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The Livable Wage Picture in Nebraska's Manufacturing Industry

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Manufacturing is defined as a basic industry, one that brings external dollars to a state's economy. Nebraska's manufacturing industry has strong ties to the state's agriculture and agribusiness industries. Therefore, manufacturing firms often are considered desirable targets of state and regional economic development efforts.

This analysis profiles employment and wage trends in Nebraska's manufacturing industry over a 25-year period, with particular attention to the food processing and machinery sectors, the largest manufacturing employers in the state. The objective of the analysis is to explore the relationship between trends in the manufacturing industry and the livable wage levels presented in an earlier issue of *Business in Nebraska*. Data from the U.S. Census of Manufacturers form the basis of the analysis. This census is conducted every five years (most recently in 1997) by the U.S. Census Bureau.

Trends—1972 to 1997

In 1997 total employment in Nebraska's manufacturing industry was nearly 107,000, a 26 percent increase from 1972 (Table 1). Approximately 80 percent of those employees were production workers.

The food processing sector was the largest employer in 1972 and 1997, accounting for nearly one-third of total manufacturing industry employment. Total employment in the sector increased 33 percent. The largest single component of the food sector was meat products manufacturing. Employment in this subsector increased 84 percent. Meat products dominated employment in the food sector accounting for nearly 50 percent of total food processing employment in 1972 and 68 percent in 1997. Production employment in the meat products subsector increased nearly twice as fast as other employment (i.e., administrative and managerial occupations) in the sector. Thus, the fastest employment growth in the meat products subsector, on average, was in jobs paying the lowest wages

Table 1
Comparisons of Employment and Establishments, 1972 and 1997

	Total Employment			Production Employment		
	1972	*1997*	*Change (%)*	*1972*	*1997*	*Change (%)*
All Manufacturing	84,800	106,690	26	63,200	84,085	33
Food Processing	25,400	33,692	33	19,200	27,939	46
Meat products	12,400	22,839	84	10,500	20,004	91
Grain mill products[1]	4,000	1,887	-53	2,900	1,487	-49
Machinery	8,700	11,804	36	6,600	8,471	28
Agricultural implements	4,800	6,349	32	3,700	4,467	21

	All Establishments			Establishments with 20 or more Employees		
	1972	*1997*	*Change (#)*	*1972*	*1997*	*Change (#)*
All Manufacturing	1,723	1,960	237	598	612	14
Food Processing	430	292	-138	192	128	-64
Meat products	105	98	-7	63	53	-10
Grain mill products[1]	161	22	-139	44	12	-32
Machinery	203	205	2	55	74	19
Agricultural implements	69	86	17	32	28	-4

[1]Grain mill products are included due to substantial change in employment from 1972 to 1997 and the high wage level in 1997.

The machinery sector was the second largest employer in 1997, moving up from third in 1972. Total employment in this sector increased 36 percent. Machinery employment accounted for just over 10 percent of total manufacturing industry employment in both years. A large portion—54 percent—of employment in the machinery sector in 1997 was in agricultural implement manufacturing. Total employment in agricultural implements increased 32 percent. Production employment in the agricultural implement subsector increased at a far slower rate than did other employment in the subsector.

The total number of manufacturing establishments increased 14 percent between 1972 and 1997 to nearly 2,000. The number of establishments with 20 or more employees increased just 2 percent when comparing the two years. The number of food processing establishments dropped by nearly one-third. A substantial drop in the number of establishments engaged in grain and oilseed milling accounted for much of that loss. The drop in the number of meat products establishments was less substantial than that of the entire food sector. However, the decrease in establishments, combined with the increase in employment, resulted in more than double the number of employees per establishment in meat products in 1997 versus 1972. Therefore, the trend in the meat products subsector was toward concentration of employment in larger establishments and fast growth in relatively low paying jobs.

A different pattern is seen in the machinery sector. The total number of machinery establishments showed virtually no change. However, the number of establishments employing 20 or more workers increased by more than one-third. Within the agricultural implements subsector, the number of establishments increased 25 percent, while the number of larger employers decreased nearly 13 percent.

Value-Added, Value of Shipments, and Wages

The inputs of labor and capital, combined with the goods and services used in current production, yield a finished manufactured good. A portion of the total value of a manufactured good (expressed here as value of shipments[1]) is the value added by labor and capital.

Value-added can be expressed as a percent of value of shipments in order to analyze manufacturing sectors. For Nebraska's manufacturing industry as a whole, this ratio was 10 percentage points higher in 1997 (39 percent) than in 1972 (Table 2). In other words, more value was added to the finished products by labor and capital in Nebraska's manufacturing industry in 1997 than in 1972.

In 1972 the subsector with the highest ratio of value-added to value of shipments—76 percent—was metalworking machinery. In other words, more than three-quarters of the value of a finished good in this sector was contributed by labor and capital. In 1997 the highest ratio—81 percent—was found in medical equipment and supplies.

In comparison, the value-added/value of shipments ratio of the meat products sector was only 9 percent in 1972. In 1997 it had increased to 18 percent. The ratio in machinery was notably higher than in food processing, but decreased from 57 to 48 percent over the period. Agricultural implements decreased from 50 to 43 percent.

Since labor contributes a substantial portion of the value added to a finished good, the ratio of production wages to value-added is a useful tool for analyzing the wage trends. For the manufacturing industry as a whole, this ratio fell from 27 in 1972 to 20 percent in 1997. The top five sectors, in terms of this ratio, ranged from 40 to 61 percent in 1972; sectors with the highest ratios in 1997 fell into a range of 37 to 42 percent. The ratio decreased in the food processing sector, led by a 12 percentage point drop in the meat products ratio. The ratios in the machinery sector and the agricultural implements subsector remained virtually unchanged.

The dominant pattern of increases in the ratio of value-added to value of shipments and decreases in the ratio of production wages to value-added suggests that wages in Nebraska's manufacturing sector, particularly in food processing, have not kept pace with the increasing value of the goods produced.

Table 2
Comparisons of Value-Added to Value of Shipments and Wages to Value-Added, 1972 and 1997

	Value-Added Percent of Value of Shipments		Wages Percent of Value-Added	
	1972	*1997*	*1972*	*1997*
All Manufacturing	29%	39%	27%	20%
Highest Ratio[1]	76%	81%	61%	42%
Food Processing	15%	25%	26%	18%
Meat Products	9%	18%	36%	24%
Grain Mill Products[2]	35%	27%	16%	15%
Machinery	57%	48%	27%	28%
Agricultural Implements	50%	43%	29%	27%

[1]1972-Metalworking machinery; 1997-Medical equipment
[2]Grain mill products are included due to substantial change in employment from 1972 to 1997 and the high wage level in 1997.

