

NEBRASKA RETAIL SALES, 1976-1977

Net taxable retail sales by Nebraska businesses were \$6,613 million in 1977 (Table 2, page 2). This represents a dollar volume increase of approximately \$260 million over the 1976 total of \$6,354 million.

Much of this increase, however, was related to rising prices. During 1977, commodity price increases were approximately 5.7 percent. This rate of price increase was above the 1976 level and represents a worsening of inflation. When the 1977 retail sales are deflated for price changes, sales were 1.6 percent below the 1976 level.

The data in Table 2 indicate that there were only two regions in the state, Region 1 and Region 2, with positive increases in retail sales when adjusted for price changes, Region 1, metropolitan Omaha, recorded a 2.2 percent real gain, while Region 2, Lancaster County, recorded a real gain of 3.7 percent. Regions 4 and 6 had declines which were below the state average, and in that sense were somewhat better off than the remainder of the state.

Map 1 (page 6) summarizes the geographic extent of the decline in real retail sales across Nebraska. It identifies those districts where real retail sales were above the state's average, and the planning and development districts where a 5 percent or greater decrease in retail sales (after price adjustments) occurred. From Map 1 it is evident that gains were concentrated in the state's eastern extremities. Only Regions 1, 2, 4, and 6 managed to

record retail sales gains in 1977 above the state average.

Areas where declines in real retail sales were 5 percent or greater included Region 3, 6.4 percent; Region 8, 5.5 percent; Region 9, 9.5 percent; Region 11, 6.7 percent; Region 13, 6.2 percent; Region 17, 8.2 percent; Region 19, 6.8 percent; Region 20, 5.4 percent; Region 21, 6.1 percent; Region 22, 7.4 percent; and Region 26, 9.1 percent.

While real retail sales were down in many of the state's twenty-six regions, the dollar volume decline was somewhat less severe when 1977 is compared with 1976. For instance, Region 8 had a 5.5 percent decline in real retail sales, while in dollar terms the decrease was less than \$50,000. Dollar volume increases in many counties and regions outside of metropolitan Omaha and Lincoln could be attributable simply to higher prices.

Net taxable retail sales for the thirty major trade centers are summarized in Table 1. For the thirty centers, total retail sales were up 6 percent in terms of dollar volume. When adjusted for price changes, the increase was approximately 2/10ths of 1 percent. In real terms, 1977 retail sales were approximately the same as those of 1976 for these major trading centers. The thirty major trading centers in the state accounted for \$4,475 million in retail sales in 1977. On a dollar volume basis, this compares with \$4,223 million in 1976.

Trading centers showing increases include Alliance, Columbus, Falls City, Hartington, Kimball, (Continued on page 3)

Table 1
NET TAXABLE RETAIL SALES¹ IN SELECTED NEBRASKA TRADING CENTERS, 1976 AND 1977
WITH PERCENTAGE CHANGES FOR SALES UNADJUSTED AND ADJUSTED FOR PRICE CHANGES

Trade Center	Region ²	Unadjusted for Price Changes				Adjusted for Prices ³ Percent of Change	Trade Center	Region ²	Unadjusted for Price Changes				Adjusted for Prices ³ Percent of Change
		Thousands of Dollars		Percent of Change	Thousands of Dollars				Percent of Change				
		1976	1977		1976					1977			
Alliance	23	39,603	42,335	+6.9	+1.1	Lincoln	2	684,715	751,685	+9.8	+3.8		
Beatrice	14	64,359	66,956	+4.0	-1.6	McCook	20	57,776	58,577	+1.4	-4.1		
Bellevue	1	73,689	82,078	+11.4	+5.3	Nebraska City	4	36,839	38,555	+4.7	-1.0		
Broken Bow	26	30,719	30,128	-1.9	-7.3	Norfolk	11	134,583	135,947	+1.0	-4.5		
Chadron	23	25,639	26,938	+5.1	-0.6	North Platte	18	137,578	141,936	+3.2	-2.4		
Columbus	10	95,105	103,697	+9.0	+3.1	Ogallala	19	40,141	41,028	+2.2	-3.3		
Fairbury	14	28,787	29,009	+0.8	-4.7	O'Neill	24	33,436	34,661	+3.7	-2.0		
Falls City	7	24,859	26,515	+6.7	+0.9	Omaha	1	1,665,158	1,790,918	+7.6	+1.7		
Fremont	5	119,542	125,167	+4.7	-1.0	Scottsbluff	22	145,913	143,971	-1.3	-6.7		
Grand Island	12	239,154	249,830	+4.5	-1.2	Seward	8	31,855	30,461	-4.4	-9.6		
Hartington	25	12,244	13,361	+9.1	+3.2	Sidney	21	28,351	28,561	+0.7	-4.7		
Hastings	13	140,145	140,873	+0.5	-4.9	So. Sioux City	3	31,436	32,178	+2.4	-3.2		
Holdrege	17	42,975	43,440	+1.1	-4.4	West Point	6	20,899	22,099	+5.7	0.0		
Kearney	15	118,261	122,834	+3.9	-1.8	York	9	54,315	53,313	-1.8	-7.2		
Kimball	21	21,104	22,442	+6.3	+0.6	Total 30 Centers		4,222,814	4,475,436	+6.0	+0.2		
Lexington	16	43,634	45,943	+5.3	-0.4	Total State		5,616,124	5,863,435	+4.4	-1.3		

