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Nebraska Moves Back on Track

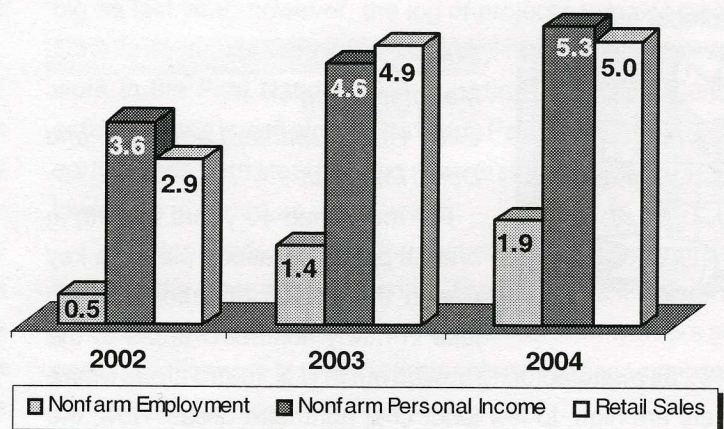
John Austin and the Nebraska Business Forecast Council

Nebraska did not fully partake in the 2001 national recession, but growth rates in retail sales, employment, and personal income were reduced. The reductions were due to a variety of causes that often were specific to a sector or group of sectors of economic activity. In some cases the growth in employment was restrained by labor availability. In other cases employment growth was restrained by the slow growth and recession in the national economy, especially its manufacturing sector. A falloff in tourism following the events of September 11 was partly to blame for the falloff in the growth rate in services. Growth in personal income was restrained by the reduced growth in wages and salaries and by the loss of income by the holders of wealth. Net taxable retail sales were restrained by the lower personal income growth, coupled with a diversion of spending on other retail sales to motor vehicles. Net farm income continues to crawl at depressed levels not seen in 15 years. Only the willingness of the federal government to continue to support the industry with a system of farm payments keeps the current near disaster in Nebraska's farm sector from becoming a complete disaster.

The national economy continued stumbling in 2002. After a huge first quarter, the nation's inflation-adjusted growth rate slowed markedly. Concerns are mounting that

the manufacturing sector has failed to mount a vigorous rebound from the 2001 downturn. Consumer confidence has flagged just before the vital Christmas shopping season. Some suggest a second dip is likely, especially in manufacturing. In the face of current information on progress in 2002, it appears that the year will be one of modest recovery at the national level.

Figure 1
Key Economic Growth Rates



In general, the council sees only moderate growth for most Nebraska businesses in 2002, somewhat larger increases in 2003, and a return to near normal growth in 2004. Construction growth will be relatively strong in 2002, while services and transportation, communications, and utilities (TCU) growth will regain momentum in 2003 and 2004. Overall, manufacturing, retail and wholesale trade, and government will remain weak throughout the forecast period. Nonfarm incomes will strengthen as wages and salaries get back on track and interest and dividend incomes increase. There is little to no optimism for the near future of net farm income. Currently, the impact of the drought has left net farm income hovering at the 1984 dollar income levels before adjustment for price level advances. Once price adjustments are made, net farm income levels will be well below those of a generation ago.

Despite the somewhat negative atmosphere engendered by current data, the council remains optimistic about the future of the Nebraska economy. By the end of the forecast period, nonfarm employment will crawl out of its current doldrums and approach 2 percent growth (Figure 1, page 1). At that time, nonfarm personal income will advance at a rate in excess of 5 percent. Aided, in part, by the recent expansion in the list of items that are covered by the state's sales taxes, net taxable retail sales will grow at nearly 5 percent per year in 2003 and 2004.

A set of reports from BBR's new monthly Nebraska Business Conditions Survey (NBCS) reinforces the council's optimism. The most recent two months' reports are on the website: www.bbr.unl.edu. In the survey period from July to September, just over 40 percent of respondents reported that they expect general business conditions to improve in the next six months. There was a small decrease in the outlook in the October survey.



Employment Manufacturing

*Ernie Goss, Charles Lamphear, and
Donis Petersan*

For more than 40 years, growth in branch plant operations played a key role in the growth of manufacturing jobs in many nonmetro areas of the

U.S., as manufacturing moved out of U.S. metro areas where costs are high, to low labor cost nonmetro areas. Now, the movement is to Third World countries, where labor costs only

a small fraction of that in U.S. nonmetro areas. Operations that are being relocated to developing countries share common characteristics. They produce standardized products in large quantities, depend on routine operations, employ low-skilled workers, and enjoy relatively low transportation costs in shipping finished products to markets.

The latest forecast departs from the council's previous offering because the preliminary 2002 data suggest there will be a continued decline in manufacturing employment throughout the year, especially in durables. Total employment growth in the state's manufacturing sector was negative in 2001 and 2002, declining from 117,288 jobs in 2001 to an estimated 114,402 jobs in 2003. Growth in total manufacturing employment will be barely positive in 2004. Approximately 85 percent of the total decline of 2,866 jobs will occur in durables manufacturing. Durables manufacturing represents products that last at least three years. Most of the job decline in durables manufacturing will occur in branch plant operations that produce automotive parts and accessories, electronic components, and electrical equipment. These operations will continue to move to lower cost labor areas in developing countries, such as Mexico.

