

Business in Nebraska

In This Issue

Quarterly Forecast Update	1
NAFTA, Queretaro Agreement, Nebraska Business	4
NU <i>ONRAMP</i>	6
County of the Month	8

Prepared by the Bureau of Business Research, College of Business Administration,
University of Nebraska-Lincoln, 114 CBA, Lincoln, NE 68588-0406, 402/472-2334

The Near-Term Outlook for Nebraska: An Update of the Quarterly Forecast

John S. Austin

Nebraska can look forward to continued economic growth in 1994 and 1995. A summary of employment, personal income, and net taxable retail sales forecasts is displayed in Table 1. Table 2 presents percentage changes.

Employment will grow 1.5 percent in 1994 and 1.3 percent in 1995. Employment growth will provide the basis for gains in income. Total personal income will grow 4.7 percent in 1994 and 5.1 percent in 1995. With inflation under control, the nominal gains in personal income will translate into real gains of just under 2 percent in each year. Net taxable retail sales will grow just over 5 percent in both 1994 and 1995.

This latest forecast update represents the Bureau's ongoing effort to assess the changing factors that affect Nebraska's economy. A model of the state's economy is used to make initial forecasts. A consensus group reviews the initial forecast to finalize the forecasts presented here.

The current forecast shows a slight increase in total employment over our forecast published in the 1993 November/December issue of *Business in Nebraska*. The current forecast of total personal income is lower than our previous forecast, reflecting lower than expected 1993 results. 1994's growth has been revised downward due principally to a revision of our farm income forecast. 1995's growth rate is unchanged from the previous forecast at 5.1 percent. The level of total net taxable retail sales has increased, indicating a better than expected performance in 1993 sales. 1994's growth rate will be moderately higher than the previous forecast due to increased auto sales.

Table 1
Summary of Projections, Nebraska Employment, Personal Income,
and Retail Sales Annual Monthly Averages (in \$ millions)

	1990	1991	1992	1993	1994	1995
Total Employment*	730,026	736,171	752,905	763,347	774,089	784,673
Personal Income**	27,470	28,720	30,348	31,884	33,673	34,889
Net Taxable Retail Sales						
Total	1,029	1,062	1,113	1,181	1,243	1,305
Motor Sales	127	120	125	142	152	160
Nonmotor Sales	902	942	988	1,039	1,091	1,145

* Number of Jobs

** Annual Totals

Cancellation Notice!!

Beginning with the July/August 1994 issue, *Business in Nebraska* will be provided on a subscription-only basis. Act now to preserve your subscription to *Business in Nebraska*—see subscription form on page 8.

Table 2
Summary of Projections, Nebraska
Employment, Personal Income, and
Retail Sales Average Annual Growth Rates
(percent)

	1990	1991	1992	1993	1994	1995
Total Employment	3.1	0.8	1.9	1.7	1.5	1.3
Personal Income	8.7	5.0	5.5	4.1	4.7	5.1
Consumer Price Index	5.4	4.2	3.0	3.0	3.0	3.3
Net Taxable Retail Sales						
Total	4.3	3.2	4.8	6.1	5.2	5.1
Motor Sales	0.9	-5.8	4.0	13.7	7.0	5.5
Nonmotor Sales	4.8	4.5	4.9	5.1	5.0	5.0

1995's growth rate has increased 0.8 percentage point above the previous forecast due to a revision in our overall outlook for retail sales.

Employment

Table 3 gives employment forecasts by industry. Overall employment gains on a job count basis are forecast to be 1.5 percent in 1994 and 1.3 percent in 1995. These rates nearly match employment gains that Nebraska experienced in the 1980s.

Two large employment categories—services and retail trade—will have above average growth rates in the next two years. These two sectors account for 43 percent of total nonfarm jobs. Two other sectors that will experience above average growth will be finance, insurance and real estate (FIRE), and construction. The construction sector will show rates of gain well below the 10.5 percent increase in 1993.

There will be minor losses in two relatively small employment sectors—mining and the federal government. There will be minimal gains in the transportation, communication, and utilities sector (TCU) and the wholesale trade sector. Local government, durable manufacturing, and nondurable manufacturing will show gains near 1.0 percent in the next two years. Details of the industry forecast follow.