[1]Value of shipments is the closest measure of the actual value of manufactured goods (i.e., production value) available.

Comparison of Hourly Manufacturing Wages to Livable Wages

A study reported in the July/August 2000 issue of *Business in Nebraska* examined livable wages in Nebraska by five family unit types. Livable wages are estimates of the level of income required to cover the basic needs and taxes of individuals and families in Nebraska, independent of public income and housing assistance. The 1997 production wages used in the current study have been adjusted to 1999 levels (Table 3) to examine how average wages for the majority of manufacturing workers in Nebraska compare to estimated livable wage levels.

The hourly wage in manufacturing averaged approximately $12.84 in 1999.[2] This average rate indicates that roughly half of all production jobs in the manufacturing industry paid *below* livable wages for three of the five family unit types (Table 4).[3]

The hourly wage in the food processing sector averaged $10.79. This average rate indicates that roughly half of all production jobs in the sector paid *below* livable wages for three of the five family unit types. The exceptions were single adults with no children and two-parent/two-income families. In meat products, which accounted for 72 percent of food processing employment and 24 percent of all manufacturing employment, roughly half of all production jobs paid *below* livable wages for four of the five family unit types. Only grain and oilseed milling paid above livable wages for all family unit types, on average, at $22.05 per hour. But, grain and oilseed production workers accounted for only 5 percent of food processing and less than 1 percent of all manufacturing employment in 1997.

The picture improves in the machinery manufacturing sector, as well as the agricultural implements subsector, where the average hourly wage was about $15.10. This average rate indicates that roughly half of all production jobs in the sector paid *below* the livable wage level for only one family unit type—single parents with two children.

Table 3
Livable Hourly Wages Per Earner, by Family Unit Type, 1999

1. Single, no children	$ 8.20
2. Single parent, 1 child	$13.42
3. Single parent, 2 children	$16.47
4. Two parents, 2 children, 1 earner	$14.67
5. Two parents, 2 children, 2 earners	$10.45

Table 4
Relationships of Average Hourly Production Wages to Livable Wages, by Family Unit Type—1999

	Average Hourly Wage	Relationship to Livable Wage for Family Unit Type				
		1	2	3	4	5
All Manufacturing	$12.84	Above	***Below***	***Below***	***Below***	Above
Food Processing	$10.79	Above	***Below***	***Below***	***Below***	Above
Meat Products	$ 9.70	Above	***Below***	***Below***	***Below***	***Below***
Grain Mill Products	$22.05	Above	Above	Above	Above	Above
Machinery	$15.11	Above	Above	***Below***	Above	Above
Agricultural Implements	$15.10	Above	Above	***Below***	Above	Above

[2]Based on average of metro and nonmetro livable hourly wages by family unit type in 1999, compared to inflation-adjusted wages derived from 1997 Census of Manufactures for Nebraska.

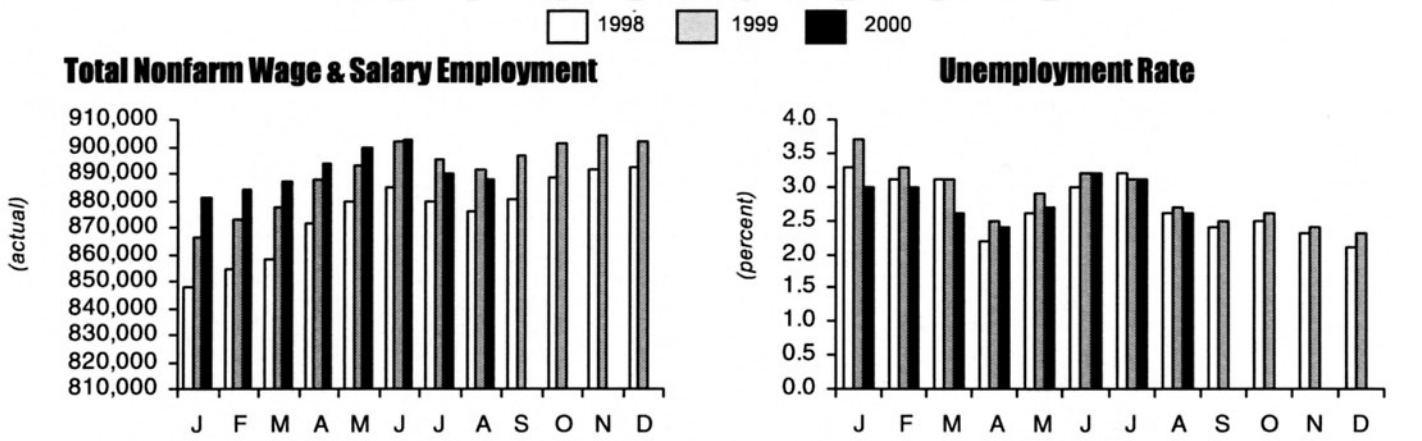
[3]Production wages used in the current analysis could not be separated into metro and nonmetro components. Thus, the livable wage estimates were averaged for comparison purposes.

Conclusion

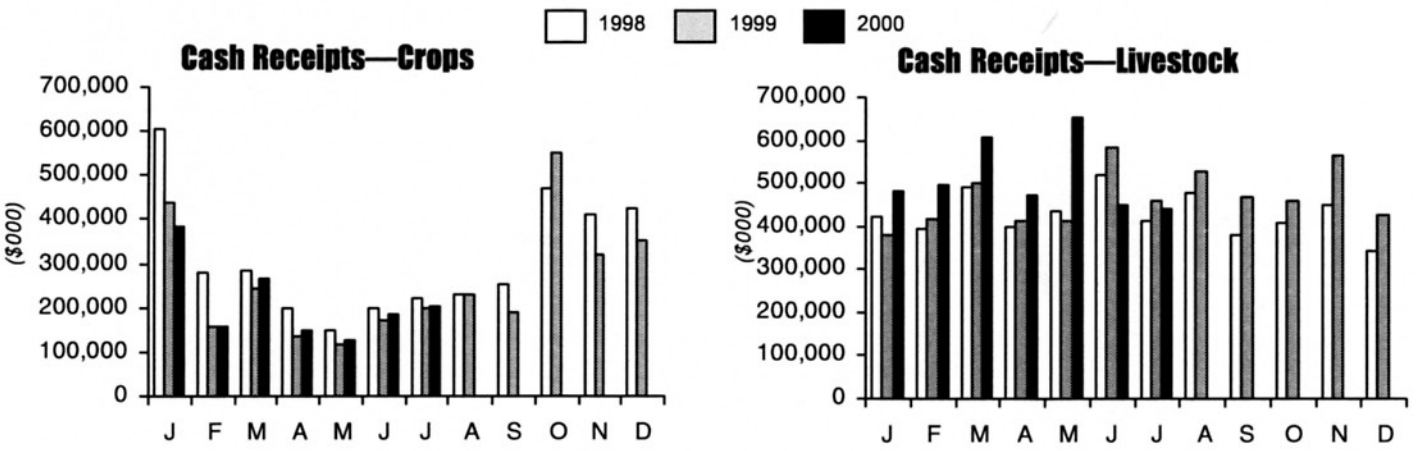
Due to its strong links to Nebraska's agriculture industry, ability to bring export dollars into the state, and potential for supporting jobs paying above livable wages, the manufacturing industry is a desirable target for economic development efforts, particularly in rural areas. The results of this analysis suggest, however, that the dominant sector in Nebraska's manufacturing industry, food processing, which clearly has close ties to agriculture, has fallen short in the area of livable wages.

