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Gambling: Who Wins, Who Loses

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Is rapid casino expansion in the U.S. a modern field-of-dreams decision or a tool for economic development?

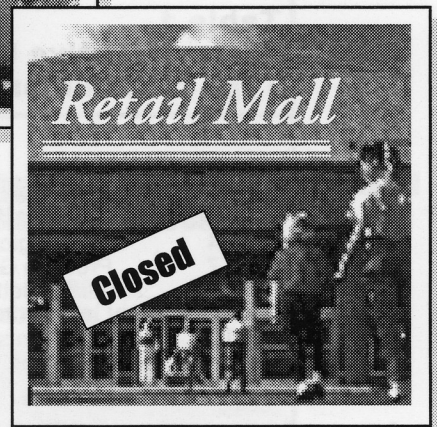
Several serious economic questions have recently been raised as a result of the spread of casino gambling.

- ❖ What are the social costs?
- ❖ What are the social benefits?
- ❖ Which is bigger?

This article presents some recent research results on the social costs and benefits of gambling in the U.S. Social costs/benefits include direct costs/benefits *plus* any external or spillover costs/benefits on society.

Spillover Costs

Most spillover costs associated with gambling come from a small percentage of the population that gambles. Between 30 percent and 50 percent of the population never, or almost never, gambles. Most people who gamble can be considered occasional bettors. The remaining 10 percent consists of heavy bettors, problem gamblers (2 to 3 percent of the overall population), and pathological gamblers (1 to 2.5 percent). Pathological gamblers are those defined by psychologists as addicted, based on persistent and recurrent behavior that often involves illegal acts such as forgery, fraud, theft, or embezzlement to finance gambling. To reasonably measure only the social costs from pathological gambling, E.L. Grinols and J.D. Omorov, economists at the



University of Illinois-Champaign, included the costs of apprehension, adjudication, and incarceration. They also added lost work productivity costs for pathological gamblers and direct cost of government regulation of the industry.

This limited definition of social costs amounts to an annual estimated cost between \$15,000 and \$33,500 for each pathological gambler, for a U.S. total that exceeds \$40 billion.

Expanding gambling would be more costly to the nation than an additional Hurricane Andrew every year in perpetuity (\$32 billion in damage, the costliest natural disaster in American history), or it would be the equivalent of an additional 1990-1991 recession roughly every decade. (*Development or Dreamfield Delusions?: Assessing Casino Gambling's Cost and Benefits*)

Table 1 shows the percent of casino revenues from each category of gambler, based on the conservative assumption that the most active 10 percent of bettors in the population account for 65 percent of revenues. *Nonbettors* are those who have not gambled in a casino in the past year. Pathological and problem gamblers comprise 1.4 and 2.7 percent of the population, respectively. Data on losses for each group are based on studies of gamblers, considering such variables as size of gambling losses, gambling-related debt, and years of gambling. Fifty-two percent of casino revenues comes from the 4.1 percent of the population who are pathological and problem gamblers. In this respect, casino gambling resembles alcohol consumption where 6.7 percent of the population consumes 50 percent of alcohol sold.

Existing evidence indicates that while lower-income people do not, in absolute amounts, spend more than middle-income people on gambling, they do spend a higher percentage of their income. Among the five largest counties in Maryland, per capita sales for the state lottery are highest in Baltimore City, the poorest county (\$316 per year), and lowest (\$115) in the richest, Montgomery County. A survey of low income gamblers in Wisconsin and Illinois in 1995 indicates that they would spend more money on groceries if they did not have access to legal gambling.



Table 1
Representative Distribution of Gambling Revenues by Type of Gambler

<i>Percent of Population</i>	<i>Designation</i>	<i>Annual Loss per Bettor (\$)</i>	<i>Cumulative Percent of Casino Gross</i>
1.4	Pathological Gamblers	4,013	39
2.7	Problem Gamblers	669	52
5.9	Heavy Bettors	317	65
40.0	Light Bettors	124	100
50.0	Nonbettors	0	100

Source: E.L. Grinols and J.D. Omorov, "Development or Dreamfield Delusions?: Assessing Casino Gambling's Costs and Benefits."

Benefits

Gambling as a recreational activity brings pleasure to many adults, provides profits to owners, supplies jobs for workers, and is a potential tax source for government. Table 2 provides data for 1991, before significant proliferation of casino gambling in other areas. Table 2 indicates that adults living within 75 miles of a casino, on average, spend 5.6 times more per year at casinos compared to adults living more than 300 miles away. Figure 1 illustrates that adults living in close proximity visit casinos more often but spend less per visit. Casino visits per year are 36 times greater for those within 35 miles, relative to those more than 300 miles away.

Table 2
Gambling Expenditure vs Distance from Casino

	Distance from Casino (miles)				
	0-35	35-75	75-150	150-300	Over 300
Visitor Days/Visit	1.0	1.0	1.1	2.6	4.5
Average Annual \$	144	147	67	69	25

Source: Grinols, E.L., and J.D. Omorov, "Development or Dreamfield Delusions?: Assessing Casino Gambling's Costs and Benefits,"