Construction is coming off a huge gain in 1993. We still expect positive increases in employment this year, but they will be well below 1993's gains. Some highway construction, especially on the interstate system in Omaha, will continue. Housing has been stimulated by low mortgage rates at the end of 1993. There is some hope that the Federal Reserve's preemptive strike against inflation will result in lower long-term rates and may stimulate the housing market further.

Durable manufacturing was one of the few Nebraska sectors that showed a downturn during the last national recession. Last year was one of rapid recovery for Nebraska durables employment. Modest gains will characterize the next two years.

Nebraska's nondurable manufacturing sector was a big gainer during both the national recession years and in 1992, but slowed markedly in 1993. We expect continued modest gains in nondurable manufacturing over the next two years.

The TCU sector showed losses in the 1980s, especially in railroad employment. We expect that this sector as a whole will show only slightly positive increases over the next two years.

Table 3
Nebraska Employment by Industry
(not seasonally adjusted) (number of jobs)

Annual Average of Monthly Numbers												
Year	Mining	Const	Durables	Nondurables	T.C.U.	Wholesale Trade	Retail Trade	F.I.R.E.	Services	Federal Govt	State & Local Govt	Total
1990	1,534	27,062	48,522	49,286	46,276	53,392	134,145	48,426	177,966	18,040	125,378	730,026
1991	1,510	27,595	47,588	51,680	47,505	51,475	135,107	48,479	179,730	17,616	127,888	736,171
1992	1,446	28,315	46,922	53,791	47,165	52,362	137,457	49,429	185,605	17,076	130,587	750,153
1993	1,422	31,278	48,487	54,448	47,079	52,104	140,371	50,274	187,753	17,278	132,209	762,703
1994	1,413	32,216	49,069	54,938	47,197	52,365	142,828	51,159	192,447	17,105	133,531	774,268
1995	1,405	32,699	49,462	55,432	47,315	52,627	144,727	51,875	197,258	17,020	134,853	784,673
Percent Change												
1990	3.6	7.0	3.7	3.0	1.7	1.6	2.1	1.1	5.0	1.9	2.8	2.1
1991	-1.5	2.0	-1.9	4.9	2.7	-3.6	0.7	0.1	1.0	-2.4	2.0	0.8
1992	-4.3	2.6	-1.4	4.1	-0.7	1.7	1.7	2.0	3.3	-3.1	2.1	1.9
1993	-1.6	10.5	3.3	1.2	-0.2	-0.5	2.1	1.7	1.2	1.2	1.2	1.7
1994	-0.6	3.0	1.2	0.9	0.3	0.5	1.8	1.8	2.5	-1.0	1.0	1.5
1995	-0.6	1.5	0.8	0.9	0.2	0.5	1.3	1.4	2.5	-0.5	1.0	1.3

Note: The historical employment data for 1992 and 1993 are based on preliminary reports by the Nebraska Department of Labor.

Wholesale trade is a bit of a mystery. Because it is difficult to identify wholesale activity separately, there have been numerous definitional changes for this series at various times that shift job counts between wholesale trade and both the retail and manufacturing categories. We estimate modest rates of increase in wholesale trade employment in the next two years.

Retail trade remains a strong sector. Gains parallel increases in population and real income increases. Some of the increases in retail trade employment in the past have come from the switch from full-time to part-time employment. While that trend will continue, it will probably not have the overall effect that it has had in the last 20 years.

The FIRE sector shows continued expansion. Finance and insurance split the bulk of the category. While employment in the FIRE sector as a whole grew about 1.4 percent per year over the decade of the 1980s, we expect that it will show a slightly higher increase this year, followed by a reduction in the long-term growth rate in 1995.

The service sector is Nebraska's largest employer. Its growth tends to be the most rapid as well; however, service employment gains in the 1990s have been irregular. After increasing 5.0 percent in a single year—1990—service employment increased just under 1 percent in 1991. A similar seesaw pattern followed in the next two years. Our forecast of 2.5 percent growth in each of the next two years is almost 2 percentage points below the average for the sector in the 1980s.

There has been concern for some time over the future growth potential in services due to a lack of qualified personnel in metro areas.

Federal government employment in this state grew 1.4 percent from 1984 to 1990; however, the federal government likely will cut its employment levels in the state in the near term. We are estimating that the cut will be about 1.0 percent this year and next. That contrasts to our previous forecast of more rapid government employment decreases. Nevertheless, the growth that we experienced in 1993 encourages us to temper our negative outlook. Despite the federal deficit reduction efforts, we see only modest decreases in Nebraska federal government employment.