The state of Nebraska has taken a positive step forward on this issue with the passage of LB 936, the Rural Economic Opportunities Act. The act offers income tax credits to businesses, including manufacturers, that add employment and pay wages above county-specific annual levels that are established by the Nebraska Department of Revenue.

Nebraska Stats



Note: All 1999 and 2000 monthly employment data are considered estimates until benchmarked. Data shown for 1999 and 2000 are the most current revised estimates available. Final benchmarked monthly data for 1999 are expected to be released by the Nebraska Department of Labor in mid-2000.



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

	June 2000 ($000)	YTD ($000)	YTD % Chg. vs Yr. Ago	July 2000 ($000)	YTD ($000)	YTD % Chg. vs Yr. Ago
Ainsworth, Brown	1,769	8,975	-11.9	1,569	10,544	-13.7
Albion, Boone	1,758	9,902	-7	1,602	11,504	-6.4
Alliance, Box Butte	6,388	33,602	-1.4	6,188	39,790	-2.2
Alma, Harlan	795	3,445	-12.7	556	4,001	-14.4
Arapahoe, Furnas	892	4,726	7.9	804	5,530	7.5
Arlington, Washington	213	1,303	12.1	211	1,514	9.5
Arnold, Custer	271	1,809	20.7	236	2,045	13.0
Ashland, Saunders	1,846	7,919	19.4	1,527	9,446	15.2
Atkinson, Holt	1,407	6,190	7	1,033	7,223	6.2
Auburn, Nemaha	2,608	14,461	3.2	2,308	16,769	3.1
Aurora, Hamilton	2,565	13,883	-9.5	2,303	16,186	-9.7
Axtell, Kearney	103	361	-5.2	66	427	-3.6
Bassett, Rock	733	2,689	-2.3	693	3,382	-1.2
Battle Creek, Madison	592	3,429	-7.2	720	4,149	-6.8
Bayard, Morrill	487	2,682	5.3	434	3,116	5.0
Beatrice, Gage	12,200	69,362	11.8	12,038	81,400	11.5
Beaver City, Furnas	170	771	5.2	140	911	4.2
Bellevue, Sarpy	22,421	121,676	6.6	21,280	142,956	6.0
Benkelman, Dundy	734	3,529	6.6	564	4,093	5.8
Bennington, Douglas	612	3,522	4.7	569	4,091	6.5
Blair, Washington	7,864	41,648	7.3	6,581	48,229	4.7
Bloomfield, Knox	647	2,988	-16	488	3,476	-17.4
Blue Hill, Webster	334	2,549	-4.4	327	2,876	-7.1
Bridgeport, Morrill	1,373	6,751	4.1	1,316	8,067	3.2
Broken Bow, Custer	4,251	23,171	7.4	3,642	26,813	6.1
Burwell, Garfield	1,042	4,445	5.3	940	5,385	4.3
Cairo, Hall	325	1,718	9.8	351	2,069	14.1
Central City, Merrick	2,045	10,645	0.4	1,540	12,185	-0.8
Ceresco, Saunders	1,159	7,643	-2.4	1,212	8,855	-4.5
Chadron, Dawes	5,244	27,429	2.1	5,135	32,564	2.1
Chappell, Deuel	548	2,937	6.8	359	3,296	1.5
Clarkson, Colfax	407	2,491	-2.6	368	2,859	-2.2
Clay Center, Clay	206	1,850	-13.8	226	2,076	-20.8
Columbus, Platte	22,113	124,408	4.5	21,238	145,646	3.4
Cozad, Dawson	3,465	18,451	2.8	3,155	21,606	2.6
Crawford, Dawes	896	3,201	7.1	813	4,014	5.3
Creighton, Knox	1,029	5,686	-19.1	1,123	6,809	-16.9
Crete, Saline	3,192	16,447	-19.4	2,692	19,139	-20.7
Crofton, Knox	442	2,097	-10.8	437	2,534	-7.0
Curtis, Frontier	410	2,069	-0.7	326	2,395	-1.8
Dakota City, Dakota	670	2,522	-0.4	446	2,968	-0.2
David City, Butler	1,663	9,142	5.8	1,638	10,780	6.2
Deshler, Thayer	328	1,759	5.5	321	2,080	6.4
Dodge, Dodge	350	1,493	7.1	216	1,709	3.6
Doniphan, Hall	971	6,542	7.4	909	7,451	8.8
Eagle, Cass	828	2,356	5.5	597	2,953	4.2
Elgin, Antelope	486	2,407	1.5	432	2,839	2.6
Elkhorn, Douglas	3,321	13,641	-5.4	2,651	16,292	-8.0
Elm Creek, Buffalo	385	2,223	-5.7	359	2,582	-6.0
Elwood, Gosper	428	1,651	-37.2	383	2,034	-36.8
Fairbury, Jefferson	3,514	19,094	-2.8	2,973	22,067	-3.5
Fairmont, Fillmore	348	1,113	25.5	148	1,261	20.1
Falls City, Richardson	2,729	14,909	-1.3	2,403	17,312	-1.2
Franklin, Franklin	765	3,420	3	516	3,936	2.9
Fremont, Dodge	24,974	141,108	7.3	24,435	165,543	6.2
Friend, Saline	488	2,697	-5.7	398	3,095	-9.3
Fullerton, Nance	587	3,184	6	523	3,707	4.9
Geneva, Fillmore	1,540	8,598	-11.7	1,198	9,796	-15.1
Genoa, Nance	332	1,765	2.9	250	2,015	0.8
Gering, Scotts Bluff	4,630	24,864	13.8	4,602	29,466	11.7
Gibbon, Buffalo	917	4,882	1.4	775	5,657	1.3
Gordon, Sheridan	2,119	9,712	-2.3	1,702	11,414	-3.7
Gothenburg, Dawson	3,020	14,289	3.4	2,744	17,033	3.4
Grand Island, Hall	56,120	314,474	7.6	54,017	368,491	7.1
Grant, Perkins	1,343	6,338	5.9	1,126	7,464	5.3
Gretna, Sarpy	3,701	16,163	-4.5	3,146	19,309	-5.2
Hartington, Cedar	1,503	8,419	-8.8	1,564	9,983	-7.9
Hastings, Adams	22,486	124,957	3.7	21,189	146,146	2.9
Hay Springs, Sheridan	435	2,157	8.7	397	2,554	10.3
Hebron, Thayer	1,825	9,481	-12.2	1,096	10,577	-16.8