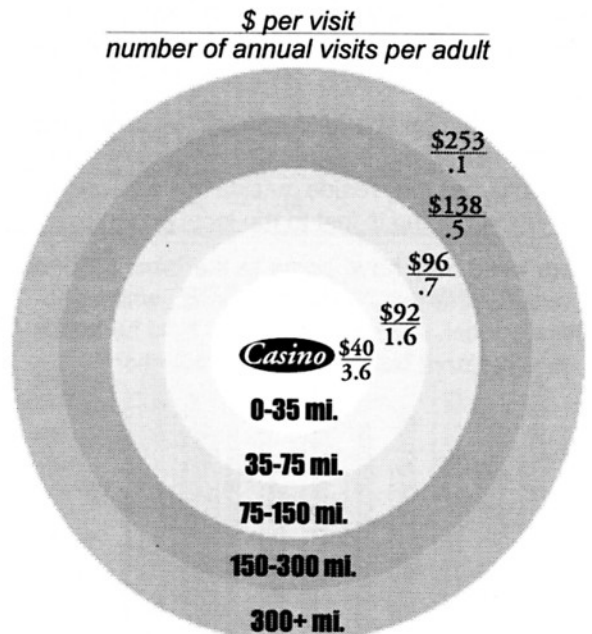
Greater revenues mean more casino profits. Hypothetically, additional revenues, calculated from the increase in number of visits and gambling dollars to casinos within 35 miles, are estimated to be \$17.7 billion annually. Additional annual operating costs are estimated at \$12.7 billion, leaving about \$5 billion to casino operators for profits and taxes. Most states levy a tax on gross revenues of casinos, ranging from 6.25 percent in Nevada to 20 percent in several other states. Grinols used 15 percent as a representative tax rate applied to the new revenues of \$17.7 billion to generate tax revenue estimates of \$2.7 billion. Remaining after-tax additional profits to casinos would be about \$2.6 billion. The actual amount of after-tax profits that remains in the local area depends on the location of the casino operators.

Gambling revenues/profits provide another source of tax revenue. *Money* magazine published the results of a six-month investigation of state lotteries in its May 1996 issue. One question in the investigation was how states use monies received from gambling. Most promoters claim that education benefits from gambling.

...Eighteen states specifically earmark lottery money for education. During this decade, however, states with lotteries actually dedicated a declining share of their total spending to education, according to the Center for the Study of the States. Meanwhile, over the same time period, the average budget share for education increased slightly for nonlottery states "We've been hurt by our lottery," says Gary Landry, spokesman for the Florida education association, the local school employees union. "The state has simply replaced general revenues with lottery money at a time when enrollments are increasing. It's a big shell game." (*Lotto Fever: We All Lose!*)

Grinols and Omorov analyzed the effects of casinos on employment and unemployment by looking at data for eight casino markets in Illinois. The eight markets include both large and small counties, and differ in proximity to metropolitan areas ranging in size from Paducah to St. Louis and Chicago. In September 1991 Illinois became the second state to introduce riverboat casinos. Iowa's opened in March 1991.

Figure 1
Gambling Expenditure per Visit and Number of Annual Visits Relative to Distances from Casinos



Source: E.L. Grinols and J.D. Omorov, "Development or Dreamfield Delusions?: Assessing Casino Gambling's Costs and Benefits."

The eight areas studied are Aurora and Joliet, Alton and East St. Louis, Metropolis (near Paducah, Kentucky), Rock Island, Peoria, and Dubuque. Effects on employment and unemployment were statistically analyzed separately using monthly data.

Seven of the eight areas showed no impact of casinos in reducing unemployment. The single exception is Alton where the impact was probable but small. The Alton riverboat was the first introduced in the selected areas, beginning operation in the aftermath of the 1990-1991 recession. This may help to explain its unique position as the only location where casino operation reduced unemployment.

Unemployment in Atlantic City in Atlantic County, New Jersey felt no positive impact from casinos. Table 3 shows unemployment rates in the state, county, and city since 1970. Casinos were introduced in 1977. Atlantic City was the first area to have casinos outside Las Vegas. The city expected casinos to attract tourist dollars and reduce the city's high unemployment rate. The population of Atlantic City dropped 16 percent between 1975 and 1980, while New Jersey's population grew 2.7 percent in the decade ending in 1980. Between 1980 and 1990 Atlantic City's population declined 5.5 percent while New Jersey's population grew 5.0 percent.

There are at least four reasons why casinos generate so few local jobs.

Riverboat-type casinos typically cater to local markets. Providing gambling to local residents simply transfers money from one local business to another and does not lead to a net increase in jobs.

Casino revenues must be spent locally to have an effect on the local economy. Casinos that obtain large flows of revenues from regional and national markets but remove equally large flows do not enhance the local economy.

Even when casinos spend locally, as is usually the case with payroll expenditures, it is possible that many employees may reside outside the local areas, hence, this spending is lost to the local economy.

Workers hired may have come to the labor market from outside the area so casino jobs, while geographically local, are not necessarily held by locals who were resident before casino introduction.

Summary

Assumptions made in the benefit calculations are the most liberal possible. If taxes and casino profits were corrected for money taken from problem and pathological gamblers, the benefits would be smaller. The calculation for taxes is based on an assumption that 15 percent of gross revenues goes to taxes. In the two petition efforts underway in Nebraska, however, the only reference to taxes is based on a percentage of profits, not gross revenues. Neither petition stipulates that a share for taxes is guaranteed. So, this component of benefits could be as low as zero.

How severe will the loss of sales by other businesses be in Nebraska? The *Wall Street Journal* (Sept. 11, 1995) headline read: "Bayou Backlash: Gambling Is Proving To Be a Bad Bet in Louisiana: Business is Down Amid Graft Probe."

