

Prepared by the Bureau of Business Research  
College of Business Administration

## NEBRASKA RETAIL SALES, 1981-1982

Nebraska's 1982 net taxable retail sales were \$9,260 million, down \$205 million from the 1981 total of \$9,465 million (Table 2, page 2). On a dollar-volume basis, retail sales declined 2.2 percent in 1982, a dismal downturn from the previous year's 6.1 percent increase. This is the first recorded decline in retail sales since the Nebraska Department of Revenue began collecting sales data almost sixteen years ago and reflects poor economic conditions that prevailed in 1982.

To compensate for price changes that occur annually, dollar-volume retail sales are adjusted with the consumer price index's commodity component. The resulting price-adjusted or 'real' retail sales statistics more accurately reflect annual sales level changes since effects of inflation are filtered out. After these adjustments, net taxable retail sales declined even further, falling 5.9 percent from the sales level recorded in 1981.

To gain a historical perspective of state retail sales behavior, both dollar-volume sales and real sales for the years 1970 through 1982 are displayed in Figure 1. As indicated by Figure 1 bar graphs, dollar-volume retail sales have increased rather steadily during the period, suffering the first decline in 1982. Price-adjust-

ed sales have declined during each of the last three years. The 1980 and 1981 declines were due primarily to accelerating inflation, while the current decline is due mostly to a consumer spending slump produced by the past year's dour economic conditions. As the national economy now appears to be in the first stage of recovery, the poor performance of 1982 state retail sales should not be repeated in 1983. However, the payment-in-kind program for farmers could have a potentially negative impact on retail sales, as seed, fertilizer, and farm implement sales are expected to decline.

The geographic distribution of retail sales by county and planning region--along with the respective changes that have occurred from 1981 to 1982--are summarized in Table 2. It should be noted that the Nebraska Department of Economic Development has implemented changes in the planning-region organization used in previous *Business in Nebraska* articles. Region 5 has been eliminated entirely, with Washington County now in Region 1 and Dodge County in Region 6. Furnas County, formerly in Region 17, is now in Region 16. To be current, this article will use the revised planning-region organization. (Continued on page 3)

Table 1  
NET TAXABLE RETAIL SALES<sup>1</sup> IN SELECTED NEBRASKA TRADING CENTERS, 1981 AND 1982  
WITH PERCENTAGE CHANGES FOR SALES UNADJUSTED AND ADJUSTED FOR PRICE CHANGES

Trade Center	Region <sup>2</sup>	Unadjusted for Price Changes		Percent of Change	Adjusted for Prices <sup>3</sup> Percent of Change	Trade Center	Region <sup>2</sup>	Unadjusted for Price Changes		Percent of Change	Adjusted for Prices <sup>3</sup> Percent of Change
		Thousands of Dollars 1981	Thousands of Dollars 1982					Thousands of Dollars 1981	Thousands of Dollars 1982		
Alliance	23	70,793	63,643	-10.1	-13.6	Lincoln	2	1,024,303	991,234	-3.2	-7.0
Beatrice	14	90,019	86,730	-3.7	-7.4	McCook	20	84,212	85,036	+1.0	-2.9
Bellevue	1	108,361	103,379	-4.6	-8.3	Nebraska City	4	46,737	46,514	-0.5	-4.3
Blair	1	43,366	44,926	+3.6	-0.4	Norfolk	11	179,521	173,161	-3.5	-7.3
Broken Bow	26	43,781	40,233	-8.1	-11.7	North Platte	18	177,725	174,945	-1.6	-5.4
Chadron	23	38,199	34,572	-9.5	-13.0	Ogallala	19	53,723	53,263	-0.9	-4.7
Columbus	10	153,394	148,866	-3.0	-6.7	Omaha	1	2,516,193	2,455,601	-2.4	-6.2
Fairbury	14	33,677	36,278	+7.7	+3.6	O'Neill	24	45,172	45,031	-0.3	-4.2
Falls City	7	32,739	32,070	-2.0	-5.8	Scottsbluff/ Gering	22	208,356	189,069	-9.3	-12.8
Fremont	6	164,108	155,161	-5.5	-9.1	Seward	8	41,967	40,737	-2.9	-6.7
Grand Island	12	353,103	337,950	-4.3	-8.0	Sidney	21	42,213	42,858	+1.5	-2.4
Hartington	25	18,247	18,813	+3.1	-0.9	So. Sioux City	3	41,199	37,214	-9.7	-13.2
Hastings	13	174,986	159,175	-9.0	-12.6	Wayne	11	35,602	35,388	-0.6	-4.4
Holdrege	17	61,793	61,259	-0.9	-4.7	West Point	6	29,618	30,836	+4.1	-0.1
Kearney	15	173,041	174,749	+1.0	-2.9	York	9	72,661	73,398	+1.0	-2.9
Kimball	21	38,616	33,033	-14.5	-17.8	Total 32 Centers		6,258,227	6,066,790	-3.1	-6.8
Lexington	16	60,802	61,668	+1.4	-2.5	Total State <sup>4</sup>		8,620,878	8,317,986	-3.5	-7.2

<sup>1</sup>Excluding motor vehicle sales.