State and local government will show an increase of about 1.0 percent in each of the next two years. That contrasts with an overall increase of 1.5 percent per year from 1984 to 1990. Growth was lower in the 1980s for local government than for state government employment. We expect a reversal. While it is broadly expected that we will see some conservatism in state government hiring, local governments are likely to continue their historical expansion. Local government employment is nearly 2.5 times as large as state government employment.

Nebraska Personal Income

Details of the forecast for Nebraska's personal income are contained in Table 4. Increases in wages and salaries, the largest component of personal income, follow gains in employment and inflation. We have

Table 4
Nebraska Personal Income
(seasonally adjusted at annual rates) (in \$ millions)

Annual Averages

Year	Total Wages & Salaries	Proprietors' Income Farm	Proprietors' Income Nonfarm	Other Labor Income	Pers. Cont for Social Insurance	Dividends Int, Rent	Transfer Payments	Resid Adjustment	Total Personal Income
1989	13,816	1,642	1,876	1,315	-1,346	4,797	3,516	-339	25,276
1990	14,853	2,093	1,957	1,460	-1,396	5,028	3,833	-359	27,470
1991	15,600	2,092	2,060	1,617	-1,511	5,066	4,173	-377	28,720
1992	16,559	2,235	2,237	1,775	-1,591	5,010	4,554	-410	30,368
1993	17,278	2,154	2,403	1,952	-1,697	5,175	4,866	-428	31,703
1994	18,007	2,197	2,559	2,127	-1,802	5,333	5,207	-444	33,186
1995	18,801	2,307	2,726	2,319	-1,915	5,535	5,576	-460	34,889

Percent Changes

1990	7.5	27.5	4.3	11.1	3.7	4.8	9.0	5.8	8.7
1991	5.0	-0.1	5.3	10.7	8.2	0.7	8.9	5.0	4.6
1992	6.1	6.8	8.6	9.8	5.3	-1.1	9.1	8.9	5.7
1993	4.3	-3.6	7.4	9.9	6.7	3.3	6.9	4.3	4.4
1994	4.2	2.0	6.5	9.0	6.2	3.1	7.0	3.8	4.7
1995	4.4	5.0	6.5	9.0	6.3	3.8	7.1	3.7	5.1

assumed that inflation will be 3.0 percent in 1994 and 3.3 percent in 1995. We expect that wages and salaries will increase over 4 percent in each of the next two years. Coupled with our inflation forecast, growth over 4 percent each year means real gains in excess of 1.0 percent for both years.

Total personal income will increase faster than wages and salaries. The acceleration in personal income will come principally from three areas: other labor income, transfer payments, and nonfarm proprietors' income.

The increase in other labor income will be at a rapid pace of about 9.0 percent in both 1994 and 1995. Other labor income consists of the benefits paid to wage and salary earners. In part, the rapid rates of increase will be spurred by higher costs of insurance programs incurred by employers on behalf of their employees.

Transfer payments have been growing rapidly in our state and will continue to do so. Transfer payments largely are composed of Social Security payments and entitlement payments. The growth in transfer payments is about 3 percentage points above the growth rates forecast for wages and salaries.

Our forecast for nonfarm proprietors' income calls for increases of 6.5 percent in both 1994 and 1995. That forecast is conservative compared to increases of 8.6 percent in 1992 and 7.4 percent in 1993. Nonfarm proprietors' income is a rough proxy for the income of small businesses.

Farm income is difficult to determine. Despite the declining role of federal payments in farm income, we expect to see a modest increase in farm income in 1994. Grain farmers started the year with low carryover and relatively high prices. Many grain farmers have locked in those prices for the fall harvest. If the weather allows, spring plantings will result in a large harvest, resulting in a good year for grain farmers' net farm income.

Prospects are weaker on the cattle side of farm income than in grain farming. Current slaughter cattle prices are low compared to last year. Corn, a key feed component, is selling at prices above year ago levels. As a result, there is a squeeze on farm income from cattle operations that will offset likely gains in grain farming. In 1995 we expect farm income to increase 5.0 percent.