**Table 3
Unemployment Rates and
Population for Atlantic City**

	<i>Unemployment Rate</i>			
	1970	1980	1991	1993
New Jersey	3.8	6.7	6.6	7.4
Atlantic County	5.7	8.5	8.3	9.3
Atlantic City	8.9	11.2	10.9	15.0
	<i>Population</i>			
Atlantic City	43,969	40,199	37,986	

Source: *County and City Data Book*, U.S. Department of Commerce, Bureau of the Census.

Growth in gambling revenues has sparked worries among local merchants that the machines are robbing them of residents' disposable income "Since gambling was instituted in 1991, some of the retailers are saying they've noticed a drop in sales," says Martin McConnell, executive director of the Ascension Chamber of Commerce, a half-hour drive out of Baton Rouge. He says, for example, that one women's clothier used to have waitresses come in who would pay with stacks of dollar bills, their tip money. But business has fallen off. "They're apparently gambling the tip money away," Mr. McConnell says. "It's not good for the economy," adds Linda Black, who owns a folk-art gallery in Sorrento. She contends that when the casinos first arrived, they cut into her sales by as much as a third. Joe La Cour says he has felt a similar pinch at his tire and auto repair shop in Prairieville. "Instead of buying tires, they take it to the boats," says Mr. La Cour, who grouses that gambling has cut into his sales by as much as 20 percent. "It has definitely affected everybody in business."

Evidence on direct benefits and social costs of expansion of gambling shows that even limited measurable costs are not outweighed by the benefits. Private interests would find casinos profitable, but the public interest is best served by having none at all. Would Nebraska be any different?

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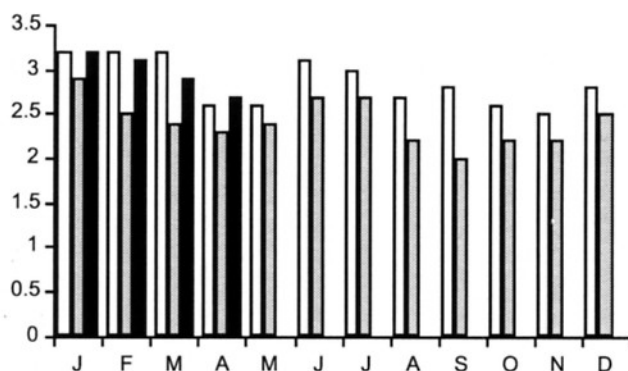
Nebraska Stats