The outlook is for a decrease of 4.2 percent in 2002 durables manufacturing employment. It will decline 0.6 percent in 2003 and will show barely positive growth in 2004 (Table 1).

There will be some relocation of nondurables production operations to developing countries, especially branch plant operations engaged in the production of textiles and apparels, and rubber and plastic products. However, the relocation of these operations will not have as great an impact on total employment in nondurables manufacturing, since nearly two-thirds of nondurables manufacturing represents food and kindred products. Some employment growth is expected in food and kindred products to meet the likely growth in livestock operations and further expected developments in value-added food processing.

Employment in nondurables manufacturing has held up during the economic downturn, reflecting the significant percent of employment related to food processing. The 2002 employment forecast for nondurables manufacturing is for a -0.5 percent decrease, and barely positive growth during 2003 and 2004. These are very low growth rates, compared to the historic 1990s growth rate of 2.2 percent.

Table 1
Number of Nonfarm Jobs and Percent Changes by Industry
Annual Averages (whole numbers)

	Manufacturing					Retail Trade	Wholesale Trade	FIRE ²	Services	Federal Gov't ³	State & Local Gov't
	Total	Durables	Non-durables	Construction & Mining	TCU ¹						
1999	907,680	57,216	61,014	44,387	57,904	161,051	55,132	60,769	243,778	30,859	135,570
2000	923,757	58,572	61,216	45,289	58,187	162,342	54,089	61,296	253,466	31,435	137,865
2001	924,378	55,242	62,046	44,014	57,812	160,405	52,458	62,189	259,147	31,031	140,034
2002	929,125	52,922	61,736	45,290	58,101	160,245	51,829	62,811	262,516	31,962	141,714
2003	942,283	52,604	61,798	46,468	59,554	161,046	51,621	63,753	269,866	32,441	143,132
2004	959,850	52,736	61,952	47,676	61,340	163,462	51,983	64,709	278,502	32,928	144,563
Annual Percent Changes											
1999	1.7	-0.5	-0.5	5.1	3.6	2.3	0.8	4.8	2.3	-3.7	0.5
2000	1.8	2.4	0.3	2.0	0.5	0.8	-1.9	0.9	4.0	1.9	1.7
2001	0.1	-5.7	1.4	-2.8	-0.6	-1.2	-3.0	1.5	2.2	-1.3	1.6
2002	0.5	-4.2	-0.5	2.9	0.5	-0.1	-1.2	1.0	1.3	3.0	1.2
2003	1.4	-0.6	0.1	2.6	2.5	0.5	-0.4	1.5	2.8	1.5	1.0
2004	1.9	0.2	0.2	2.6	3.0	1.5	0.7	1.5	3.2	1.5	1.0
Average Annual Growth Rates											
1990 to 1992	1.2	-1.7	4.5	2.0	1.0	1.2	-1.0	1.0	2.1	-4.3	2.1
1992 to 1995	2.6	4.8	2.7	6.6	1.7	3.3	0.3	2.1	4.4	-3.8	0.9
1995 to 2000	2.1	1.6	1.0	4.7	3.2	1.4	0.5	3.1	3.7	-1.2	0.5
1990 to 2000	2.1	1.9	2.2	4.7	2.3	1.9	0.1	2.4	3.6	-2.6	1.0

¹Transportation, Communication, & Utilities

²Finance, Insurance, & Real Estate

³Includes military

Construction and Mining

John Austin

Reports and speculation on the future of construction in Nebraska are mixed. The forecast reflects some degree of optimism. Anecdotal evidence contradicts the reported fall in employment activity in 2001. There was no let up in highway construction. Residential construction was vigorous last year. Omaha's major projects, alone, would have kept the state from a downturn in commercial and industrial building.

Statewide residential construction currently is stable. Entry-level homes are in demand. Step-up home building is slower but good. High-end home construction is down, partly due to stock market woes.

Existing home sales in Omaha showed a year-to-date decrease in value through August emphasizing the growth in entry-level homes. New construction of multifamily homes showed a rapid advance in the number of units and a much slower advance in valuation, implying a decrease in the

average value of multifamily residential buildings. To some extent, that result may be a reflection of the volatility in the data. In contrast, single-family building has increased 12 percent in units through August 2002, with a 29 percent advance in valuation. Thus, new single-family homes in Omaha are of higher value per unit than last year.

This year's new large building projects may not be as big as last year; however, the log of projects remains good. Omaha continues to develop a new skyline. There is still finish work in the First National Bank building. The Civic Center exterior frame is well along. The Union Pacific building is in the early stages, with steel framing several stories above ground. Lincoln is reported as doing well.

Nonresidential building contractors across nonmetro areas of the state are prospering. The main problem for this group of builders statewide is the workforce. New workers are needed nationwide to offset retirements and to accommodate construction activity.