¹ Excluding motor vehicle sales.

² Nebraska Planning and Development Regions.

³ Current dollar sales adjusted (deflated) for price changes using commodity prices component of the Bureau of Labor Statistics' Consumer Price Index. Source: Compilations by Bureau of Business Research from special tabulations provided by Nebraska Tax Commissioner.

Table 2

NET TAXABLE RETAIL SALES¹ IN NEBRASKA'S PLANNING AND DEVELOPMENT REGIONS, 1976 AND 1977
BY COUNTIES, WITH PERCENTAGE CHANGES FOR SALES UNADJUSTED AND ADJUSTED FOR PRICE CHANGES

Region and County	Unadjusted for Price Changes			Adjusted for Prices ² Percent of Change	Region and County	Unadjusted for Price Changes			Adjusted for Prices ² Percent of Change
	Thousands of Dollars		Percent of Change			Thousands of Dollars		Percent of Change	
	1976	1977				1976	1977		
Region 1	<u>2,008,731</u>	<u>2,170,806</u>	+ 8.1	+ 2.2	Region 16	<u>123,464</u>	<u>125,022</u>	+ 1.3	- 4.2
Douglas	1,871,245	2,019,227	+ 7.9	+ 2.0	Dawson	105,888	108,140	+ 2.1	- 3.4
Sarpy	137,486	151,579	+10.3	+ 4.3	Frontier	9,402	8,776	- 6.7	-11.7
Region 2	<u>771,444</u>	<u>846,054</u>	+ 9.7	+ 3.7	Gosper	8,174	8,106	- 0.8	- 6.2
Lancaster	771,444	846,054	+ 9.7	+ 3.7	Region 17	<u>105,825</u>	<u>102,766</u>	- 2.9	- 8.2
Region 3	<u>49,022</u>	<u>48,502</u>	- 1.1	- 6.4	Franklin	14,650	13,980	- 4.6	- 9.8
Dakota	49,022	48,502	- 1.1	- 6.4	Furnas	21,778	20,382	- 6.4	-11.5
Region 4	<u>150,099</u>	<u>156,640</u>	+ 4.4	- 1.3	Harlan	14,225	13,168	- 7.4	-12.5
Cass	41,113	43,269	+ 5.2	- 0.5	Phelps	55,172	55,236	+ 0.1	- 5.3
Otoe	60,636	63,016	+ 3.9	- 1.7	Region 18	<u>173,449</u>	<u>177,852</u>	+ 2.5	- 3.0
Saunders	48,350	50,355	+ 4.1	- 1.5	Hooker	2,591	2,776	+ 7.1	+ 1.3
Region 5	<u>205,802</u>	<u>213,909</u>	+ 3.9	- 1.7	Lincoln	165,984	169,846	+ 2.3	- 3.2
Dodge	161,719	167,887	+ 3.8	- 1.8	Logan	1,508	1,825	+21.0	+14.4
Washington	44,083	46,022	+ 4.4	- 1.3	McPherson	453	540	+19.2	+12.7
Region 6	<u>83,166</u>	<u>86,530</u>	+ 4.0	- 1.6	Thomas	2,913	2,865	- 1.6	- 7.0
Burt	30,347	31,151	+ 2.6	- 2.9	Region 19	<u>95,945</u>	<u>94,607</u>	- 1.4	- 6.8
Cuming	39,174	43,174	+10.2	+ 4.2	Arthur	821	924	+12.5	+ 6.4
Thurston	13,645	12,205	-10.6	-15.4	Chase	24,309	23,561	- 3.1	- 8.3
Region 7	<u>88,496</u>	<u>91,029</u>	+ 2.9	- 2.7	Grant	2,423	2,487	+ 2.6	- 2.9
Johnson	14,919	15,525	+ 4.1	- 1.6	Keith	49,955	51,111	+ 2.3	- 3.2
Nemaha	25,240	26,117	+ 3.5	- 2.2	Perkins	18,437	16,524	-10.4	-15.2
Pawnee	9,813	9,687	- 1.3	- 6.7	Region 20	<u>88,603</u>	<u>88,678</u>	+ 0.1	- 5.4
Richardson	38,524	39,700	+ 3.1	- 2.6	Dundy	9,407	8,932	- 5.0	-10.2
Region 8	<u>124,756</u>	<u>124,707</u>	0.0	- 5.5	Hayes	1,510	1,544	+ 2.3	- 3.3