Henderson, York	1,009	4,007	14.6	775	4,782	13.6
Hickman, Lancaster	277	1,465	0	260	1,725	0.1
Holdrege, Phelps	5,359	26,781	4.2	4,457	31,238	2.7
Hooper, Dodge	416	2,338	12.1	380	2,718	11.6
Humboldt, Richardson	329	2,002	-33.5	291	2,293	-35.0
Humphrey, Platte	836	4,315	6	677	4,992	3.5
Imperial, Chase	2,086	10,782	-9.6	1,839	12,621	-10.5
Juniata, Adams	249	1,347	7.1	196	1,543	4.0
Kearney, Buffalo	37,794	205,461	8.9	37,265	242,726	8.7
Kenesaw, Adams	180	1,452	-7.3	176	1,628	-5.8
Kimball, Kimball	2,444	10,624	5.6	2,061	12,685	5.1
La Vista, Sarpy	10,592	59,818	12.9	10,332	70,150	12.3
Laurel, Cedar	419	2,180	3.6	268	2,448	0.3
Lexington, Dawson	8,344	44,356	8.1	7,827	52,183	7.9
Lincoln, Lancaster	230,390	1,271,552	5.5	217,051	1,488,603	5.2
Louisville, Cass	740	2,899	-13.8	794	3,693	-8.9
Loup City, Sherman	510	2,563	-31.9	440	3,003	-32.3
Lyons, Burt	521	2,464	-6	440	2,904	-8.9
Madison, Madison	907	4,725	3.1	878	5,603	5.4
McCook, Red Willow	13,128	70,357	7.1	12,360	82,717	6.0
Milford, Seward	778	5,107	-3.5	963	6,070	-4.5
Minatare, Scotts Bluff	217	954	15.8	160	1,114	13.0
Minden, Kearney	2,083	10,715	0.6	1,815	12,530	-1.0
Mitchell, Scotts Bluff	547	3,890	-10.1	480	4,370	-11.5
Morrill, Scotts Bluff	675	3,255	16.8	542	3,797	15.5
Nebraska City, Otoe	6,841	36,231	-1.3	6,288	42,519	-1.7
Neligh, Antelope	1,562	8,024	-1	1,344	9,368	-1.4
Newman Grove, Madison	334	1,686	0.4	264	1,950	-0.9
Norfolk, Madison	33,304	183,528	7.9	30,860	214,388	7.2
North Bend, Dodge	622	3,068	2.6	448	3,516	1.7
North Platte, Lincoln	27,038	138,483	3.8	25,588	164,071	4.0
O'Neill, Holt	4,824	25,885	5.4	4,851	30,736	6.2
Oakland, Burt	715	3,533	-16.1	520	4,053	-17.2
Ogallala, Keith	6,994	32,721	0.7	6,883	39,604	-0.7
Omaha, Douglas	529,804	2,938,343	4.2	495,023	3,433,366	3.5
Ord, Valley	2,379	11,997	5.9	1,854	13,851	4.6
Osceola, Polk	556	3,060	-27.9	452	3,512	-29.3
Oshkosh, Garden	497	2,508	-4.2	452	2,960	-4.9
Osmond, Pierce	494	2,646	5.9	409	3,055	1.4
Oxford, Furnas	464	2,635	-8.1	409	3,044	-7.1
Papillion, Sarpy	8,581	43,767	2	7,468	51,235	1.7
Pawnee City, Pawnee	273	1,783	-8.5	294	2,077	-8.2
Pender, Thurston	831	4,375	0.9	818	5,193	3.0
Pierce, Pierce	731	3,611	-2.7	611	4,222	-3.7
Plainview, Pierce	739	4,059	7.6	558	4,617	6.2
Plattsmouth, Cass	3,914	20,068	-0.2	3,614	23,682	-0.5
Ponca, Dixon	327	1,521	-46.3	252	1,773	-47.9
Ralston, Douglas	3,591	20,014	8.5	3,041	23,055	6.4
Randolph, Cedar	471	2,376	-1.9	362	2,738	-1.9
Ravenna, Buffalo	551	3,428	-19.5	547	3,975	-20.3
Red Cloud, Webster	842	4,143	4.1	696	4,839	3.7
Rushville, Sheridan	534	2,552	-17.1	433	2,985	-16.8
Sargent, Custer	308	1,272	8.3	188	1,460	6.1
Schuyler, Colfax	2,186	10,835	2.8	1,827	12,662	2.1
Scottsbluff, Scotts Bluff	24,483	129,717	6.9	22,624	152,341	5.3
Scribner, Dodge	511	2,368	1	392	2,760	-2.1
Seward, Seward	5,233	28,758	5.8	4,419	33,177	3.9
Shelby, Polk	475	2,371	17.1	389	2,760	14.6
Shelton, Buffalo	545	2,619	-30.5	425	3,044	-30.6
Sidney, Cheyenne	9,803	50,535	15.3	10,747	61,282	12.3
South Sioux City, Dakota	7,944	45,917	-1.7	7,853	53,770	-2.3
Springfield, Sarpy	854	3,941	34.9	667	4,608	30.8
St. Paul, Howard	1,373	7,115	0.4	1,339	8,454	1.5
Stanton, Stanton	731	3,554	0.9	602	4,156	-0.3
Stromsburg, Polk	1,681	5,965	20	1,085	7,050	23.5
Superior, Nuckolls	1,853	9,241	-1	1,549	10,790	-1.9
Sutherland, Lincoln	460	2,296	9.5	365	2,661	6.4
Sutton, Clay	1,049	5,112	6	733	5,845	2.3
Syracuse, Otoe	1,259	6,828	2.3	1,224	8,052	3.3
Tecumseh, Johnson	969	5,108	-3.8	782	5,890	-5.4
Tekamah, Burt	1,164	6,062	-8.5	908	6,970	-10.4
Tilden, Madison	298	1,683	-32.7	274	1,957	-34.4
Utica, Seward	366	1,863	2.6	297	2,160	4.0
Valentine, Cherry	5,260	25,057	5.9	4,814	29,871	5.0
Valley, Douglas	2,135	10,152	69.1	1,505	11,657	54.6
Wahoo, Saunders	2,604	14,125	8.2	2,152	16,277	5.8
Wakefield, Dixon	368	2,030	10.3	337	2,367	10.1
Wauneta, Chase	373	1,918	5.4	263	2,181	2.6
Waverly, Lancaster	685	4,344	4.7	1,052	5,396	10.2
Wayne, Wayne	3,777	21,294	0.1	3,556	24,850	-0.9
Weeping Water, Cass	729	3,750	-5.6	597	4,347	-8.8
West Point, Cuming	3,852	21,210	-0.2	3,515	24,725	-0.5
Wilber, Saline	500	2,695	-3.6	408	3,103	-5.5
Wisner, Cuming	720	3,729	8.8	652	4,381	7.2
Wood River, Hall	483	2,300	-0.9	439	2,739	0.5
Wymore, Gage	480	2,621	6	402	3,023	4.1
York, York	11,060	59,492	1.4	10,572	70,064	0.9