Retail Sales

Details of the retail sales forecast are in Tables 1 and 2. Total net taxable retail sales increased 6.1 percent last year in large part due to a rapid increase in net taxable motor vehicle sales. The latter increased just under 14 percent last year as Nebraska joined the nation in an automobile sales turnaround. While net taxable motor vehicle sales are only 12 percent of total net taxable retail sales, net taxable motor vehicle sales are volatile. In the first few months of 1994 new car sales in Nebraska continue to show rapid advances well above those of net taxable motor vehicle sales. The seeming paradox is

eliminated when we realize that net taxable sales are net of trade-ins and cover both new and used sales. Thus increases in new vehicle sales and the net taxable retail sales of all motor vehicles will not necessarily run in lockstep. We expect rates of increase for net taxable motor vehicle sales of 7.0 percent in 1994 and 5.5 percent in 1995.

Net taxable nonmotor vehicle sales are fairly steady. We expect growth about 5 percent in both 1994 and 1995, only slightly below 1993's growth. 1993 had fairly strong Christmas sales. Our forecast assumes a return to more normal levels.

Total net taxable retail sales will increase over 5 percent in both 1994 and 1995. Adjusting for projected inflation, sales will increase over 2 percent in 1994 and a little under 2 percent in 1995.

National Outlook

Changes in the Nebraska economy are influenced by changes in the national economy. After many quarters of a lackluster recovery from the 1990/1991 recession, the U.S. economy finally showed a growth spurt in the fourth quarter of 1993. This spurt, however, appears to be nothing but an isolated jump of 7 percent at annual rates in real Gross Domestic Product (GDP). The most recent report on first quarter 1994 GDP shows a reduction in the rate of growth to a more moderate 3.0 percent. Despite the growth slowdown from the fourth quarter to the first, 1994 as a whole will see the biggest gain in GDP since 1988. We expect that after removing the effects of inflation, GDP will grow 3.5 percent in 1994 and 3.0 percent in 1995.

Inflationary pressures have cooled considerably, perhaps due to the protracted lack of vigor in the recovery. We expect the Consumer Price Index will advance 3.0 percent in 1994 and about 3.3 percent in 1995. Should the Federal Reserve continue its pressure on short-term interest rates, we may see inflation reduced below our current expectations. Pressures of a severe monetary policy, however, can have real impacts on output.

One peculiarity of the current recovery is that employment growth has been weak. Businesses have been reluctant to hire throughout the recovery. The reluctance is especially keen in the manufacturing sector. Here productivity gains have reduced the needs for an employment expansion. Employers also can meet expanded production requirements by expanding overtime or by using temporary workers.

The consensus group that served in the current round of forecasts consisted of Bruce Johnson, UN-L Department of Agricultural Economics; Tom Moloney, Nebraska Department of Labor; Donis Petersan, Nebraska Public Power District; Dan Ransdell, Nebraska Department of Revenue; Charles Lamphear and John Austin, Bureau of Business Research, UN-L.

NAFTA, The Queretaro Agreement, and Nebraska Business Opportunities

**Robert McGeorge and
Charles Lamphear**

The May issue of *Business in Nebraska (BIN)* announced the signing of the Queretaro Agreement in Queretaro, Mexico, on April 15, 1994. The Queretaro Agreement was signed by representatives of the Center for International Trade Policy at the University of Nebraska-Lincoln (UNL), the Bureau of Business Research at UNL, and the Export Development Center (CENDEX) at the Monterrey Institute of Technology (Queretaro campus).

The purpose of the Queretaro Agreement is to provide assistance to businesses in taking advantage of opportunities created by NAFTA.

U.S. business executives are beginning to recognize that NAFTA is changing the competitive environment in which they operate dramatically. Recent surveys, for example, indicate that more than half of the business firms that responded plan to investigate opportunities for increasing sales to, or investments in, Mexico.

These changes will be positive for many businesses at least for those firms that recognize and take advantage of the opportunities created by the agreement. When Mexico dropped its import duty rates on hundreds of U.S. products from over 10 percent on December 31, 1993 to zero percent on January 1, 1994 pursuant to the NAFTA agreement, U.S. businesses' opportunities to penetrate Mexico's markets were increased substantially.

NAFTA also creates significant investment opportunities. Although much of the debate over the agreement has focused on the establishment of facilities in Mexico to produce goods for the U.S. market, the most significant investment provisions of the agreement are those that create opportunities to invest in Mexican industries (that formerly were reserved for Mexican ownership) to serve the Mexican market.