Butler	24,564	25,504	+ 3.8	- 1.8	Hitchcock	8,372	8,507	+ 1.6	- 3.9
Seward	49,469	50,638	+ 2.4	- 3.2	Red Willow	69,314	69,695	+ 0.5	- 4.9
Saline	50,723	48,565	- 4.3	- 9.5	Region 21	<u>71,794</u>	<u>71,263</u>	- 0.7	- 6.1
Region 9	<u>134,240</u>	<u>128,439</u>	- 4.3	- 9.5	Cheyenne	37,574	36,155	- 3.8	- 9.0
Fillmore	35,605	31,734	-10.9	-15.7	Deuel	8,683	8,820	+ 1.6	- 3.9
Polk	20,146	20,330	+ 0.9	- 4.6	Kimball	25,537	26,288	+ 2.9	- 2.7
York	78,489	76,375	- 2.7	- 8.0	Region 22	<u>212,512</u>	<u>208,073</u>	- 2.1	- 7.4
Region 10	<u>211,015</u>	<u>213,444</u>	+ 1.2	- 4.3	Banner	1,324	1,152	-13.0	-17.7
Boone	29,181	28,802	- 1.3	- 6.7	Garden	9,257	8,367	- 9.6	-14.5
Colfax	36,236	35,931	- 0.8	- 6.2	Morrill	21,836	21,134	- 3.2	- 8.5
Nance	11,384	11,162	- 2.0	- 7.3	Scotts Bluff	180,095	177,420	- 1.5	- 6.8
Platte	134,214	137,549	+ 2.5	- 3.1	Region 23	<u>118,971</u>	<u>123,409</u>	+ 3.7	- 1.9
Region 11	<u>274,107</u>	<u>270,554</u>	- 1.3	- 6.7	Box Butte	48,502	51,510	+ 6.2	+ 0.4
Antelope	33,959	30,144	-11.2	-16.1	Dawes	33,938	35,559	+ 4.8	- 0.9
Madison	174,089	175,518	+ 0.8	- 4.7	Sheridan	33,914	33,802	- 0.3	- 5.7
Pierce	26,635	24,574	- 7.7	-12.8	Sioux	2,617	2,538	- 3.0	- 8.3
Stanton	10,317	9,417	- 9.7	-13.7	Region 24	<u>131,020</u>	<u>133,889</u>	+ 2.2	- 3.4
Wayne	29,107	30,901	+ 6.2	+ 0.4	Boyd	8,639	8,410	- 2.7	- 7.9
Region 12	<u>356,771</u>	<u>363,835</u>	+ 2.0	- 3.6	Brown	20,461	22,369	+ 9.3	+ 3.4
Hall	272,745	282,484	+ 3.6	- 2.1	Cherry	26,254	27,200	+ 3.6	- 2.0
Hamilton	31,552	30,555	- 3.2	- 8.4	Holt	57,432	59,243	+ 3.2	- 2.5
Howard	19,879	19,780	- 0.5	- 5.9	Keya Paha	2,081	2,248	+ 8.0	+ 2.2
Merrick	32,595	31,016	- 4.8	-10.0	Rock	16,153	14,419	-10.7	-15.6
Region 13	<u>232,066</u>	<u>230,081</u>	- 0.9	- 6.2	Region 25	<u>81,993</u>	<u>83,060</u>	+ 1.3	- 4.2
Adams	160,377	161,601	+ 0.8	- 4.7	Cedar	32,365	35,081	+ 8.4	+ 2.5
Clay	31,095	28,363	- 8.8	-13.7	Dixon	14,318	13,556	- 5.3	-10.5
Nuckolls	26,248	26,431	+ 0.7	- 4.8	Knox	35,310	34,423	- 2.5	- 7.8
Webster	14,346	13,686	- 4.6	- 9.8	Region 26	<u>113,142</u>	<u>108,810</u>	- 3.8	- 9.1
Region 14	<u>157,509</u>	<u>158,809</u>	+ 0.8	- 4.7	Blaine	1,644	1,557	- 5.3	-10.4
Gage	85,510	89,855	+ 5.1	- 0.6	Custer	52,977	51,311	- 3.1	- 8.4
Jefferson	41,360	41,771	+ 1.0	- 4.5	Garfield	9,563	9,543	- 0.2	- 5.6
Thayer	30,639	27,183	-11.3	-16.1	Greeley	8,906	8,565	- 3.8	- 9.1
Region 15	<u>190,552</u>	<u>192,168</u>	+ 0.8	- 4.6	Loup	1,021	1,023	+ 0.2	- 5.2
Buffalo	163,231	165,595	+ 1.4	- 4.1	Sherman	11,086	11,552	+ 4.2	- 1.5
Kearney	27,321	26,573	- 2.7	- 8.0	Valley	26,168	23,219	-11.3	-16.1
					Wheeler	1,777	2,040	+14.8	+ 8.6
					State Total	<u>6,354,494</u>	<u>6,612,936</u>	+ 4.1	- 1.6