<sup>2</sup>Nebraska Planning and Development Regions.

<sup>3</sup>Current dollar sales adjusted (deflated) for price changes using commodity prices component of the Bureau of Labor Statistics' Consumer Price Index.

<sup>4</sup>Total state retail sales include some retail sales that cannot be allocated to cities, counties, or regions.

Source: Compilations by Bureau of Business Research from special tabulations provided by Nebraska Tax Commissioner.

Table 2

**NET TAXABLE RETAIL SALES<sup>1</sup> IN NEBRASKA'S PLANNING AND DEVELOPMENT REGIONS, 1981 AND 1982  
BY COUNTIES, WITH PERCENTAGE CHANGES FOR SALES UNADJUSTED AND ADJUSTED FOR PRICE CHANGES**

Region and County	Unadjusted for Price Changes			Adjusted for Prices <sup>2</sup>	Region and County	Unadjusted for Price Changes			Adjusted for Prices <sup>2</sup>
	Thousands of Dollars 1981	Thousands of Dollars 1982	Percent of Change	Percent of Change		Thousands of Dollars 1981	Thousands of Dollars 1982	Percent of Change	Percent of Change
<b>Region 1</b>	<b>3,062,471</b>	<b>3,035,904</b>	<b>-0.9</b>	<b>-4.7</b>	<b>Region 16</b>	<b>185,057</b>	<b>188,962</b>	<b>+2.1</b>	<b>-1.8</b>
Douglas	2,782,656	2,742,520	-1.4	-5.3	Dawson	135,408	136,524	+0.8	-3.1
Sarpy	219,840	230,696	+4.9	+0.9	Frontier	11,614	12,226	+5.3	+1.2
Washington	59,975	62,688	+4.5	+0.5	Furnas	28,844	30,052	+4.2	+0.2
					Gosper	9,191	10,160	+10.5	+6.3
<b>Region 2</b>	<b>1,128,815</b>	<b>1,111,386</b>	<b>-1.5</b>	<b>-5.4</b>	<b>Region 17</b>	<b>109,437</b>	<b>111,709</b>	<b>+2.1</b>	<b>-1.9</b>
Lancaster	1,128,815	1,111,386	-1.5	-5.4	Franklin	16,182	17,350	+7.2	+3.1
<b>Region 3</b>	<b>60,827</b>	<b>57,097</b>	<b>-6.1</b>	<b>-9.8</b>	Harlan	18,374	18,423	+0.3	-3.6
Dakota	60,827	57,097	-6.1	-9.8	Phelps	74,881	75,936	+1.4	-2.5
<b>Region 4</b>	<b>194,509</b>	<b>196,090</b>	<b>+0.8</b>	<b>-3.1</b>	<b>Region 18</b>	<b>217,783</b>	<b>215,513</b>	<b>-1.0</b>	<b>-4.9</b>
Cass	57,805	60,055	+3.9	-0.1	Hooker	3,839	4,035	+5.1	+1.0
Otoe	74,667	74,381	-0.4	-4.2	Lincoln	207,748	204,827	-1.4	-5.2
Saunders	62,037	61,654	-0.6	-4.5	Logan	1,750	2,026	+15.8	+11.3
					McPherson	634	679	+7.1	+3.0
<b>Region 5</b>	<i>Region 5 has been eliminated. See explanation on p. 1.</i>				Thomas	3,812	3,946	+3.5	-0.5
<b>Region 6</b>	<b>375,538</b>	<b>376,386</b>	<b>+0.2</b>	<b>-3.6</b>	<b>Region 19</b>	<b>127,565</b>	<b>124,221</b>	<b>-2.6</b>	<b>-6.4</b>
Burt	35,715	37,204	+4.2	+0.1	Arthur	1,326	1,377	+3.8	-0.2
Cuming	55,576	58,212	+4.7	+0.7	Chase	34,064	31,538	-7.4	-11.0
Dodge	271,435	266,948	-1.7	-5.5	Grant	3,673	3,767	+2.6	-1.4
Thurston	12,812	14,022	+9.4	+5.2	Keith	66,571	66,186	-0.6	-4.4
					Perkins	21,931	21,353	-2.6	-6.4
<b>Region 7</b>	<b>112,785</b>	<b>112,424</b>	<b>-0.3</b>	<b>-4.2</b>	<b>Region 20</b>	<b>126,033</b>	<b>130,468</b>	<b>+3.5</b>	<b>-0.5</b>
Johnson	20,573	20,261	-1.5	-5.3	Dundy	12,757	13,085	+2.6	-1.4
Nemaha	32,576	32,906	+1.0	-2.9	Hayes	2,030	2,201	+8.4	+4.2
Pawnee	11,206	11,557	+3.1	-0.9	Hitchcock	11,736	13,399	+14.2	+9.8
Richardson	48,430	47,700	-1.5	-5.3	Red Willow	99,510	101,783	+2.3	-1.7