*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			
	June 2000 ($000)	July 2000 ($000)	YTD ($000)	% Chg. vs Yr. Ago	June 2000 ($000)	July 2000 ($000)	YTD ($000)	% Chg. vs Yr. Ago
Nebraska	237,290	220,057	1,556,025	5.6	1,566,971	1,433,231	9,985,150	4.6
Adams	4,223	3,758	26,754	0.3	23,190	21,702	151,237	2.5
Antelope	846	967	7,141	6.7	2,667	2,135	14,751	-2.3
Arthur	75	48	472	-16.9	(D)	(D)	(D)	(D)
Banner	102	183	973	56.7	(D)	(D)	(D)	(D)
Blaine	192	71	974	87.3	(D)	(D)	(D)	(D)
Boone	902	923	6,473	16.6	2,435	2,030	14,755	-5.4
Box Butte	1,618	1,258	11,057	1.7	6,720	6,541	41,899	-1.9
Boyd	153	266	1,793	9.3	710	514	3,874	2.5
Brown	651	422	3,694	17.5	1,975	1,677	11,265	-12.8
Buffalo	5,951	5,244	39,051	10.0	40,744	39,808	260,704	7.0
Burt	1,188	1,002	7,430	6.5	2,625	2,137	15,437	-10.2
Butler	865	834	7,255	-10.6	2,192	1,997	13,830	4.8
Cass	3,668	3,410	25,071	-5.7	8,123	7,259	45,763	0.1
Cedar	1,457	1,510	9,976	16.9	2,733	2,542	17,091	-5.3
Chase	695	548	5,395	15.4	2,544	2,135	15,241	-7.7
Cherry	826	808	6,094	3.2	5,560	5,015	31,303	4.6
Cheyenne	1,428	1,656	11,798	26.3	10,196	11,035	63,455	12.2
Clay	1,024	1,055	7,893	12.5	2,464	1,786	14,880	-0.9
Colfax	1,418	1,329	8,934	5.9	3,062	2,627	18,585	3.4
Cuming	1,650	1,450	10,691	21.6	5,272	4,651	32,818	0.1
Custer	1,636	1,507	11,827	19.4	5,695	4,677	34,714	7.7
Dakota	2,617	2,261	17,434	4.0	9,311	8,834	60,845	-2.5
Dawes	929	886	6,217	0.3	6,141	5,948	36,586	2.4
Dawson	3,855	3,145	25,174	28.4	15,365	14,436	94,236	6.3
Deuel	467	351	2,600	47.8	1,221	1,098	7,506	3.5
Dixon	897	703	5,637	4.1	833	690	4,917	-21.5
Dodge	5,070	4,608	32,151	8.5	27,239	26,135	178,303	6.0
Douglas	60,298	56,120	382,521	-0.4	541,382	505,686	3,501,570	3.6
Dundy	282	314	2,570	9.5	758	577	4,200	5.7
Fillmore	983	1,045	7,400	27.7	2,984	2,108	16,436	-4.6
Franklin	448	407	3,472	11.5	1,079	757	5,575	0.5
Frontier	419	431	3,449	16.9	783	626	4,476	-2.8
Furnas	922	795	5,933	25.8	2,552	2,208	15,157	1.4
Gage	3,060	2,449	20,472	12.5	13,631	13,034	89,539	10.5
Garden	384	291	2,097	4.4	859	671	4,408	1.8
Garfield	248	173	1,542	-3.1	1,042	940	5,385	4.3
Gosper	411	292	2,690	11.9	508	428	2,462	-31.9
Grant	126	111	1,016	-4.2	405	242	1,789	14.3
Greeley	347	459	2,515	5.6	766	670	4,421	-0.3
Hall	7,556	7,365	49,468	9.5	58,473	56,067	383,218	7.2
Hamilton	1,485	1,319	10,407	7.8	2,968	2,651	18,491	-8.9
Harlan	454	486	3,372	-8.4	1,188	900	5,654	-9.3
Hayes	174	122	1,381	17.2	91	(D)	(D)	(D)
Hitchcock	476	458	3,546	31.6	756	622	4,225	4.1
Holt	1,708	1,963	11,946	15.6	7,084	6,581	42,484	5.7
Hooker	133	129	852	-0.2	669	670	2,416	13.5
Howard	869	781	6,284	11.0	1,865	1,663	11,020	2.4
Jefferson	1,076	1,146	8,228	13.2	4,682	3,921	28,995	-1.9
Johnson	482	485	3,631	-12.3	1,309	1,089	8,152	-4.1
Kearney	1,164	849	7,387	12.3	2,343	2,020	13,817	-1.5
Keith	1,523	1,241	10,121	7.4	7,899	7,667	43,631	-0.7
Keya Paha	190	159	1,270	68.9	163	84	696	-1.8
Kimball	611	923	4,956	37.2	2,509	2,091	12,980	5.4
Knox	1,338	1,067	8,775	21.5	3,025	2,711	17,302	-11.1
Lancaster	32,349	29,323	201,799	3.6	233,732	220,837	1,508,135	5.4
Lincoln	4,803	4,825	31,114	-2.5	28,245	26,610	170,943	4.0
Logan	263	184	1,109	26.3	151	128	751	0.0
Loup	87	156	661	25.9	(D)	(D)	(D)	(D)
McPherson	60	80	615	54.9	(D)	(D)	(D)	(D)
Madison	4,522	4,256	29,791	2.6	35,498	33,037	228,445	6.2
Merrick	1,079	789	7,750	4.9	2,906	2,281	16,679	1.9
Morrill	965	691	5,844	13.0	1,933	1,765	11,347	3.3
Nance	424	485	3,790	16.5	979	820	5,937	3.5
Nemaha	960	1,126	6,980	2.1	2,942	2,501	18,610	4.3
Nuckolls	602	645	4,857	10.5	2,743	2,407	15,579	3.8
Otoe	1,986	2,276	14,636	5.6	8,598	7,872	53,638	-0.7
Pawnee	282	404	2,689	3.5	536	467	3,389	-5.1
Perkins	525	516	4,292	0.4	1,646	1,327	9,058	5.1
Phelps	1,682	1,241	10,344	8.8	5,751	4,715	33,187	2.8
Pierce	895	1,128	7,313	8.1	2,107	1,671	12,472	1.2
Platte	4,954	4,422	31,639	6.9	23,844	22,664	155,366	3.8
Polk	1,038	1,080	7,022	21.8	2,843	2,051	14,285	0.6
Red Willow	1,694	1,409	11,901	16.8	13,554	12,881	85,248	6.1
Richardson	1,133	1,096	8,149	12.6	3,274	2,842	21,055	-6.2
Rock	347	280	2,162	34.5	756	705	3,498	-1.2
Saline	1,801	1,619	12,264	12.2	4,640	3,767	27,923	-16.7
Sarpy	19,489	17,981	119,079	7.3	50,377	46,254	310,168	9.6
Saunders	3,079	2,829	20,847	8.5	7,182	6,072	43,621	11.8
Scotts Bluff	5,490	4,496	32,713	12.6	30,692	28,487	191,703	6.0
Seward	2,211	1,865	14,641	-2.7	6,724	5,888	43,172	2.6
Sheridan	813	823	5,835	14.7	3,421	2,854	19,030	-3.4
Sherman	311	446	2,847	4.9	698	550	3,856	-26.1
Sioux	254	258	1,927	10.1	195	127	864	6.4
Stanton	783	795	5,222	-4.3	893	742	5,248	-2.5
Thayer	634	671	6,112	17.0	2,964	1,943	16,632	-8.4
Thomas	149	100	1,036	21.3	310	262	1,772	-1.1
Thurston	591	382	3,350	4.1	965	914	6,055	1.7
Valley	597	476	4,387	21.2	2,725	2,071	15,469	4.7
Washington	3,349	2,760	21,232	-0.5	8,700	7,199	52,879	4.8
Wayne	1,254	1,247	7,959	10.5	3,910	3,685	25,814	-1.2
Webster	349	598	4,122	35.9	1,388	1,232	8,644	1.7
Wheeler	158	104	1,090	23.7	101	116	632	2.9
York	2,293	1,798	14,490	13.3	12,690	11,828	78,093	2.1