¹ Motor vehicle sales are recorded as in counties in which the vehicles were first registered regardless of point of sale.

² Current dollar sales adjusted (deflated) for price changes using commodity prices component of the Bureau of Labor Statistics' Consumer Price Index.
Source: Compilation by Bureau of Business Research, University of Nebraska-Lincoln, from tabulations provided by the Nebraska Tax Commissioner.

(Continued from page 1) Lincoln, and Omaha. These centers all had 1977 retail sales equivalent or greater than those for 1976. There is little difference, however, between centers with dollar volume increases and other centers such as Chadron, Fremont, and Grand Island, where dollar volume sales were down 1 percent or less in 1977.

The state's two major trading centers showed above-average dollar volume gains, and both Lincoln and Omaha (city only) recorded real increases in 1977 retail sales. Omaha recorded sales of \$1,791 million in 1977, while Lincoln recorded sales of \$752

million. More than 90 percent of the state's real increase in retail sales occurred in Lincoln and Omaha.

Alliance and Kimball, two western trade centers, did better than the state average in 1977, despite problems in the agriculture sector in those areas. Chadron recorded a 5.1 percent increase in dollar volume (-0.6 percent when adjusted for prices), while the dollar volume in Scottsbluff actually decreased by 1.3 percent (-6.7 percent decrease in real terms).

It should be noted that the averages can be misleading. While there was a tendency for real retail (Continued on page 6)

Table 3
NET TAXABLE RETAIL SALES, 1968-1977
BY COUNTY

County	1968		Percent of Increase 1968-1977	County	1968		Percent of Increase 1968-1977
	1977				1977		
(millions of dollars)				(millions of dollars)			
Adams	76	162	113	Jefferson	21	42	100
Antelope	13	30	131	Johnson	8	16	100
Arthur	0.5	1	100	Kearney	11	27	145
Banner	0.5	1	100	Keith	21	51	143
Blaine	1	2	100	Keya Paha	1	2	100
Boone	14	29	107	Kimball	13	26	100
Box Butte	21	52	148	Knox	15	34	127
Boyd	5	8	60	Lancaster	339	846	150
Brown	8	22	175	Lincoln	63	170	170
Buffalo	59	166	181	Logan	1	2	100
Burt	15	31	107	Loup	0.6	1	67
Butler	12	26	117	Madison	65	176	171
Cass	22	43	95	McPherson	0.3	0.5	67
Cedar	15	35	133	Merrick	13	31	138
Chase	8	24	200	Morrill	10	21	110
Cherry	13	27	108	Nance	6	11	83
Cheyenne	20	36	80	Nemaha	13	26	100
Clay	12	28	133	Nuckolls	13	26	100
Colfax	16	36	125	Otoe	30	63	110
Cuming	18	43	139	Pawnee	5	10	100
Custer	25	51	104	Perkins	6	17	183
Dakota	24	49	104	Phelps	22	55	150
Dawes	16	36	125	Pierce	10	25	150
Dawson	42	108	157	Platte	55	138	151
Deuel	5	9	80	Polk	9	20	122
Dixon	7	14	100	Red Willow	31	70	126
Dodge	76	168	121	Richardson	19	40	111
Douglas	967	2019	109	Rock	4	14	250
Dundy	4	9	125	Saline	21	49	133
Fillmore	17	32	88	Sarpy	57	152	167
Franklin	7	14	100	Saunders	25	50	100
Frontier	4	9	125	Scotts Bluff	78	177	127
Furnas	12	20	67	Seward	23	51	122
Gage	42	90	114	Sheridan	16	34	113
Garden	4	8	100	Sherman	6	12	100
Garfield	4	10	150	Sioux	1	3	200
Gosper	3	8	167	Stanton	6	9	50
Grant	1.6	2	25	Thayer	14	27	93
Greeley	6	9	50	Thomas	1	3	200
Hall	106	282	166	Thurston	8	12	50
Hamilton	14	31	121	Valley	11	23	109
Harlan	6	13	116	Washington	19	46	142
Hayes	1	2	100	Wayne	13	31	138
Hitchcock	5	9	80	Webster	8	14	75
Holt	22	59	168	Wheeler	1	2	100
Hooker	2	3	50	York	31	76	145
Howard	8	20	150	STATE	2,917	6,613	127