<b>Region 8</b>	<b>153,921</b>	<b>155,867</b>	<b>+1.3</b>	<b>-2.7</b>	<b>Region 21</b>	<b>109,192</b>	<b>104,386</b>	<b>-4.4</b>	<b>-8.1</b>
Butler	29,956	31,579	+5.4	+1.3	Cheyenne	53,589	54,107	+1.0	-2.9
Seward	64,437	63,941	-0.8	-4.6	Deuel	11,329	11,702	+3.3	-0.7
Saline	59,528	60,347	+1.4	-2.5	Kimball	44,274	38,577	-12.9	-16.2
<b>Region 9</b>	<b>157,685</b>	<b>158,647</b>	<b>+0.6</b>	<b>-3.3</b>	<b>Region 22</b>	<b>295,136</b>	<b>273,106</b>	<b>-7.5</b>	<b>-11.0</b>
Fillmore	38,072	36,833	-3.3	-7.0	Banner	1,555	1,444	-7.1	-10.7
Polk	24,731	25,087	+1.4	-2.5	Garden	9,976	9,922	-0.5	-4.4
York	94,882	96,727	+1.9	-2.0	Morrill	31,971	30,790	-3.7	-7.4
					Scotts Bluff	251,634	230,950	-8.2	-11.8
<b>Region 10</b>	<b>288,510</b>	<b>281,784</b>	<b>-2.3</b>	<b>-6.1</b>	<b>Region 23</b>	<b>180,675</b>	<b>169,216</b>	<b>-6.3</b>	<b>-10.0</b>
Boone	37,007	34,323	-7.3	-10.8	Box Butte	82,549	76,634	-7.2	-10.8
Colfax	46,137	46,006	-0.3	-4.1	Dawes	49,074	45,317	-7.7	-11.2
Nance	14,479	14,446	-0.2	-4.1	Sheridan	45,089	43,672	-3.1	-6.9
Platte	190,887	187,009	-2.0	-5.8	Sioux	3,963	3,593	-9.3	-12.8
<b>Region 11</b>	<b>347,305</b>	<b>340,568</b>	<b>-1.9</b>	<b>-5.7</b>	<b>Region 24</b>	<b>168,226</b>	<b>162,814</b>	<b>-3.2</b>	<b>-7.0</b>
Antelope	37,509	35,400	-5.6	-9.3	Boyd	9,566	9,598	+0.3	-3.5
Madison	225,812	221,903	-1.7	-5.5	Brown	26,117	25,746	-1.4	-5.2
Pierce	30,669	29,054	-5.3	-8.9	Cherry	35,586	35,891	+0.9	-3.0
Stanton	11,048	11,724	+6.1	+2.0	Holt	76,844	74,994	-2.4	-6.2
Wayne	42,267	42,487	+0.5	-3.4	Keya Paha	2,467	2,492	+1.0	-2.9
					Rock	17,646	14,093	-20.1	-23.2
<b>Region 12</b>	<b>485,322</b>	<b>471,291</b>	<b>-2.9</b>	<b>-6.6</b>	<b>Region 25</b>	<b>101,142</b>	<b>104,656</b>	<b>+3.5</b>	<b>-0.5</b>
Hall	388,833	377,463	-2.9	-6.7	Cedar	43,278	44,146	+2.0	-1.9
Hamilton	37,140	36,425	-1.9	-5.7	Dixon	15,444	17,233	+11.6	+7.3
Howard	23,881	23,587	-1.2	-5.1	Knox	42,420	43,277	+2.0	-1.9
Merrick	35,468	33,816	-4.7	-8.3					
<b>Region 13</b>	<b>286,776</b>	<b>274,334</b>	<b>-4.3</b>	<b>-8.0</b>	<b>Region 26</b>	<b>140,091</b>	<b>136,106</b>	<b>-2.8</b>	<b>-6.6</b>
Adams	198,850	184,876	-7.0	-10.6	Blaine	2,393	2,177	-9.0	-12.5
Clay	34,285	34,355	+0.2	-3.7	Custer	70,780	65,215	-7.9	-11.4
Nuckolls	35,374	37,485	+6.0	+1.9	Garfield	11,542	11,322	-1.9	-5.7
Webster	18,267	17,618	-3.6	-7.3	Greeley	11,022	11,688	+6.0	+1.9
					Loup	1,410	1,477	+4.8	+0.7
<b>Region 14</b>	<b>202,467</b>	<b>203,735</b>	<b>+0.6</b>	<b>-3.3</b>	Sherman	12,861	11,669	-9.3	-12.8
Gage	118,804	117,609	-1.0	-4.8	Valley	27,583	30,120	+9.2	+5.0
Jefferson	48,418	50,828	+5.0	+0.9	Wheeler	2,500	2,438	-2.5	-6.3
Thayer	35,245	35,298	+0.2	-3.7					
<b>Region 15</b>	<b>257,327</b>	<b>262,731</b>	<b>+2.1</b>	<b>-1.8</b>	<b>State Total<sup>3</sup></b>	<b>9,464,525</b>	<b>9,259,740</b>	<b>-2.2</b>	<b>-5.9</b>
Buffalo	225,294	228,384	+1.4	-2.5					
Kearney	32,033	34,347	+7.2	+3.1					

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

<sup>2</sup>Current dollar sales adjusted (deflated) for price changes using commodity prices component of the Bureau of Labor Statistics' Consumer Price Index.