Other U.S. businesses may face new competitive challenges as a result of the agreement, as the United States reduces its import duties on competing Mexican and Canadian products. Producers in Mexico and Canada who formerly were priced out of U.S. markets may take advantage of changes in their competitive environments by mounting extensive export campaigns.

As indicated in the May issue of *BIN*, UNL's Bureau of Business Research and Center for International Trade Policy are developing several programs to assist Nebraska businesses to prepare for the opportunities and challenges created by NAFTA. Although the Bureau and the Center—and our counterparts at the Monterrey Institute of Technology—have worked out the basic

concepts for these programs, we want input from Nebraska businesses before we finalize these programs.

We have developed a three-page survey on issues and trade information related to NAFTA. Participants are asked to complete the survey on the basis of whether they think their firm could benefit from proposed data and consulting services. The survey can be completed in five minutes or less.

If you are willing to participate in the survey, complete the following form and return it by June 30, 1994. Use one of the return addresses given at the bottom of the form.

We thank you in advance for participating in this important survey. ☐☐



Yes, I will participate in the NAFTA issues and trade information survey.
My mailing address is indicated below.

Name: _____

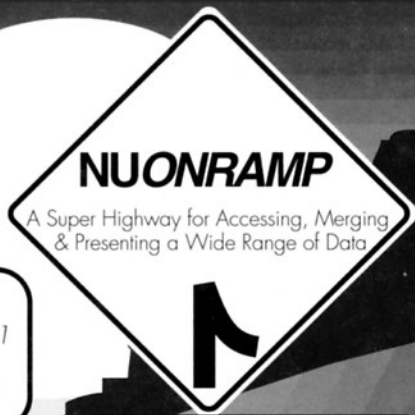
Address: _____

City, State, Zip: _____

Mail to:

Charles Lamphear, Director
Bureau of Business Research
P.O. Box 880406
University of Nebraska-Lincoln
Lincoln, NE 68588-0406
Fax: (402) 472-3878

or Robert McGeorge, Exec. Director
Center for International Trade Policy
213 College of Law
University of Nebraska-Lincoln
Lincoln, NE 68588-0902
Fax: (402) 472-5185



Access:
 Modem:
 (402) 472-5201
 Internet:
 onramp.unl.edu.
 UNL Libraries

**Construction Completions
 NEW ON THE ONRAMP . . .**

The Bureau of Economic Analysis (BEA) provides basic information on key issues such as economic growth, inflation, regional development, and the nation's role in the world economy. BEA's regional economics program provides estimates, analyses, and projections by region, state, metropolitan area, economic area, and county. Regional data are now available for 1992.

**Table I
 Employment in Nebraska**

	Revised March 1994	Preliminary April 1994	% Change vs. Year Ago
Place of Work			
Nonfarm	761,250	769,571	1.1
Manufacturing	103,459	103,508	2.2
Durables	49,888	50,213	4.8
Nondurables	53,571	53,295	-0.1
Construction/Mining	30,387	33,378	5.5
TCU*	47,492	46,968	-0.2
Trade	191,021	193,007	1.2
Wholesale	51,818	52,833	2.0
Retail	139,203	140,174	0.9
FIRE**	50,496	50,383	0.9
Services	187,490	190,018	1.1
Government	150,905	152,309	-0.4
Place of Residence			
Civilian Labor Force	884,161	880,770	3.9
Unemployment Rate	3.4	2.8	

* Transportation, Communication, and Utilities
 ** Finance, Insurance, and Real Estate

Source: Nebraska Department of Labor

Personal Income, Per Capita Personal Income, and Total Population 1969-1992. See ONRAMP subject area "Income, Expenditures, & Wealth" for income data and subject area "Population" for population data.
Personal Income by Major Source and Earnings by Industry, 1969-92—Earnings data down to the two-digit Standard Industrial Classification (SIC) industry. See ONRAMP subtopic "Personal Income by Industry" under the main subject area "Income, Expenditures, & Wealth".

Full- and Part-time Employment by Industry, 1969-92—Total employment by one-digit SIC industry. See ONRAMP subtopic "Employment by Industry" under the main subject area "Labor Force, Employment & Earnings".