Note: Totals may not add due to rounding.

Review and Outlook

Real output in Nebraska dropped in January, with the state physical volume index recording a level which was 43.1 percent above its 1967 base-period level. The 3.1 percent January-to-December decline in the index was mainly due to reductions in activity in the agricultural and distributive sectors of the state economy. Agricultural output fell 3.1 percent during the month; distributive sector output, 5.0 percent. The remaining three sectors registered increases in activity in January. Those sectors and their month-to-month percentage changes in activity were: government (+1.8), construction (+1.7), and manufacturing (+0.3).

January marked the second consecutive month of decline in the Nebraska physical volume index.¹ Despite such downward

movement, there is little evidence of any reversal in the general upward trend in state economic activity which commenced early in 1975. Nevertheless, given the longevity of the current expansion, events of the next several months do warrant close monitoring for further indications of softness in the Nebraska economy.

The entire December-January decline in state economic activity was concentrated in the agricultural and distributive sectors. Agricultural output, which fell both months, is subject to considerable month-to-month variation. (Continued on page 5)

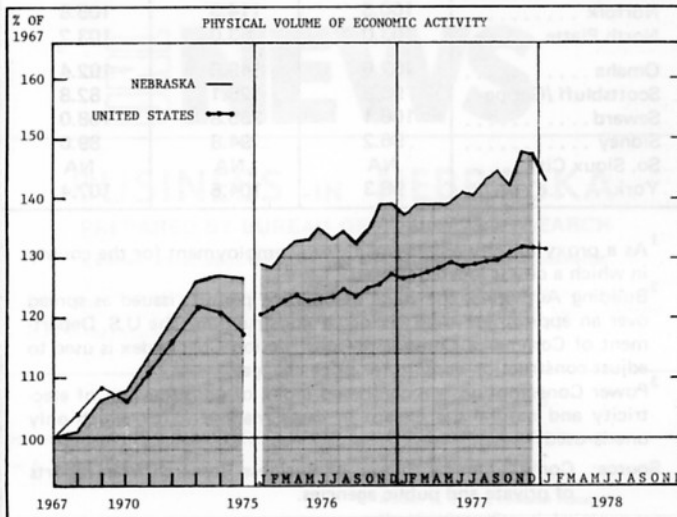
¹ Downward revisions in manufacturing and distributive sector output for December resulted in a decline of 0.5 percent in the Nebraska physical volume index for that month. Initially, the index was reported as up 0.2 percent for the month.

Notes for Tables 1 and 2: (1) The "distributive" indicator represents a composite of wholesale and retail trade; transportation, communication and utilities; finance, insurance, and real estate; and selected services. (2) The "physical volume" indicator and its components represent the dollar volume indicator and its components adjusted for price changes using appropriate price indexes—see Table 5, page 5.

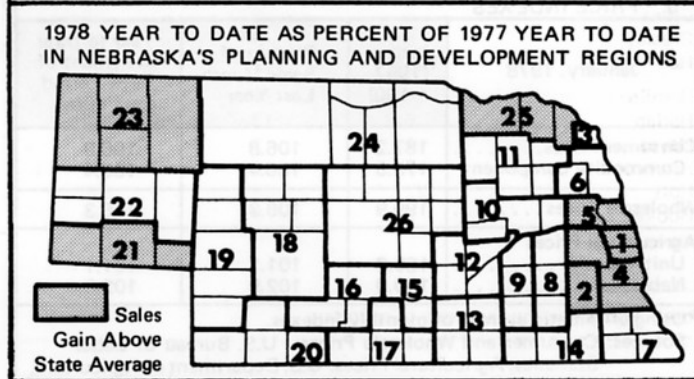
ECONOMIC INDICATORS: NEBRASKA AND UNITED STATES				
1. CHANGE FROM PREVIOUS YEAR				
Indicator	Current Month as Percent of Same Month Previous Year		1978 Year to Date as Percent of 1977 Year to Date	
	Nebraska	U.S.	Nebraska	U.S.
Dollar Volume	110.3	110.8	110.3	110.8
Agricultural	123.7	100.7	123.7	100.7
Nonagricultural	108.3	111.2	108.3	111.2
Construction	107.4	116.9	107.4	116.9
Manufacturing	107.0	112.6	107.0	112.6
Distributive	109.5	110.9	109.5	110.9
Government	105.7	107.8	105.7	107.8
Physical Volume	104.2	104.2	104.2	104.2
Agricultural	120.3	99.6	120.3	99.6
Nonagricultural	101.7	104.3	101.7	104.3
Construction	99.0	107.8	99.0	107.8
Manufacturing	100.1	105.7	100.1	105.7
Distributive	102.5	103.9	102.5	103.9
Government	101.3	102.5	101.3	102.5