<sup>3</sup>Total state retail sales include some retail sales that cannot be allocated to cities, counties, or regions.

Source: Compilation by Bureau of Business Research, University of Nebraska-Lincoln, from tabulations provided by the Nebraska Tax Commissioner.

(Continued from page 1)

Of the 25 state planning regions, only 10 recorded dollar-volume retail sales increases in 1982; fifteen regions fared better than the state-wide sales decline of 2.2 percent (Map 1, page 3). Greatest increases in retail sales occurred in Regions 20 and 25--both +3.5 percent--and in Regions 15, 16, and 17--all +2.1 percent. Further examination of Map 1 reveals that regions where retail sales increases occurred are located primarily in Eastern and South Central Nebraska.

Greatest retail sales declines occurred in Region 22, -7.5 percent; Region 23, -6.3 percent; Region 3, -6.1 percent; Region 21, -4.4 percent; and Region 13, -4.3 percent. These regions encompass Northwestern Nebraska and trade areas served by the cities of Hastings and South Sioux City. Both metropolitan regions experienced net taxable retail sales declines in 1982. On a price-adjusted basis, none of the 25 state planning regions reported a retail sales increase in 1982.

During 1982, 48 of Nebraska's 93 counties experienced a net taxable retail sales increase, and 68 counties fared better than the 2.2 percent decrease for the state as a whole (Map 2, page 3). Unlike the planning-region distribution of sales increases, counties with positive changes in retail sales are more widely distributed state-wide. Counties with greatest retail sales increases during 1982 were Logan County, +15.8 percent; Hitchcock County, +14.2 percent; Dixon County, +11.6 percent; Gosper County, +10.5 percent; Thurston County, +9.4 percent; Valley County, +9.2 percent; and Hayes County, +8.4 percent. For the remaining 41 counties with retail sales gains, increases ranged from 7.2 percent for Kearney County to 0.2 percent for Clay County and Hayer County. When adjustments for price changes are considered, only 23 Nebraska counties reported net taxable retail sales gains in 1982.

Of the 45 counties that experienced 1982 retail sales declines, greatest losses occurred in Rock County, -20.1 percent; Kimball County, -12.9 percent; Sioux County, -9.3 percent; Sherman County, -9.3 percent; Scottsbluff County, -9.0 percent; Custer County, -7.9 percent; and Dawes County, -7.7 percent. Although

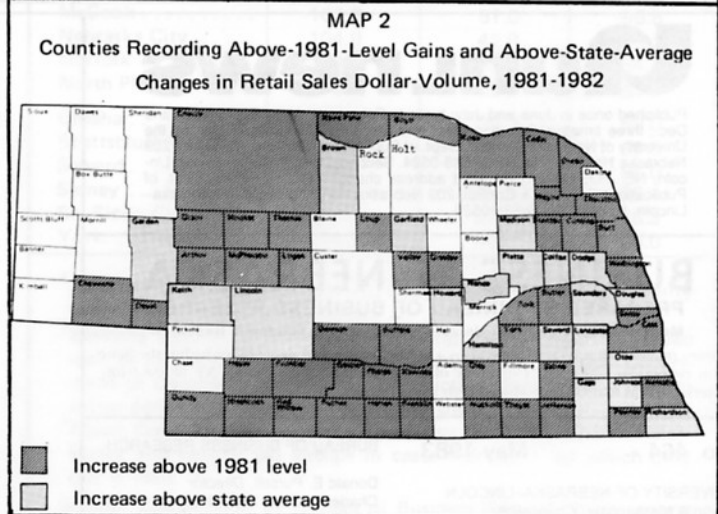
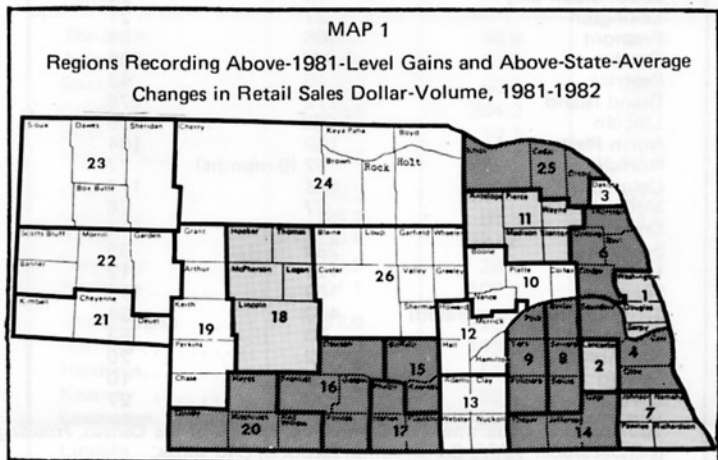
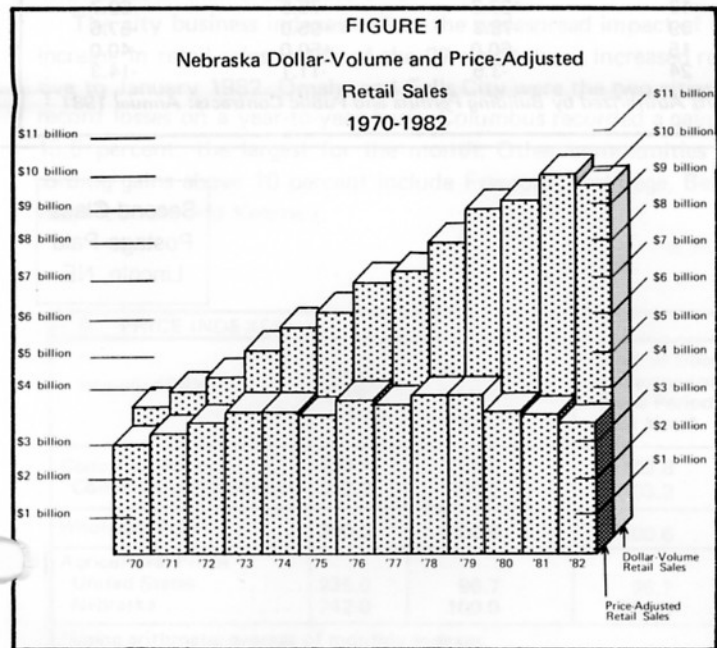
more counties experienced retail sales increases than declines, the state-wide change in retail sales level from 1981 to 1982 was negative. This was partly because Douglas County and Lancaster County, which together accounted for 41 percent of total state sales, showed 1982 sales declines of 1.4 percent and 1.5 percent, respectively. In addition, the 48 counties that did show gains in retail sales together accounted for only 21 percent of total sales.