□ 1994 ■ 1995 ■ 1996

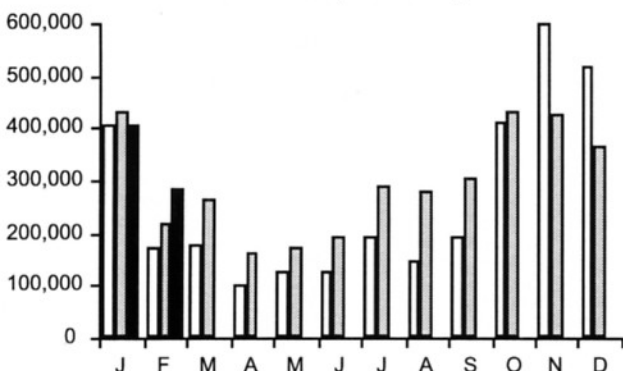
Total Nonfarm Employment



Unemployment Rate



Cash Receipts—Crops



Cash Receipts—Livestock



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

	February \$	YTD \$	YTD % Change		February \$	YTD \$	YTD % Change
Ainsworth, Brown	1,463	2,851	-12.0	Kearney, Buffalo	24,000	48,028	4.9
Albion, Boone	1,360	3,205	15.3	Kenesaw, Adams	93	171	-5.0
Alliance, Box Butte	4,343	9,535	1.5	Kimball, Kimball	1,136	2,307	-17.1
Alma, Harlan	537	1,067	1.1	La Vista, Sarpy	6,557	12,643	21.3
Arapahoe, Furnas	441	921	-5.1	Laurel, Cedar	296	575	-1.4
Arlington, Washington	157	324	0.9	Lexington, Dawson	6,428	13,495	1.4
Arnold, Custer	216	418	-17.2	Lincoln, Lancaster	154,825	310,179	11.0
Ashland, Saunders	799	1,549	-1.1	Louisville, Cass	292	566	3.9
Atkinson, Holt	640	1,256	11.0	Loup City, Sherman	449	943	-3.5
Auburn, Nemaha	1,872	4,038	-3.8	Lyons, Burt	346	718	-3.1
Aurora, Hamilton	2,306	4,520	-0.9	Madison, Madison	641	1,203	16.5
Axtell, Kearney	57	136	-9.3	McCook, Red Willow	8,560	17,495	11.1
Bassett, Rock	310	638	4.9	Milford, Seward	636	1,653	7.5
Battle Creek, Madison	612	1,249	3.5	Minatare, Scotts Bluff	90	218	-48.5
Bayard, Morrill	351	749	-11.5	Minden, Kearney	1,109	2,226	-22.3
Beatrice, Gage	8,201	16,318	6.0	Mitchell, Scotts Bluff	615	1,213	-29.4
Beaver City, Furnas	94	181	-14.2	Morrill, Scotts Bluff	233	486	-17.2
Bellevue, Sarpy	14,596	30,307	25.6	Nebraska City, Otoe	4,220	8,232	4.5
Benkelman, Dundy	412	780	6.3	Neligh, Antelope	889	1,702	-16.5
Bennington, Douglas	261	485	48.3	Newman Grove, Madison	287	588	17.1
Blair, Washington	4,907	10,016	-6.8	Norfolk, Madison	23,211	46,492	10.6
Bloomfield, Knox	451	918	2.8	North Bend, Dodge	357	752	15.9
Blue Hill, Webster	329	640	-3.5	North Platte, Lincoln	17,633	35,493	2.4
Bridgeport, Morrill	848	1,549	-17.2	O'Neill, Holt	3,170	7,473	9.9
Broken Bow, Custer	3,918	8,693	27.7	Oakland, Burt	574	1,163	6.5
Burwell, Garfield	486	1,013	-3.9	Ogallala, Keith	3,688	8,237	0.1
Cairo, Hall	176	328	4.5	Omaha, Douglas	375,713	745,410	6.6
Cambridge, Furnas	476	2,179	119.9	Ord, Valley	1,619	2,906	-12.9
Central City, Merrick	1,316	2,585	2.1	Osceola, Polk	663	1,298	-1.9
Ceresco, Saunders	1,001	2,118	3.3	Oshkosh, Garden	338	748	-15.3
Chadron, Dawes	2,355	5,176	-15.0	Osmond, Pierce	201	439	3.8
Chappell, Deuel	313	628	-6.5	Oxford, Furnas	225	444	-28.5
Clarkson, Colfax	420	834	30.1	Papillion, Sarpy	3,078	5,932	-2.2
Clay Center, Clay	239	461	6.5	Pawnee City, Pawnee	255	517	-7.5
Columbus, Platte	18,123	35,152	7.8	Pender, Thurston	516	1,031	4.9
Cozad, Dawson	2,316	4,454	-12.3	Pierce, Pierce	524	1,015	-7.0
Crawford, Dawes	302	600	12.1	Plainview, Pierce	473	977	-23.9
Creighton, Knox	879	1,750	-7.6	Plattsmouth, Cass	2,338	4,855	-0.5
Crete, Saline	2,740	5,833	-5.3	Ponca, Dixon	470	921	6.1
Crofton, Knox	277	536	19.4	Ralston, Douglas	2,326	4,744	8.7
Curtis, Frontier	216	472	-1.0	Randolph, Cedar	286	562	3.7
Dakota City, Dakota	518	963	6.1	Ravenna, Buffalo	570	1,128	-15.3
David City, Butler	1,363	2,676	5.3	Red Cloud, Webster	512	946	-20.6
Deshler, Thayer	151	361	2.8	Rushville, Sheridan	448	891	-2.8
Dodge, Dodge	162	319	-22.0	Sargent, Custer	159	339	-1.5
Doniphan, Hall	413	710	-43.2	Schuyler, Colfax	1,667	3,423	7.6
Eagle, Cass	157	329	-11.6	Scottsbluff, Scotts Bluff	15,625	32,951	7.1
Elgin, Antelope	387	773	7.2	Scribner, Dodge	338	687	8.7
Elkhorn, Douglas	1,327	2,573	14.5	Seward, Seward	4,032	8,260	3.9
Elm Creek, Buffalo	237	418	22.6	Shelby, Polk	246	561	3.1
Elwood, Gosper	266	537	18.8	Shelton, Buffalo	438	921	-23.7
Fairbury, Jefferson	2,696	5,457	5.1	Sidney, Cheyenne	4,909	10,208	7.2
Fairmont, Fillmore	114	239	-7.7	South Sioux City, Dakota	7,443	14,618	13.7
Falls City, Richardson	2,011	4,154	4.1	Springfield, Sarpy	180	348	25.2
Franklin, Franklin	379	731	3.7	St. Paul, Howard	875	1,707	-11.1
Fremont, Dodge	19,083	37,695	-0.8	Stanton, Stanton	471	1,025	5.7
Friend, Saline	458	863	-11.6	Stromsburg, Polk	567	1,223	4.0
Fullerton, Nance	487	962	-12.2	Superior, Nuckolls	1,240	2,451	1.3
Geneva, Fillmore	1,448	2,874	9.2	Sutherland, Lincoln	226	463	23.8
Genoa, Nance	221	382	-8.4	Sutton, Clay	696	2,261	14.1
Gering, Scotts Bluff	2,477	5,023	-14.5	Syracuse, Otoe	811	1,529	-10.6
Gibson, Buffalo	589	1,234	-3.2	Tecumseh, Johnson	923	1,833	1.2
Gordon, Sheridan	1,508	2,942	10.1	Tekamah, Burt	959	1,820	3.5
Gothenburg, Dawson	1,498	2,827	-16.4	Tilden, Madison	380	767	0.7
Grand Island, Hall	39,631	77,587	-2.3	Utica, Seward	154	334	-20.5
Grant, Perkins	734	1,432	0.1	Valentine, Cherry	3,074	5,894	13.5
Gretna, Sarpy	2,396	4,689	-2.6	Valley, Douglas	738	1,411	28.6
Hartington, Cedar	1,182	2,402	-24.5	Wahoo, Saunders	2,021	3,879	-1.0
Hastings, Adams	17,590	34,183	0.5	Wakefield, Dixon	332	640	0.6
Hay Springs, Sheridan	287	612	1.7	Wauneta, Chase	258	581	-2.0
Hebron, Thayer	1,457	2,842	-12.3	Waverly, Lancaster	520	1,070	14.9
Henderson, York	468	949	28.4	Wayne, Wayne	2,410	5,395	2.6
Hickman, Lancaster	186	404	8.0	Weeping Water, Cass	479	858	-19.4
Holdrege, Phelps	3,268	7,368	-8.9	West Point, Cuming	3,211	6,280	16.2
Hooper, Dodge	276	564	13.7	Wilber, Saline	335	762	-15.7
Humboldt, Richardson	448	866	2.9	Wisner, Cuming	462	915	3.9
Humphrey, Platte	513	1,071	19.1	Wood River, Hall	306	658	9.3
Imperial, Chase	1,310	2,655	-0.5	Wymore, Gage	353	717	-3.4
Juniata, Adams	201	422	4.5	York, York	7,339	14,405	6.1