2. CHANGE FROM 1967		
Indicator	Percent of 1967 Average	
	Nebraska	U.S.
Dollar Volume	273.8	249.5
Agricultural	272.0	232.8
Nonagricultural	274.2	250.1
Construction	310.2	215.9
Manufacturing	289.2	237.5
Distributive	263.1	260.2
Government	287.2	251.1
Physical Volume	143.1	131.6
Agricultural	151.1	125.8
Nonagricultural	141.7	131.8
Construction	142.3	99.0
Manufacturing	146.2	121.2
Distributive	140.6	139.0
Government	140.3	139.3

3. NET TAXABLE RETAIL SALES OF NEBRASKA REGIONS AND CITIES (Adjusted for Price Changes)			
Region Number ¹ and City	City Sales ²	Sales in Region ²	
	Jan. 1978 as percent of Jan. 1977	Jan. 1978 as percent of Jan. 1977	Year to date '78 as percent of Year to date '77
<i>The State</i>	102.1	102.2	102.2
1 Omaha	109.3	109.4	109.4
Bellevue	97.1		
2 Lincoln	103.7	104.5	104.5
3 So. Sioux City	101.7	101.3	101.3
4 Nebraska City	100.9	104.0	104.0
5 Fremont	98.7	102.4	102.4
Blair	109.8		
6 West Point	96.8	91.4	91.4
7 Falls City	93.0	101.4	101.4
8 Seward	98.5	92.2	92.2
9 York	94.3	92.4	92.4
10 Columbus	108.5	101.5	101.5
11 Norfolk	96.1	97.7	97.7
12 Grand Island	101.5	96.2	96.2
13 Hastings	101.8	96.1	96.1
14 Beatrice	101.4	94.8	94.8
Fairbury	84.9		
15 Kearney	100.9	91.6	91.6
16 Lexington	100.6	93.0	93.0
17 Holdrege	96.8	101.2	101.2
18 North Platte	100.6	100.6	100.6
19 Ogallala	99.2	98.9	98.9
20 McCook	99.4	101.6	101.6
21 Sidney	100.8	108.2	108.2
Kimball	110.0		
22 Scottsbluff/Gering	91.1	96.5	96.5
23 Alliance	115.9	107.4	107.4
Chadron	96.2		
24 O'Neill	90.5	82.9	82.9
25 Hartington	111.3	104.8	104.8
26 Broken Bow	97.4	99.6	99.6



¹ See region map below.
² Sales on which sales taxes are collected by retailers located in the state. Region totals include motor vehicle sales; city totals exclude motor vehicle sales.
 Compiled from data provided by Nebraska Department of Revenue.



(Continued from page 4) This is partially due to the vagaries associated with agricultural production, but is also affected by difficulties in measuring agricultural output on a month-to-month basis. During the month of January, Nebraska cash farm marketings totaled \$462.5 million, up from \$336.4 million the previous January. Prices received by farmers in the state continued to increase, and were 2.3 percent above their December level.

Distributive sector output fell for the second consecutive month in January. On a price-adjusted basis, output for this sector was 2.5 percent above its level of January, 1977. A slight decline in real retail sales in the state dampened the expansion in this sector during the past year. Employment data reflect the lack of growth in real retail sales throughout much of the state, with trade employment in January only 0.6 percent above its level of last January.