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

Source: Nebraska Department of Revenue

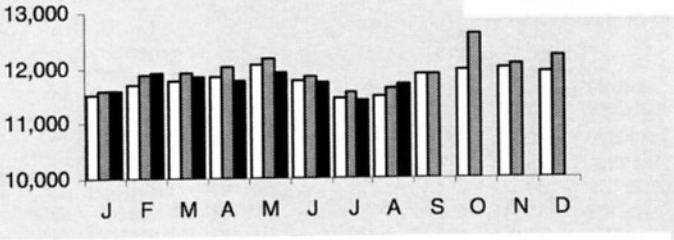
Note on Net Taxable Retail Sales

Users of this series should be aware that taxable retail sales are not generated exclusively by traditional outlets such as clothing, discount, and hardware stores. While businesses classified as retail trade firms account for, on average, slightly more than half of total taxable sales, sizable portions of taxable sales are generated by service establishments, electric and gas utilities, wholesalers, telephone and cable companies, and manufacturers.

Regional Nonfarm Wage and Salary Employment* 1998 to August** 2000

1998 1999 2000

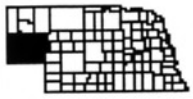
Northwest Panhandle

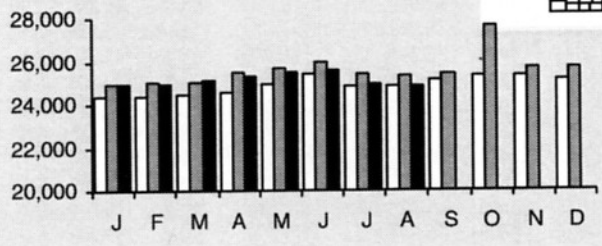


Note to Readers

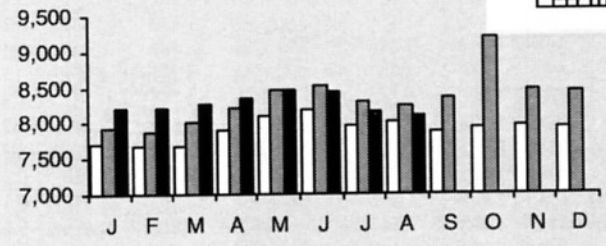
The charts on pages 8 and 9 report nonfarm employment by place of work for each region.