*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			Motor Vehicle Sales			Other Sales			
	February 1996	YTD	YTD % Chg	February 1996	YTD	YTD % Chg	February 1996	YTD	YTD % Chg	February 1996	YTD	YTD % Chg	
Nebraska*	144,837	289,233	15.4	1,067,225	2,117,870	7.1	Howard	573	1,353	2.0	1,196	2,332	-3.1
Adams	2,792	5,418	14.8	18,025	35,057	0.4	Jefferson	854	1,643	3.6	3,249	6,584	2.2
Antelope	900	1,772	24.7	1,540	3,039	-7.3	Johnson	397	858	53.8	1,241	2,519	3.4
Arthur	45	87	6.1	(D)	(D)	(D)	Kearney	814	1,769	20.0	1,254	2,533	-20.4
Banner	115	241	72.1	(D)	(D)	(D)	Keith	858	1,805	20.8	4,004	8,794	2.0
Blaine	37	86	-32.3	(D)	(D)	(D)	Keya Paha	101	249	6.9	75	161	25.8
Boone	781	1,597	28.6	1,762	3,996	11.2	Kimball	382	855	-6.5	1,149	2,338	-17.2
Box Butte	1,354	2,763	0.0	4,557	9,998	1.5	Knox	888	1,629	25.1	2,093	4,215	2.2
Boyd	91	244	-34.4	524	966	10.0	Lancaster	16,508	30,962	28.5	156,413	313,389	11.1
Brown	221	468	-14.8	1,487	2,901	-12.4	Lincoln	2,844	5,577	-10.8	18,385	36,984	2.4
Buffalo	3,477	6,957	17.4	26,045	52,197	3.7	Logan	57	141	-36.8	(D)	(D)	(D)
Burt	659	1,485	-6.7	2,053	4,032	2.9	Loup	92	150	-13.3	(D)	(D)	(D)
Butler	858	1,712	1.2	1,838	3,532	3.4	McPherson	74	164	90.7	(D)	(D)	(D)
Cass	2,482	4,385	6.5	4,227	8,576	0.9	Madison	3,161	6,525	15.8	25,184	50,412	10.4
Cedar	919	1,938	-12.5	1,996	4,010	-16.0	Merrick	873	1,969	53.9	1,692	3,368	4.0
Chase	729	1,169	11.1	1,588	3,275	-0.4	Morrill	470	1,128	26.2	1,208	2,328	-16.1
Cherry	741	1,184	-3.3	3,313	6,305	13.1	Nance	257	726	6.9	722	1,372	-11.5
Cheyenne	1,082	2,254	13.6	5,127	10,686	7.6	Nemaha	569	1,396	17.5	2,080	4,530	-6.5
Clay	955	1,860	72.1	1,582	4,014	17.0	Nuckolls	505	1,203	9.7	1,712	3,368	2.5
Colfax	748	1,796	10.8	2,437	5,008	12.5	Otoe	1,726	3,239	21.6	5,316	10,327	0.6
Cuming	1,049	2,336	27.9	4,111	8,047	12.6	Pawnee	340	873	90.2	430	863	0.7
Custer	1,004	2,155	3.8	4,634	10,125	22.7	Perkins	516	973	20.9	900	1,801	7.0
Dakota	1,787	3,072	18.3	8,619	16,895	12.4	Phelps	1,419	3,374	46.1	3,458	7,748	-8.4
Dawes	546	1,223	17.8	2,656	5,775	-12.8	Pierce	775	1,595	30.6	1,234	2,520	-12.3
Dawson	2,361	4,651	9.6	10,466	21,280	-4.5	Platte	2,992	6,304	22.0	19,124	37,111	7.8
Deuel	326	597	68.2	618	1,245	2.6	Polk	713	1,639	13.3	1,568	3,262	-5.0
Dixon	633	1,088	19.3	863	1,708	2.5	Red Willow	953	2,253	-5.0	8,795	17,969	11.3
Dodge	2,976	5,466	13.6	20,476	40,491	-0.4	Richardson	594	1,428	-7.9	2,735	5,614	5.9
Douglas	34,030	68,196	20.8	381,986	757,862	6.7	Rock	174	333	-5.9	315	647	5.4
Dundy	272	817	8.8	436	824	5.9	Saline	1,368	2,482	-2.8	3,879	8,140	-6.6
Fillmore	705	1,593	12.1	2,176	4,246	8.5	Sarpy	9,720	18,459	16.5	27,063	54,397	18.1
Franklin	383	783	22.5	646	1,229	9.9	Saunders	1,944	3,926	18.9	4,615	9,167	0.2
Frontier	288	654	0.8	496	970	-2.5	Scotts Bluff	3,005	5,888	-4.4	19,092	39,996	1.2
Furnas	564	1,086	-9.7	1,398	4,020	33.2	Seward	1,541	2,945	17.4	5,022	10,659	3.4
Gage	1,898	3,657	12.4	9,143	18,175	5.9	Sheridan	699	1,531	96.3	2,495	4,904	5.6
Garden	222	682	15.2	428	963	-13.1	Sherman	407	773	64.5	551	1,182	-5.1
Garfield	145	300	-1.6	486	1,013	-3.9	Sioux	140	415	-16.5	106	221	16.9
Gosper	254	580	34.9	311	642	21.1	Stanton	612	1,266	24.5	579	1,290	2.1
Grant	69	174	7.4	125	248	8.3	Thayer	701	1,503	6.9	2,059	4,183	-4.3
Greeley	245	575	-7.4	446	911	7.9	Thomas	64	207	73.9	294	606	12.8
Hall	4,963	9,358	17.3	40,761	79,771	-2.7	Thurston	563	1,183	40.5	649	1,294	4.3
Hamilton	970	2,560	37.2	2,647	5,158	-0.1	Valley	386	924	-16.3	1,725	3,132	-13.6
Harlan	479	875	17.3	662	1,300	4.3	Washington	1,840	3,581	14.9	5,476	11,176	-4.6
Hayes	181	327	38.6	(D)	(D)	(D)	Wayne	929	1,584	19.1	2,558	5,685	3.6
Hitchcock	370	741	52.8	530	1,082	0.6	Webster	398	868	54.2	918	1,740	-14.2
Holt	899	1,873	-17.9	4,334	9,779	9.8	Wheeler	75	211	-17.9	44	93	27.4
Hooker	49	135	98.5	218	435	13.9	York	1,473	2,742	-20.0	8,176	16,082	6.9