Regional Economic Profile, 1969-92—Summary of income and employment by place of work and residence. See ONRAMP subtopic "Economic Profile" under the main subject area "General Profiles".

**Table II
 City Business Indicators
 February 1994 Percent Change from Year Ago**

The State and Its Trading Centers	Employment (1)	Building Activity (2)
NEBRASKA	7.0	271.8
Alliance	5.2	360.5
Beatrice	8.2	21.7
Bellevue	6.4	-3.0
Blair	6.2	1,594.8
Broken Bow	10.2	-38.6
Chadron	6.2	-4.0
Columbus	9.0	22.7
Fairbury	7.2	-4.0
Falls City	8.7	57.0
Fremont	6.9	91.2
Grand Island	7.9	4.0
Hastings	7.3	34.2
Holdrege	8.8	81.7
Kearney	7.1	2,129.3
Lexington	8.8	31.2
Lincoln	5.6	-3.9
McCook	7.7	1.3
Nebraska City	7.6	1,138.1
Norfolk	8.0	146.7
North Platte	6.3	180.0
Ogallala	8.0	107,467.8
Omaha	6.4	45.7
Scottsbluff/Gering	6.0	-27.7
Seward	8.3	-9.6
Sidney	5.1	72.3
South Sioux City	7.0	18.9
York	8.1	85.0

(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

Transfer Payments by Type, 1969-92—See the ONRAMP subtopic "Transfer Payments" under the main subject area "Social Insurance & Human Services".

Farm Income and Expenses, 1969-92—These files report the major categories of farm income and expenses and gross and net farm aggregates. See the ONRAMP subtopic "Farm Income & Expenses" under the main subject area "Agriculture".

Soon to be Online

BEARFACTS, 1991-92 and 1982-92—One-page narrative profiles describing an area's personal income using current estimates, growth rates, and a breakdown of sources of personal income for that area. These narratives will be available on the ONRAMP under the main subject area "General Profiles".

Journey-to-Work, 1960, 1970, 1980, 1990—Commuting flows to and from counties using decennial census by place of work or by place of

residence. These files are available on the ONRAMP under the main subject area "Transportation".

Total Commuters' Income Flows, 1969-92—Total gross commuters' income flows (inflows and outflows). These data will be available on the ONRAMP under the main subject area "Income, Expenditures, & Wealth". Contact David DeFruiter for more details about NU ONRAMP—(402) 472-7927.

**Table III
Price Indices**

	April 1994	% Change vs. Year Ago	YTD % Cha vs. Year A
Consumer Price Index - U* (1982-84 = 100)			
All Items	147.4	2.4	2.5
Commodities	133.1	0.9	1.0
Services	162.0	3.5	3.6

U* = All urban consumers
Source: U.S. Bureau of Labor Statistics

**Table IV
Net Taxable Retail Sales of Nebraska Regions and Cities**

Region Number and City (1)	City Sales (2)		Region Sales (2)		Year to Date % Change vs. Year Ago
	February 1994 (000s)	% Change vs. Year Ago	February 1994 (000s)	% Change vs. Year Ago	
NEBRASKA	918,583	10.0	1,038,518	10.7	9.2
1 Omaha	333,188	10.8	403,803	11.8	9.9
Bellevue	12,474	17.7	*	*	*
Blair	4,656	8.8	*	*	*
2 Lincoln	128,535	12.0	145,684	12.5	11.5
3 South Sioux City	6,554	10.4	8,581	10.9	15.4
4 Nebraska City	3,714	8.6	18,451	12.4	7.9
6 Fremont	17,391	10.9	29,240	9.3	6.1
West Point	2,534	8.0	*	*	*
7 Falls City	1,946	3.2	8,595	8.7	1.9
8 Seward	3,652	-0.1	13,663	3.4	3.1
9 York	6,359	7.6	12,779	5.3	3.9
10 Columbus	15,738	7.9	25,690	16.0	11.8
11 Norfolk	19,174	13.0	33,284	14.2	8.9
Wayne	3,037	7.8	*	*	*
12 Grand Island	36,493	18.2	48,518	13.4	13.9
13 Hastings	15,523	0.6	22,958	1.1	3.6
14 Beatrice	7,534	-1.4	17,020	4.6	4.2
Fairbury	2,830	16.4	*	*	*
15 Kearney	20,889	14.1	27,888	13.1	7.9
16 Lexington	6,227	6.2	15,538	6.5	5.1
17 Holdrege	3,894	-0.6	6,898	1.9	0.3
18 North Platte	15,613	6.6	20,299	10.5	10.8
19 Ogallala	3,726	2.4	8,314	5.6	4.3
20 McCook	7,252	12.2	9,946	10.7	6.2
21 Sidney	4,456	9.5	7,983	4.3	6.8
Kimball	1,414	0.6	*	*	*
22 Scottsbluff/Gering	17,591	4.4	24,497	6.9	5.5
23 Alliance	4,461	2.6	12,541	1.5	1.5
Chadron	2,762	9.3	*	*	*
24 O'Neill	3,162	-3.7	14,449	2.1	1.5
Valentine	2,156	-9.9	*	*	*
25 Hartington	1,584	17.6	7,129	2.8	4.0
26 Broken Bow	3,399	7.1	9,688	2.6	0.0