Southwest Panhandle

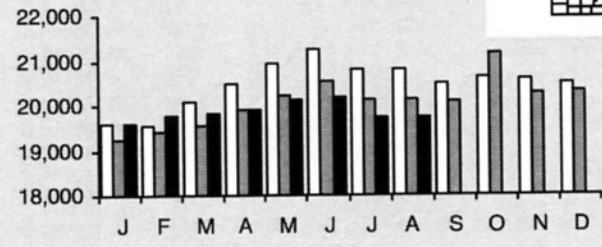




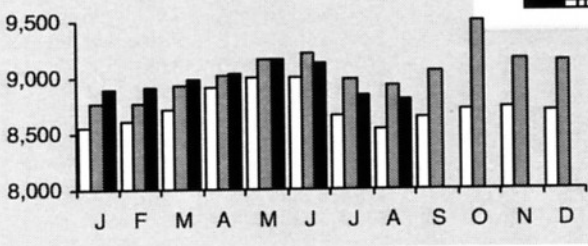
North Central



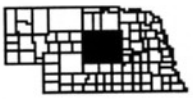
West Central

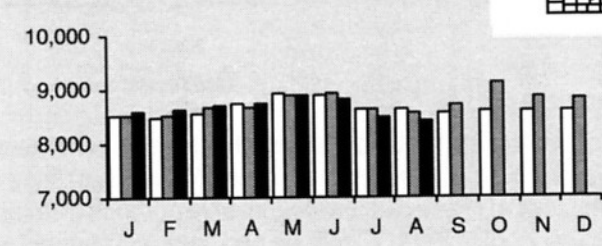


Southwest Central



East Central

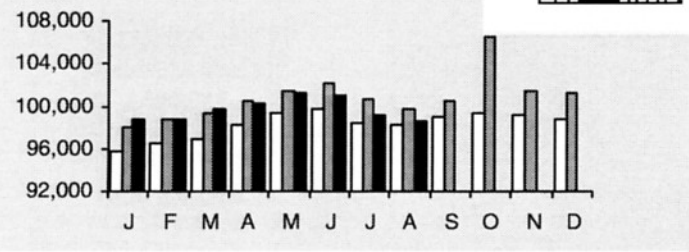




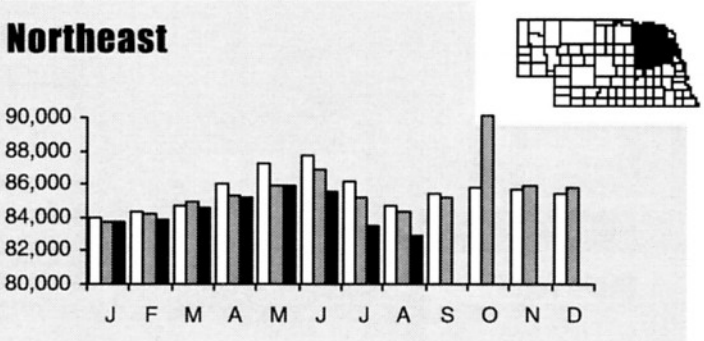
Regional Nonfarm Wage and Salary Employment* 1998 to August** 2000