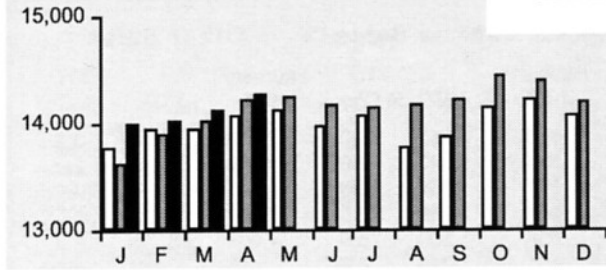
*Totals may not add due to rounding
(D) Denotes disclosure suppression

Source: Nebraska Department of Revenue

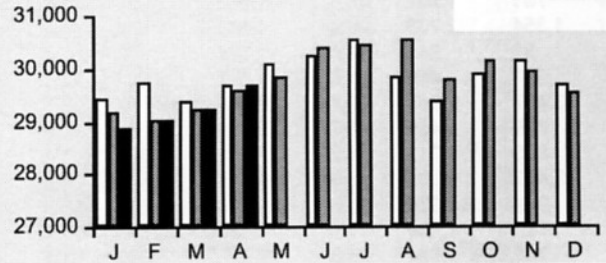
Regional Employment—1994 to April 1996

1994 1995 1996

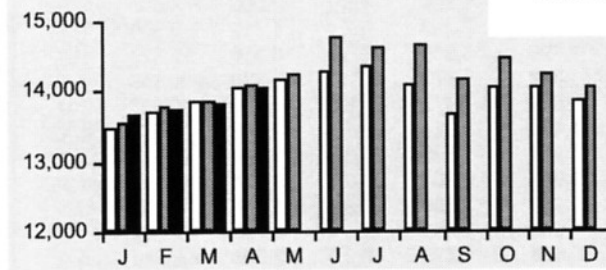
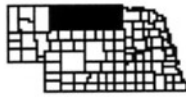
Northwest Panhandle



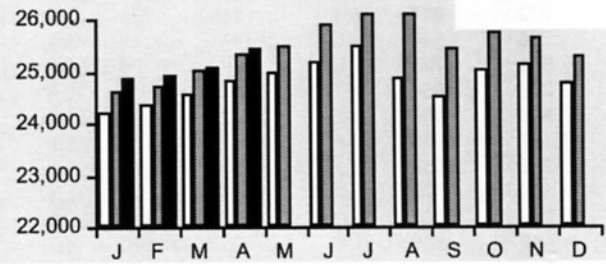
Southwest Panhandle



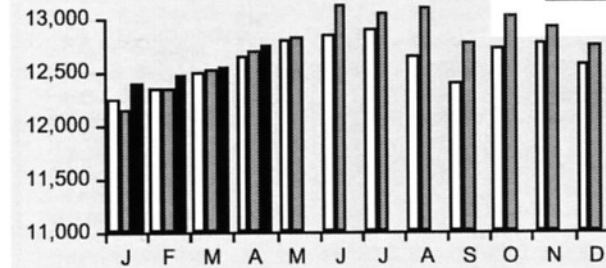
North Central



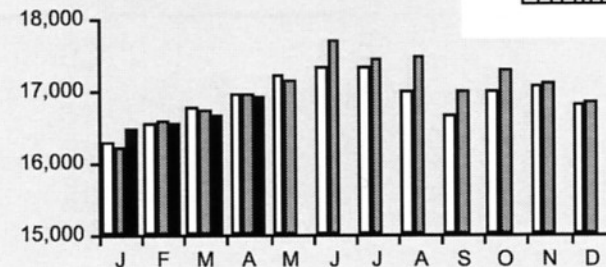
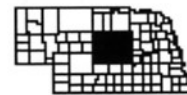
West Central