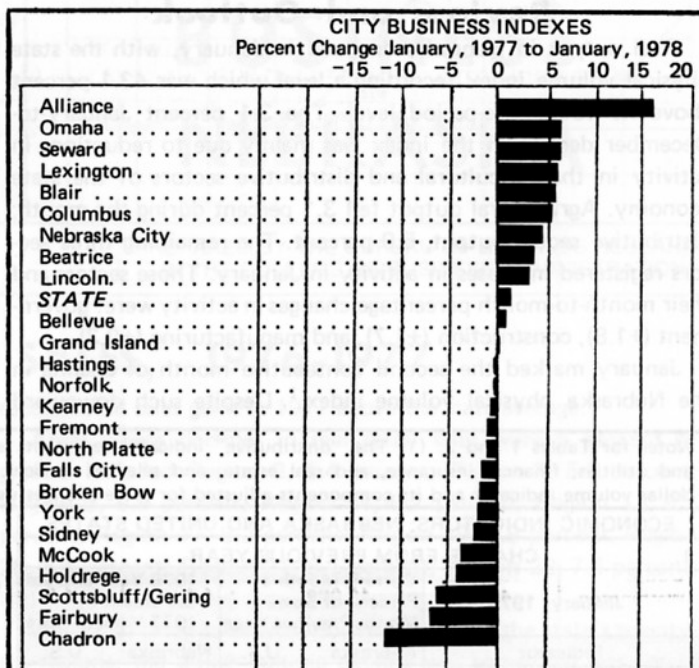
The January increase in construction activity was the third consecutive monthly increase for the sector. This is an encouraging development given the softness in this industry in the April-October period last year. Since October, the index for construction activity in the state increased 6.2 percent despite a decline in residential construction. More than offsetting this decrease in residential construction were increases in non-residential (+23.1 percent) and non-building (+18.0 percent) construction.

The remaining two sectors of the Nebraska economy also experienced increases in activity for the month. Growth of government output mainly reflected the higher level of state government employment in January. Manufacturing output was up for the third consecutive month, but was only 0.1 percent higher than the previous January.

The city business indexes reflected the slower pace of economic activity in the state. Eleven of twenty-five reporting cities showed improvement relative to January, 1977. Alliance, where activity was up 16.6 percent, posted the largest gain. This was the second consecutive month in which this Panhandle city ranked first in the indexes. Growth in retail sales, employment, and building activity all underscored the more rapid pace of economic activity in that city in the past year. Other Nebraska cities with sizable January-to-January growth were: Omaha (+6.7 percent), Seward (+6.7 percent), Lexington (+6.2 percent), Blair (+6.0 percent), and Columbus (+5.3 percent).

The U.S. physical volume index declined 0.2 percent in January. The construction (-4.8 percent) and agricultural (-2.4 percent) sectors recorded sharp declines in activity for the month. Distributive sector output fell slightly (-0.2 percent), while the manufacturing and government sectors experienced increases of 0.7 and 0.1 percent, respectively.

W. D. G.



Source: Table 4 below.

4. JANUARY CITY BUSINESS INDICATORS			
The State and Its Trading Centers	Percent of Same Month a Year Ago		
	Employment ¹	Building Activity ²	Power Consumption ³
<i>The State</i>	100.1	119.9	102.4
Alliance	109.5	396.0	105.1
Beatrice	96.8	214.8	108.9
Bellevue	102.6	138.1	95.3*
Blair	99.7	149.2	104.9
Broken Bow	99.7	78.0	103.5
Chadron	86.2	42.1	92.3
Columbus	100.8	99.7	115.6
Fairbury	97.5	93.5	105.1*
Falls City	95.7	177.8	101.4
Fremont	98.7	111.7	96.0*
Grand Island	99.5	89.8	102.0
Hastings	96.3	114.2	100.5
Holdrege	100.5	51.6	97.8
Kearney	95.9	95.8	107.3
Lexington	110.2	88.2	124.0
Lincoln	100.4	122.5	105.0
McCook	99.3	49.5	96.1
Nebraska City	104.3	147.2	103.7
Norfolk	100.5	114.3	105.8
North Platte	103.0	53.0	103.2
Omaha	102.6	149.0	102.4
Scottsbluff/Gering ..	95.8	125.1	82.8
Seward	106.1	255.8	108.0
Sidney	96.2	94.8	89.0
So. Sioux City	NA	NA	NA
York	98.3	104.6	107.4

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

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

³Power Consumption is a combined index of consumption of electricity and natural gas except in cases marked * for which only one is used.

Source: Compilation by Bureau of Business Research from reports of private and public agencies.