Data on 1981 and 1982 retail sales for 32 Nebraska trade centers are summarized in Table 1. It should be noted that the data in Table 1 do not include motor-vehicle retail sales, while the data in Table 2 do include this total retail sales component.

As an aggregate, the 32 trade centers reported a 3.1 percent decline in the 1982 net taxable retail sales level in comparison with the 1981 level. This compares to an approximately seven percent increase for the previous year. When adjusted for price changes, retail sales for the 32 trade centers declined 6.8 percent from the 1981 total. State-wide, the real non-vehicle sales decline was 7.2 percent.

Of the 32 trade centers, only 8 centers reported any dollar-volume sales gain in 1982. On a price-adjusted basis, none of the trade centers reported a retail sales increase. Greatest increases in unadjusted sales were reported by Fairbury, +7.7 percent; West Point, +4.1 percent; and Hartington, +3.1 percent. Greatest declines in 1982 sales occurred at Kimball, -14.5 percent; Alliance, -10.1 percent; South Sioux City, -9.7 percent; Chadron, -9.5 percent; Scottsbluff/Gering, -9.3 percent; and Hastings, -9.0 percent.

C.L.B.



## Review and Outlook

January 1983 marked the third consecutive monthly increase in the level of Nebraska's economic activity, as measured by the Bureau of Business Research's physical volume of output index. Compared to December 1982, this index rose 2.9 percent but was 1.3 percent below the level of January 1982. The primary reason for this December-to-January advance was a 29.2 percent increase in the agricultural component of the index.

The index of nonagricultural output, on the other hand, fell 1.6 percent, with three of four sectors declining. The month-to-month percentage changes for the nonagricultural sectors were government, +0.4 percent; distributive, -0.9 percent; manufacturing, -4.8 percent; and construction, -5.7 percent.

It should be noted that the January estimates of economic activity are based on revised data which produced sizable changes in some of the sectoral indexes. These changes were due to annual revisions in the data series, which are used to construct the indexes, and in the factors used to adjust some of the data for seasonal variations. The largest revisions occurred in the employment and cash farm marketing series. The indexes in Table 2 reflect these changes and, as a result, are not directly comparable to data published in previous issues of *Business in Nebraska*. This annual update is designed to improve the accuracy of the measures.

The January 1983 increase in the agricultural index reflects substantial gains in cash farm marketing receipts during the previous three months. On a seasonally-adjusted (continued on page 5)

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				
January 1983	Current Month as Percent of Same Month Previous Year		1983 Year to Date as Percent of 1982 Year to Date	
	Nebraska	U.S.	Nebraska	U.S.
Indicator				
Dollar Volume	102.2	102.8	102.2	102.8
Agricultural	108.1	99.6	108.1	99.6
Nonagricultural	101.2	102.9	101.2	102.9
Construction	87.7	113.5	87.7	113.5
Manufacturing	83.1	91.0	83.1	91.0
Distributive	106.1	106.7	106.1	106.7
Government	107.6	105.6	107.6	105.6
Physical Volume	98.7	99.2	98.7	99.2
Agricultural	108.1	103.0	108.1	103.0
Nonagricultural	96.8	99.1	96.8	99.1
Construction	83.7	108.3	83.7	108.3
Manufacturing	82.3	90.4	82.3	90.4
Distributive	102.2	102.8	102.2	102.8
Government	99.2	98.8	99.2	98.8