Southwest Central



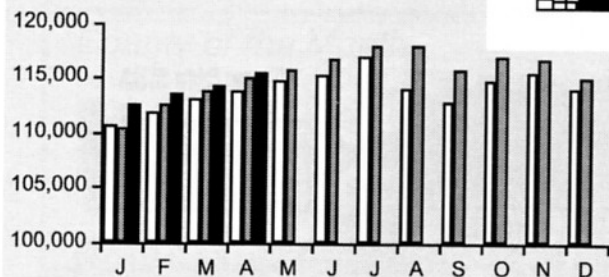
East Central



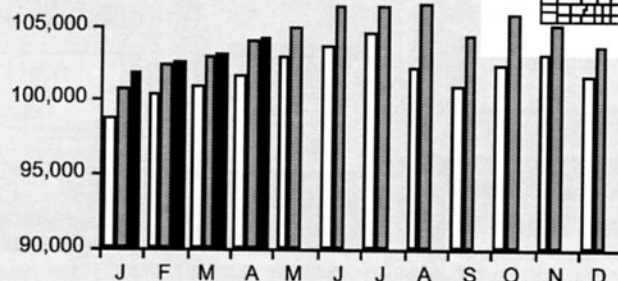
Regional Employment—1994 to April 1996

□ 1994 ▒ 1995 ■ 1996

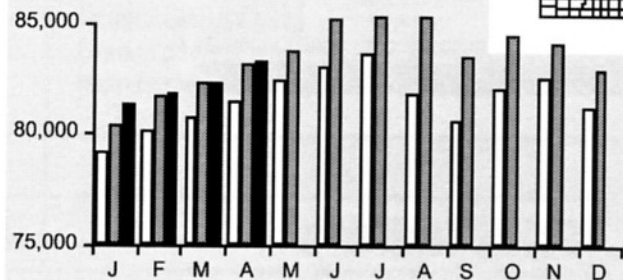
Southeast Central



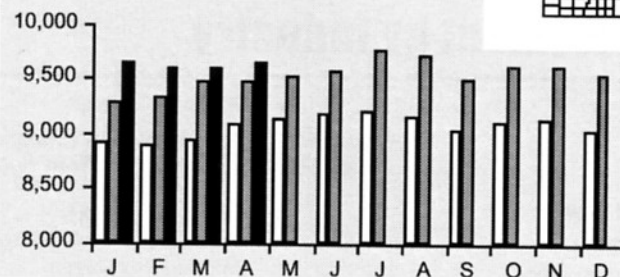
Northeast



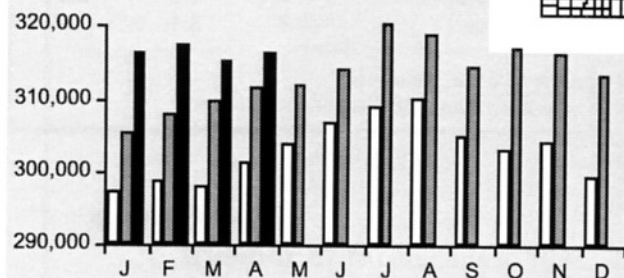
Southeast



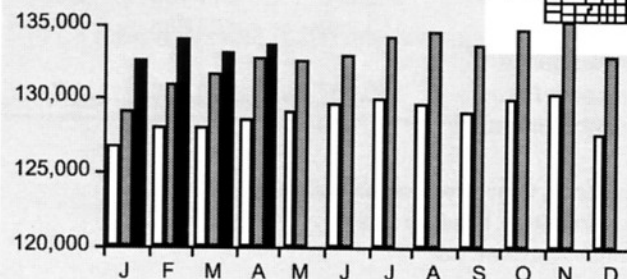
Sioux City MSA



Omaha MSA

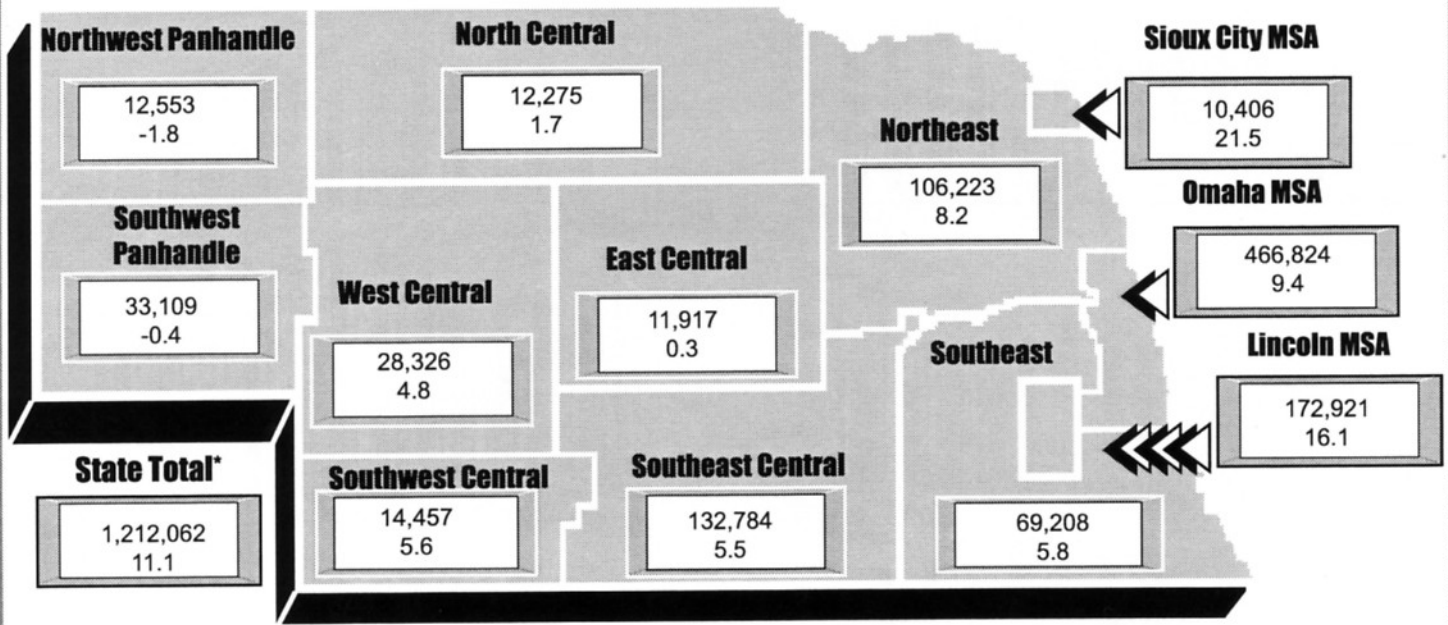


Lincoln MSA



February 1996 Regional Retail Sales (\$000)

Percent Change from Year Ago



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

Employment by Industry

Place of Work	Revised March	Preliminary April	% Change vs Year Ago
Nonfarm	817,128	822,032	1.5
Manufacturing	112,057	111,945	0.4
Durables	53,891	53,933	-0.4
Nondurables	58,166	58,012	1.2
Construction & Mining	33,001	34,416	1.5
TCU*	49,530	49,655	0.8
Trade	204,095	205,860	2.0
Retail	150,738	152,306	1.8
Wholesale	53,357	53,554	2.8
FIRE**	52,116	52,008	0.5
Services	213,070	214,463	2.6
Government	153,259	153,685	0.4
Place of Residence			
Civilian Labor Force	895,167	900,555	1.7
Unemployment Rate	2.9	2.7	

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

Source: Nebraska Department of Labor

Consumer Price Index

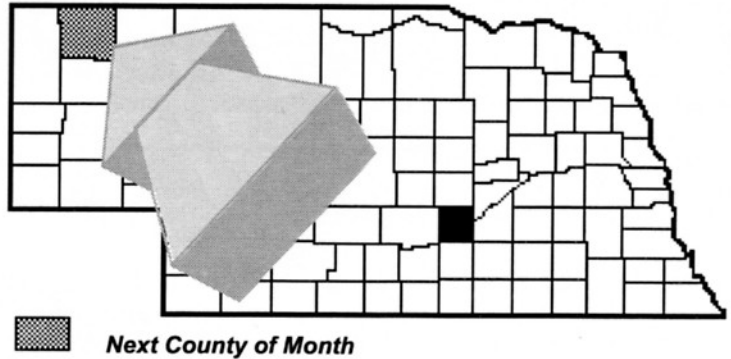
Consumer Price Index - U* (1982-84 = 100)			
	April 1996	% Change vs Yr Ago	YTD% Change vs Yr Ago
All items	156.3	2.9	2.8
Commodities	140.2	2.6	2.2
Services	172.7	3.1	3.2

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

County of the Month

Hall

Grand Island-County Seat



License plate prefix number: 8

Size of county: 537 square miles, ranks 72nd in the state

Population: 48,925 in 1990, a change of 2.6 percent from 1980

Per capita personal income: \$18,584 in 1993, ranks 35th in the state

Net taxable retail sales (\$000): \$624,699 in 1995, a change of 3.9 percent from 1994; \$89,129 during January-February 1996, a change of -0.9 percent from the same period one year ago