(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

IMPORTANT NOTICE TO OUR READERS

For over 50 years, BBR has been dedicated to filling each issue of *Business in Nebraska* with informative features on the state's economy and timely data that is a staple of the publication. We look forward to expanding our coverage of business conditions in the state in the near future.

Beginning with the July/August issue, a \$10 annual subscription fee for *Business in Nebraska* will be instituted to offset mounting production costs.

For the low annual fee of \$10—just \$1 per issue—you can continue to be informed of the most current trends affecting the state's economy: trends in population, employment, business information, rural economic development, and a host of other issues.

To continue your subscription to *Business in Nebraska*, please complete and return the subscription form to us with a check for \$10.

We appreciate your continued support.

Business in Nebraska Subscription Order

\$10 annual subscription

Please continue my subscription to *Business in Nebraska*.

Name _____ Phone _____

Title _____

Organization _____

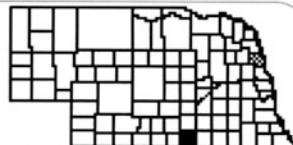
Address _____

City _____ State _____ Zip _____

County of the Month

Webster

Red Cloud—County Seat



Next County of Month

License plate prefix number: 45

Size of county: 575 square miles, ranks 56th in the state

Population: 4,279 in 1990, a change of -11.9 percent from 1980

Median age: 43.8 years in Webster County, 33.0 years in Nebraska in 1990

Per capita personal income: \$16,386 in 1991, ranks 47th in the state

Net taxable retail sales (\$000): \$18,881 in 1993, a change of +3.2 percent from 1992; \$2,799 during January and February 1994, a change of +10.2 percent from the same period one year ago

Number of business and service establishments: 114 in 1991; 65 percent had less than five employees

Unemployment rate: 2.6 percent in Webster County, 2.9 percent in Nebraska for 1992

Nonfarm employment (1992):

	State	Webster County
Wage and salary workers	746,985	1,021
	(percent of total)	
Manufacturing	13.4%	1.9%
Construction and Mining	3.9	2.7
TCU	6.3	5.1
Retail Trade	18.2	14.4
Wholesale Trade	7.0	19.0
FIRE	6.6	4.5
Services	24.8	17.9
Government	19.8	34.5
Total	100.0%	100.0%

Agriculture:

Number of farms: 508 in 1987, 500 in 1982

Average farm size: 591 acres in 1987

Market value of farm products sold: \$32.8 million in 1987 (\$64,482 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

Copyright 1994 by Bureau of Business Research, University of Nebraska-Lincoln. ISSN 0007-683X.

June 1994, Volume 49 No. 591

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

Bureau of Business Research

John S. Austin, *Research Associate*

David Bennett, *Programming Assistant*

Carol Boyd, *Secretary*

Clayton Buss, *Undergraduate Assistant*

David DeFruiter, *Information Systems Manager*

Meghan Eary, *Graduate Assistant*

Merlin W. Erickson, *Research Associate*

F. Charles Lamphear, *Director*

Jan Laney, *Project Assistant*

Heath Peters, *Undergraduate Assistant*

Teik L. Tan, *Graduate Assistant*

Lisa Valladao, *Information Specialist*

It is the policy of the University of Nebraska—Lincoln not to discriminate on the basis of sex, age, handicap, race, color, religion, marital status, veteran's status, national or ethnic origin, or sexual orientation.