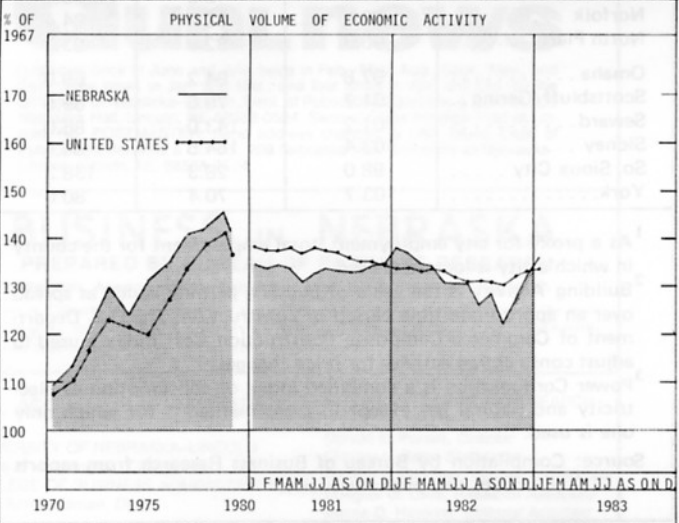
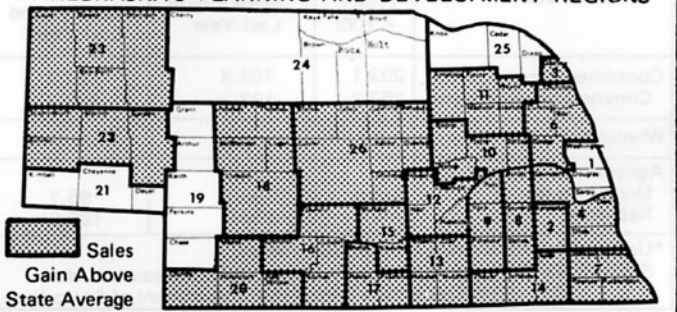
2. CHANGE FROM 1967		
Indicator	Percent of 1967 Average	
	Nebraska	U.S.
Dollar Volume	372.7	368.9
Agricultural	450.6	353.1
Nonagricultural	360.7	369.4
Construction	197.6	340.2
Manufacturing	296.2	276.5
Distributive	395.0	420.8
Government	384.6	382.1
Physical Volume	136.0	133.0
Agricultural	186.2	150.3
Nonagricultural	128.3	132.4
Construction	56.8	97.8
Manufacturing	123.3	112.3
Distributive	134.8	143.6
Government	142.0	145.8

### 3. NET TAXABLE RETAIL SALES OF NEBRASKA REGIONS AND CITIES

Region Number and City	City Sales *	Sales in Region *	
	Jan. 1983 as percent of Jan. 1982	Jan. 1983 as percent of Jan. 1982	Year-to-date '83 as percent of Year-to-date '82
<i>The State</i>	105.4	108.8	108.8
1 Omaha	98.2	103.4	103.4
Bellevue	117.6		
Blair	109.0		
2 Lincoln	112.1	114.6	114.6
3 So. Sioux City	121.9	122.2	122.2
4 Nebraska City	117.9	113.4	113.4
6 Fremont	131.5	118.8	118.8
West Point	118.9		
7 Falls City	115.2	116.5	116.5
8 Seward	114.8	114.8	114.8
9 York	112.7	115.2	115.2
10 Columbus	147.3	130.4	130.4
11 Norfolk	120.4	128.0	128.0
Wayne	98.2		
12 Grand Island	119.7	120.6	120.6
13 Hastings	124.0	116.9	116.9
14 Beatrice	115.6	120.2	120.2
Fairbury	121.1		
15 Kearney	126.2	122.6	122.6
16 Lexington	113.4	112.4	112.4
17 Holdrege	132.1	122.4	122.4
18 North Platte	122.1	123.9	123.9
19 Ogallala	119.1	111.1	111.1
20 McCook	128.0	116.4	116.4
21 Sidney	113.0	98.8	98.8
Kimball	76.8		
22 Scottsbluff/Gering	119.3	115.7	115.7
23 Alliance	112.2	117.7	117.7
Chadron	112.6		
24 O'Neill	111.6	102.3	102.3
25 Hartington	111.1	109.0	109.0
26 Broken Bow	108.9	115.1	115.1

\*State totals include sales not allocated to cities or regions. The year-to-year ratios for city and region sales may be misleading because of changes in the portion of unallocated sales. Regional totals include, and city totals exclude, motor vehicle sales. Sales are those on which sales taxes are collected by retailers located in the state. Compiled from data provided by Nebraska Department of Revenue.

### 1983 YEAR TO DATE AS PERCENT OF 1982 YEAR TO DATE IN NEBRASKA'S PLANNING AND DEVELOPMENT REGIONS



(Continued from page 4)

basis, marketings were \$725 million and rose 9.6 percent above December 1982's levels. Compared to January 1982, they were up nearly twenty-one percent.