Number of business and service establishments: 1,758 in 1994, 51.0 percent had less than five employees

Unemployment rate: 2.2 percent in Hall County, 2.4 percent in Nebraska for 1995

Nonfarm employment (1995):

	State	Hall County
Wage and Salary workers	815,089	28,779
	(percent of total)	
Manufacturing	13.7%	23.4%
Construction and Mining	4.4	3.9
TCU	6.1	5.5
Retail Trade	18.6	22.1
Wholesale Trade	6.5	6.1
FIRE	6.4	4.6
Services	25.8	19.5
Government	18.5	14.8

Agriculture:

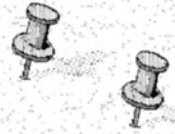
Number of farms: 744 in 1992, 788 in 1987

Average farm size: 425 acres in 1992

Market value of farm products sold: \$151.9 million in 1992 (\$204,195 average per farm)

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

bulletin board



Federal Reserve Special Report



The Federal Reserve Bank of Kansas City has recently published a special report, "Economic Forces Shaping the Rural Heartland." The report describes the most recent trends of rural counties in the Tenth Federal Reserve Economic District. Trends of counties with stable agriculture processing plants, trade centers, and/or strong tourist attractions show future economic improvement as opposed to the downward economic motion of more remote counties. The report also offers an analysis of options in public policy to improve economic outlook of rural counties.

To access this document electronically, the Federal Reserve Bank of Kansas City offers a 24-hour bulletin board—please call (816)881-6701.



Coming this Fall!



Nebraska Population Projections Update

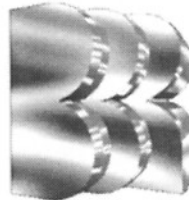


The Bureau of Business Research (BBR) will publish an update to the *Nebraska County Population, 1990-2010* report this fall. This update will include the 1991-1995 intercensal statistics of population by county. The monograph will provide population projections for 2000 to 2010 by five-year age intervals to age 85.

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