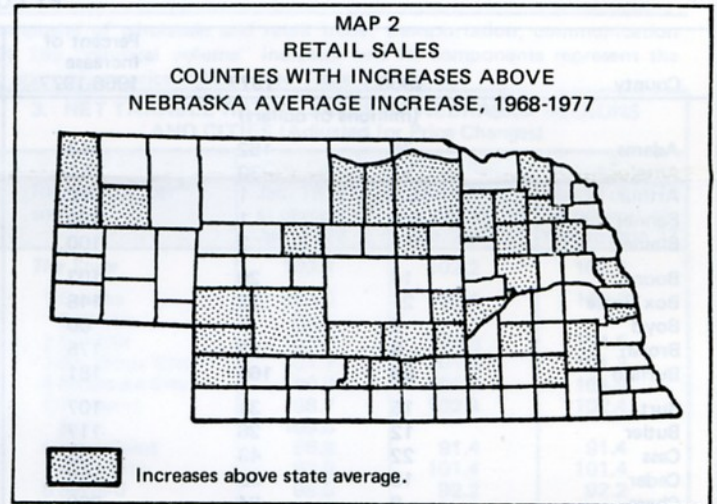
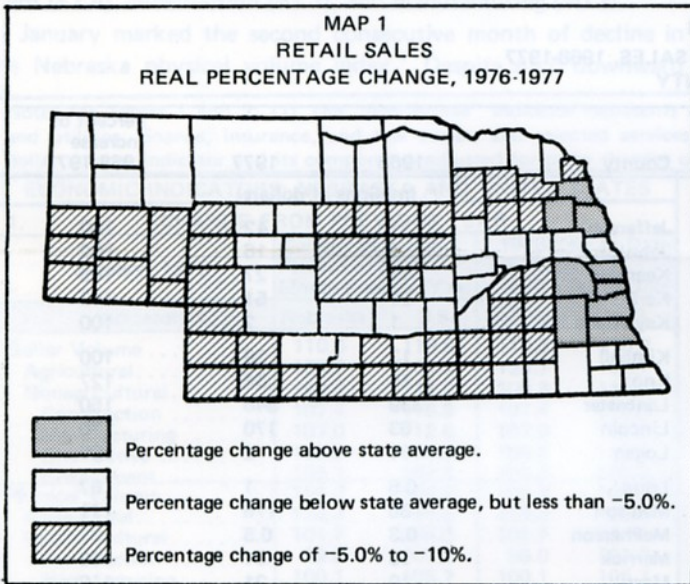
5. PRICE INDEXES			
January, 1978	Index (1967 = 100)	Percent of Same Month Last Year	Year to Date as Percent of Same Period Last Year*
Consumer Prices	187.2	106.8	106.8
Commodity component	179.5	106.4	106.4
Wholesale Prices	199.9	106.3	106.3
Agricultural Prices			
United States	185.0	101.1	101.1
Nebraska	180.0	102.9	102.9

*Using arithmetic average of monthly indexes.
Sources: Consumer and Wholesale Prices: U.S. Bureau of Labor Statistics; Agricultural Prices: U.S. Department of Agriculture.

(Continued from page 3) sales to be slightly below the 1976 level in many counties, there are exceptions. Logan and McPherson counties in Region 18, for instance, recorded sales increases of 14.4 percent and 12.7 percent (adjusted for price change) in 1977. There are other counties in the immediate vicinity, however, where real retail sales declined in 1977. Furnas and Harlan counties in Region 17, for instance, recorded decreases in real retail sales of 11.5 percent and 12.5 percent, respectively, in 1977. While the tendency for real retail sales was toward stability or to decline in 1977, there are too many variations in county

and city growth rates to permit a safe generalization. Table 3 (page 3) summarizes retail sales for 1968 and 1977 (in current dollars) by county. Nebraska retail sales increased from \$2,917 million in 1968 to \$6,613 million in 1977, an increase of 127 percent. Shaded counties in Map 2 identify counties with gains in retail sales above the state average (127 percent), 1968-1977.

The top ten counties in terms of percentage increase in retail sales were Rock, Sioux, Thomas, Chase, Perkins, Buffalo, Brown, Madison, Lincoln, and Holt. Some of the top ten counties have low dollar volume sales, which means that the addition of one or two retail outlets could inflate the results. D. E. P.



BUREAU PUBLICATIONS

The following publications of interest to readers of *Business in Nebraska* may be obtained by order from the Bureau of Business Research, 200 CBA Building, University of Nebraska-Lincoln, Lincoln, Nebraska 68588: *1970 Nebraska Population Counts—*

Revised (containing adjusted county, age, sex, and race data) (\$5.00 per copy); *Subcounty Population Estimates, 1973* (\$5.00 per copy); and *Nebraska Retail Sales, 1968-1975* (\$7.50 per copy).

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