Nonagricultural output had been weak throughout 1982, and January 1983 data failed to provide evidence of any recovery in these sectors. Compared to January 1982, only the distributive sector (reflecting improved retail sales) recorded a gain. Not only were the indexes of the three remaining nonagricultural sectors below January 1982 values, manufacturing and construction were at their lowest levels in recent years.

Nebraska net taxable retail sales totaled \$700.6 million in January 1983, an 8.8 percent increase from January 1982. Even after adjusting for price changes, real sales showed a 5.3 percent growth. The commodity component of the Consumer Price Index, which was used to adjust the sales, increased 3.2 percent.

Motor vehicle sales continued its growth spurt, begun in April 1982, with an increase of 46.6 percent (42.0 percent, price adjusted) in January 1983, compared to the previous January. Motor vehicle sales in January were \$77.7 million.

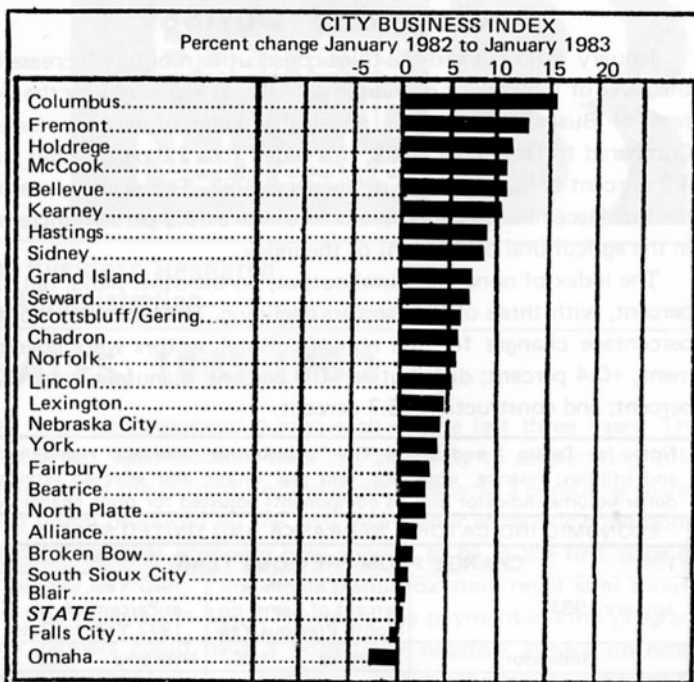
Nonmotor vehicle sales, on the other hand, reversed an eight-month trend of year-to-year losses. January sales reached \$622.9 million, an increase of 5.4 percent from January 1982. Adjusted for price changes, the increase was 2.0 percent. Even though part of the January 1983 increases resulted from the fact that January 1982 was a weak month for sales, an increase after eight consecutive losses is encouraging.

Data in Table 3 show that much of the state shared in Nebraska's growth in sales, as 29 of the 33 communities listed recorded gains in sales. Communities with the largest increases include Columbus, +47.3 percent; Holdrege, +32.1 percent; Fremont, +31.5 percent; McCook, +28.0 percent; and Kearney, +26.2 percent.

It is important to note that, beginning in this issue of *Business in Nebraska*, the ratios in Table 3 will reflect changes on a current dollar basis. Previously they had been adjusted to account for changes in prices. This new method of presentation should allow for a more realistic comparison of sales of individual businesses with those in their area or the state.

The city business indexes reflect the widespread impact of the increase in retail sales, as 25 of the 27 city indexes increased relative to January 1982. Omaha and Falls City were the two cities to record losses on a year-to-year basis. Columbus recorded a gain of 15.6 percent, the largest for the month. Other communities recording gains above 10 percent include Fremont, Holdrege, Bellevue, McCook, and Kearney.

J. A. D.



Source: Table 3 (page 4) and Table 4 below.

**4. JANUARY CITY BUSINESS INDICATORS**

The State and Its Trading Centers	Percent of Same Month a Year Ago		
	Employment <sup>1</sup>	Building Activity <sup>2</sup>	Power Consumption <sup>3</sup>
<i>The State</i> .....	99.7	98.0	81.9
Alliance .....	100.5	61.0	101.2
Beatrice .....	99.8	60.8	85.6
Bellevue .....	102.9	204.2	143.4
Blair .....	103.5	52.3	94.9*
Broken Bow .....	105.6	50.5	84.8
Chadron .....	100.3	157.5	52.6
Columbus .....	98.2	58.8	84.0
Fairbury .....	100.4	37.8	64.5*
Falls City .....	100.9	28.2	79.3
Fremont .....	101.1	102.2	78.2
Grand Island .....	97.9	125.2	96.3
Hastings .....	95.8	143.0	89.3
Holdrege .....	104.3	51.8	85.1
Kearney .....	101.7	92.5	92.6
Lexington .....	101.0	97.1	77.6
Lincoln .....	97.4	173.9	83.8
McCook .....	108.0	51.0	95.5
Nebraska City .....	104.9	42.9	85.1
Norfolk .....	99.1	82.0	84.4
North Platte .....	90.3	82.3	93.7
Omaha .....	97.8	94.2	69.0
Scottsbluff/Gering ..	101.7	78.6	89.5
Seward .....	101.2	143.0	86.0
Sidney .....	103.4	184.5	90.1
So. Sioux City .....	98.0	28.3	138.3
York .....	103.7	70.4	80.0

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

<sup>2</sup>Building 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.