1998 1999 2000

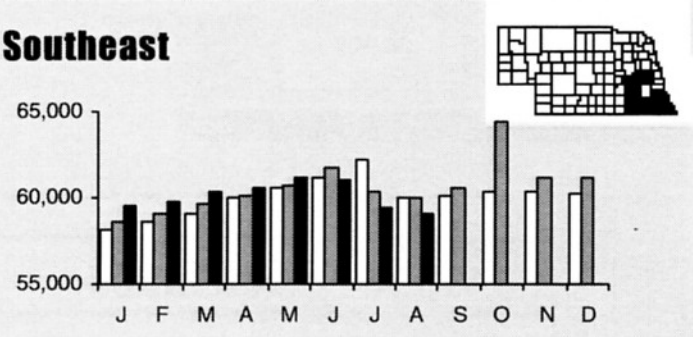
Southeast Central



Northeast

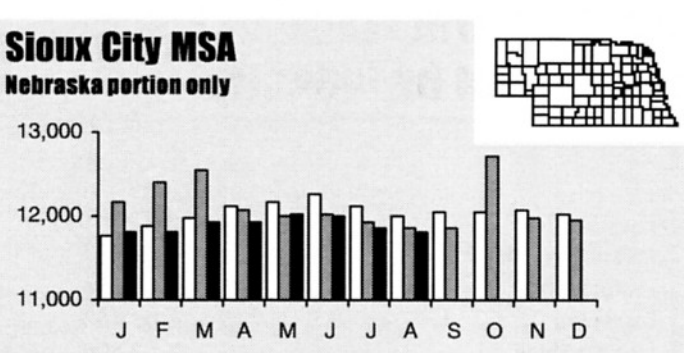


Southeast



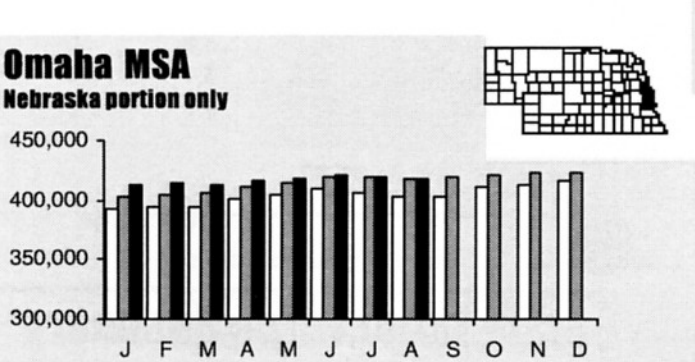
Sioux City MSA

Nebraska portion only

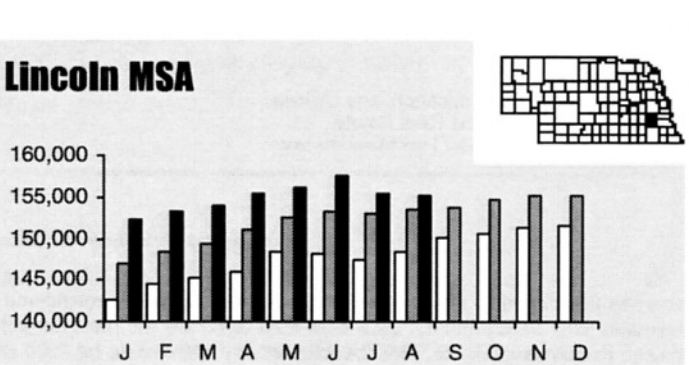


Omaha MSA

Nebraska portion only



Lincoln MSA



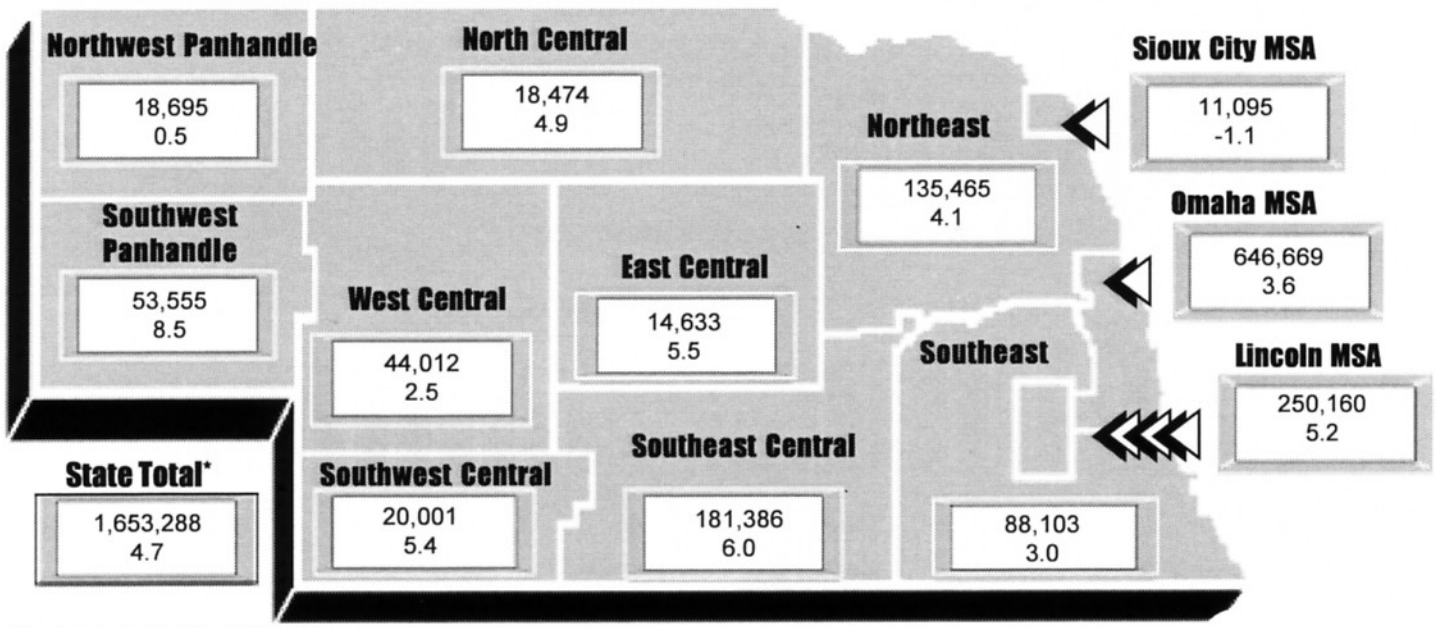
*By place of work

**Current month data are preliminary and subject to revision

Note: All 1999 and 2000 monthly employment data are considered estimates until benchmarked. Data shown for 1999 and 2000 are the most current revised estimates available. Final benchmarked monthly data for 1999 are expected to be released by the Nebraska Department of Labor in mid-2000.

Source: Nebraska Department of Labor, Labor Market Information - Kathy Copas and Tammy Johnson

July 2000 Regional Retail Sales ($000)
YTD Change vs Yr. Ago



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

Source: Nebraska Department of Revenue

State Nonfarm Wage & Salary Employment by Industry*

	August 2000
Total	887,537
Construction & Mining	47,320
Manufacturing	116,988
Durables	56,182
Nondurables	60,806
TCU**	57,618
Trade	212,062
Retail	157,416
Wholesale	54,646
FIRE***	61,507
Services	243,584
Government	148,458

*By place of work
**Transportation, Communication, and Utilities
***Finance, Insurance, and Real Estate

Source: Nebraska Department of Labor, Labor Market Information

Consumer Price Index

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

	September 2000	*% Change vs Yr. Ago*	*YTD % Change vs Yr. Ago (inflation rate)*
All Items	173.7	3.5	2.6
Commodities	150.3	3.1	2.8
Services	197.2	3.7	2.5

*U = All urban consumers

Source: U.S. Bureau of Labor Statistics

State Labor Force Summary*

	August 2000
Labor Force	945,799
Employment	921,578
Unemployment Rate	2.6

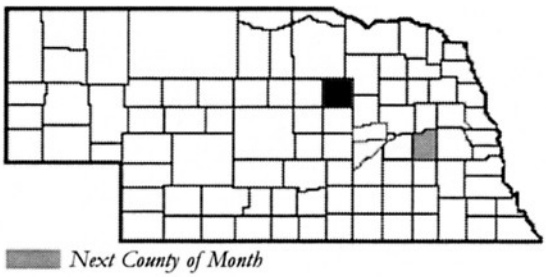
*By place of residence

Source: Nebraska Department of Labor, Labor Market Information

Note: All 2000 monthly employment and labor force data are considered estimates until benchmarked. Data shown for 2000 are the most current revised estimates available. Final benchmarked monthly data for 2000 are expected to be released by the Nebraska Department of Labor in mid-2001.

County of the Month

Wheeler
Bartlett County Seat



License plate prefix number: 84
Size of county: 575 square miles, ranks 50th in the state
Population: 924 in 1999, a change of –2.5 percent from 1990
Per capita personal income: $22,571 in 1998, ranks 31st in the state
Net taxable retail sales ($000): $2,709 in 1999 change of -15.9 percent from 1998 $1,722 from January through July of 2000, a change of 15.5 percent from the same period the previous year.
Unemployment rate: 3.4 percent in Wheeler County, 2.9 percent in Nebraska in 1999

	State	Wheeler County
Nonfarm employment (1999)[1]: (wage & salary)	890,821	171
	(percent of total)	
Construction and Mining	5.0	1.2
Manufacturing	13.2	0.6
TCU	6.4	3.5
Wholesale Trade	6.2	13.5
Retail Trade	18.0	29.8
FIRE	6.8	4.7
Services	27.3	2.9
Government	17.1	44.4

Agriculture:

Number of farms: 186 in 1997; 200 in 1992; 213 in 1987
Average farm size: 1,574 acres in 1997; 1,320 acres in 1992
Market value of farm products sold: $12.7 million in 1997 ($681,953 average per farm); $12.3 million in 1992 ($614,037 average per farm)

[1]By place of work

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

bulletin board

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Change in Nebraska's Gross State Product (GSP) by Industry, 1977 to 1997

From 1977 to 1997 an increase in services and decrease in agriculture characterized GSP by industry in Nebraska. The services sector's share of GSP increased from 11 to 18 percent, while the agriculture sector's share dropped from 12 to 7 percent.

Gross State Product represents an individual state's contribution to the nation's Gross National Product (GNP). GSP is equivalent to gross output, minus intermediate inputs. **GSP is *not* equivalent to total business revenues. It is the value that a firm adds to a good or service that it produces, not what it earns on the sale of the good or service.** GSP primarily measures the value of production of goods and services for the marketplace by the private business sector in a state, but also includes non-marketed goods and services produced at all levels of government.

Distribution of Gross State Product by Industry 1977, 1987, and 1997 (current $)

	1977	1987	1997
Agriculture	12%	8%	7%
Construction & Mining	5%	4%	5%
Manufacturing	15%	14%	14%
TCU	11%	11%	11%
Trade	19%	16%	16%
FIRE	13%	15%	15%
Services	11%	14%	18%
Government	15%	17%	14%

Source: Bureau of Economic Analysis (BEA), U.S. Department of Commerce

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