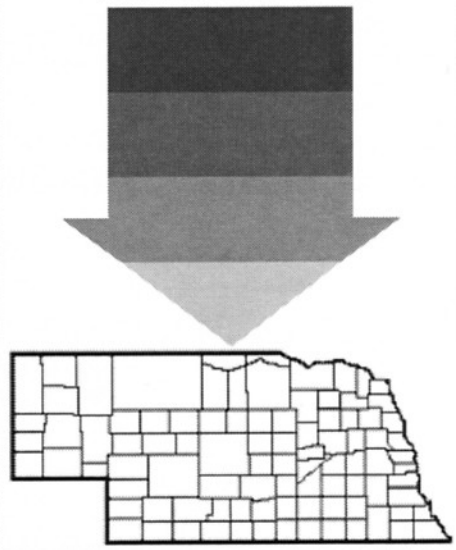
Go to **www.bbr.unl.edu** and click on **Chart/Map Room** for an extensive list of indices of population, personal income, and personal income charts. In addition, maps showing population change and net migration change for various time periods, as well as business location and employment size are available.



There is a link to BBR's **NU *ONRAMP*** data base system on each chart for convenient access to the primary data.

Updated Nebraska County Profiles

www.bbr.unl.edu



 ISSN 0007-683X. *Business in Nebraska* is published in ten issues per year by the Bureau of Business Research. Subscription orders and inquiries should be directed to Bureau of Business Research, 114 CBA, University of Nebraska-Lincoln 68588-0406. Annual subscription rate is $10.

University of Nebraska-Lincoln—Dr. James C. Moeser, *Chancellor*
College of Business Administration—Cynthia H. Milligan, *Dean*

Bureau of Business Research (BBR)

specializes in ...

- economic impact assessment
- demographic and economic projections
- survey design
- compilation and analysis of data
- public access to information via **NU *ONRAMP***

For more information on how BBR can assist you or your organization, contact us (402) 472-2334; send e-mail to: flamphear1@unl.edu; or use the World Wide Web: www.bbr.unl.edu

...business is not our only business

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