<sup>3</sup>Power 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 1983	Index (1967 = 100)	Percent of Same Month Last Year	Year to Date as Percent of Same Period Last Year*
Consumer Prices .....	293.1	103.8	103.8
Commodity component .....	267.2	103.2	103.2
Wholesale Prices .....	300.0	100.6	100.6
Agricultural Prices			
United States .....	235.0	96.7	96.7
Nebraska .....	242.0	100.0	100.0

\*Using arithmetic average of monthly indexes.

Sources: Consumer and Wholesale Prices: U.S. Bureau of Labor Statistics; Agricultural Prices: U.S. Department of Agriculture.

# HOUSING UNITS AUTHORIZED IN NEBRASKA AND SELECTED AREAS, 1980-1982

Nebraska's construction industry slumped continued in 1982.

The accompanying table shows that new, privately-owned units authorized by building permits in the state of Nebraska in 1982 declined only 1.2 percent, as compared to the sharp decline of 40.6 percent in 1981. However, the 1982 figures are less than one-half the 1979 totals for Nebraska; this fact accentuates the three-year fall in construction activity.

The numbers represent close estimates of residential construction, even though they do not translate directly into private housing units built in any given year. Caution should be exercised when interpreting percentage changes where the total number of permits is small. In these situations, small, absolute changes may produce large percentage changes and exaggerate the overall impact of the change on the area.

In the 22 selected areas reported over the 1980-1982 period, 19 experienced declines. Of these, 13 communities experienced losses greater than that of the state. Communities that suffered most include Crete, -98.9 percent; Alliance, -97.5 percent; North Platte, -91.2 percent; South Sioux City, -82.1 percent; Fremont, -81.8 percent; and Lincoln, -77.6 percent.

Despite its 1980-1982 losses, examination of individual, yearly changes allows a more detailed perspective on the construction industry's status. The percentage change from 1980 to 1981 was negative for 18 communities. From 1981 to 1982, however, only 11 communities reported declines in number of building permits authorized (12, including Norfolk). Of the 11 areas that experienced gains in 1982, 10 had reversed their 1981 declines. Most dramatic changes were La Vista, -90.1 to 416.7 percent; unincorporated Sarpy County, -82.5 to 156.0 percent; Bellevue, -66.3 to 132.6 percent; and Scottsbluff, -60.0 to 50.0 percent. On the other hand, only McCook showed gains in each of the two years. Beatrice and Papillion joined McCook as the only areas registering gains for the 1980-1982 period.

The large increase in absolute numbers of new, privately-owned housing units authorized by building permits in Eastern Nebraska (which includes the Sarpy County areas Bellevue, La Vista, Papillion, and an unincorporated remainder)--coupled with the encouraging data on the Western Nebraska cities of McCook and Scottsbluff--may indicate that the decline in the number of permits issued for Nebraska may have bottomed out.

JOHN WINGENDER

## NUMBER OF NEW, PRIVATELY-OWNED HOUSING UNITS AUTHORIZED BY BUILDING PERMITS

	1980	1981	1982	Percent Change		
				1980 to 1981	1981 to 1982	1980 to 1982
STATE	6,906	4,101	4,051	-40.6	-1.2	-41.3
Alliance	202	44	5	-78.2	-88.6	-97.5
Kearney	236	120	162	-49.1	+35.0	-31.4
Plattsmouth	26	44	11	+69.2	-75.0	-57.7
South Sioux City	78	21	14	-73.1	-33.3	-82.1
Lexington	37	21	23	-43.2	+9.5	-37.8
Fremont	66	31	12	-53.0	-61.3	-81.8
Omaha	1,471	805	1,103	-45.3	+37.0	-25.0
Beatrice	46	43	67	-6.5	+55.8	+45.7
Grand Island	272	276	152	+1.5	-44.9	-44.1
Lincoln	1,043	629	234	-39.7	-62.8	-77.6
North Platte	159	104	14	-34.6	-86.5	-91.2
Norfolk	92 (9 months)	77	37		-51.9	
Columbus	183	117	68	-36.1	-41.9	-62.8
McCook	27	28	52	+3.7	+85.7	+92.6
Crete	88	14	1	-84.1	-92.9	-98.9
Bellevue	282	95	221	-66.3	+132.6	-21.6
La Vista	121	12	62	-90.1	+416.7	-48.8
Papillion	169	115	174	-32.0	+51.3	+3.0
Sarpy Co. (unincorporated)	480	84	215	-82.5	+156.0	-55.2
Gering	43	53	13	+23.3	-75.5	-69.7
Scottsbluff	92	20	39	-78.3	+95.0	-57.6
Seward	25	10	15	-60.0	+50.0	-40.0
Blair	28	27	24	-3.6	-11.1	-14.3

Source: U.S. Department of Commerce, Bureau of the Census, *Housing Units Authorized by Building Permits and Public Contracts: Annual 1981 and December 1982*, Construction Reports, C40 series.

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