State highway construction had the potential for cut back when the state budget was reduced. However, those cuts have had minimal impact. For the most part, the cuts were handled internally with little impact on the state's road building. A principal part of the budget cut does not allow the temporary half-cent increase in motor vehicle retail sales tax to accrue to the roads budget. Nevertheless, the department has gained from the large volume of motor vehicle sales in the fiscal year ending in June.

The council remains optimistic on construction employment in 2002 and the balance of the forecast period, but expects some slowdown in residential construction as the impact of low long-term interest rates will have dissipated somewhat. There may be some pent-up demand for high-end homes that would blossom with a stock market reversal. There is no end in sight for Omaha's boom in large building construction on the forecast horizon. It will buoy total large building construction activity over the period. State highway construction is primarily funded by gasoline taxes and will hold up, despite any state budget cutbacks. Only local road projects may be in question.

The key determinant is whether there will be a sufficient workforce to satisfy demands. If construction employment remains tight, the forecast may be optimistic. However, anecdotal evidence suggests that construction workers will move long distances for good jobs even on a relatively short-term basis. Total employment in construction and mining will increase 2.9 percent in 2002, and 2.6 percent in both 2003 and 2004.

Transportation, Communications, and Utilities (TCU)

Gene Koepke

Truck traffic through early Fall 2002 is holding up well, but may be softening. Some trucking companies are not hiring to fill new positions, but only to replace those who have left.

Fuel prices, a large component of trucking costs, rose for several weeks in the Fall. In addition, rising insurance costs for both health and liability have hurt the bottom line for truckers. These increased costs are being partially passed on to customers; however, some customers are resisting the price increases.

Total TCU employment will improve as the national economy recovers from its manufacturing recession. There will be a small advance in 2002, followed by advances of 2.5 and 3 percent in 2003 and 2004, respectively.

Retail Trade

Franz Schwarz

Retail trade employment decreased 1.2 percent in 2001 from 2000. Preliminary January-August 2002 data show a slight drop of 0.2 percent from the same period in the previous year. The retail trade sector is the second largest employer, with about 17 to 18 percent of all nonfarm employees. Retail trade employment is sensitive to total net taxable retail sales and the availability of workers.

Employment in 2002 is expected to remain at 2001 levels. Employment growth is expected to remain below the long-term growth rate, growing 0.5 percent and 1.5 percent in 2003 and 2004, respectively.

Wholesale Trade

Bryan Skalberg

As in the manufacturing industry, wholesale trade has seen significant decreases in employment levels over the last few years. Average annual employment in wholesale trade was 3 percent less in 2001 than in 2000. The decrease followed a 1.9 percent decrease from 1999 to 2000. The downward trend in employment in wholesale trade has continued in 2002.

The most dramatic employment decrease occurred in the durables component of wholesale trade. Durables wholesale trade employment fell 4.8 percent year to date from January-August 2002, after a peak in 2001. This coincided with an 11.4 percent drop in durables manufacturing over the same period. Since durables manufacturing employment can be affected by economic cycles, the lack of a *bona fide* economic recovery will mean a continued decrease in durables wholesale trade employment into 2003. Expect 2002 average annual employment in durables wholesale trade to be 1.8 percent lower than 2001. Average annual employment will fall an additional 0.4 percent in 2003. With the hope of an economic resurgence in 2003, average annual employment should show a gain of approximately 1.2 percent in 2004.

Wholesale trade employment cuts have not been isolated to durables industries. Average annual employment in nondurables wholesale trade has dropped each year since 1997. Although this drop has been mostly due to industry consolidation and increases in efficiency, rather than cyclical factors, the employment decreases are likely to continue. Employment in 2002 will be 0.6 percent less than 2001. Although employment may continue to fall in 2003, the rate

of decline will slow. Expect 2003 employment levels in nondurables wholesale trade to be 0.3 percent lower than in 2002. The extended decline in employment will cease in 2004 with a 0.2 percent increase over 2003 levels.

Combining durables and nondurables wholesale trade employment, an aggregate 1.2 percent decrease in total wholesale trade employment in 2002 is expected. The decline will continue more slowly in 2003. Average annual wholesale trade employment will decrease 0.4 percent in 2003. A full-scale national economic recovery sometime in 2003 would result in a rebound in wholesale trade employment late in the year and into 2004, resulting in growth of 0.7 percent in 2004.

Finance, Insurance, and Real Estate (FIRE)

Keith Turner

The FIRE sector has slowly increased its share of total employment from 6.5 percent in 1995 to 6.9 percent in 2001. Employment changes in the FIRE sector are primarily in insurance and banking. The former varies as Nebraska's insurance carriers win or lose contracts for medical claims coverage processing. Over the long term, banking employment growth rates have been reduced as the industry continues to consolidate and lose shares of the financial business to nonbank financial firms.

The midyear annual average growth from 2000 to 2001 was 1.5 percent. The outlook for the rest of 2002 suggests an annual rate increase of 1 percent from 2001. Employment will increase 1.5 percent in both 2003 and 2004.

Services

Tom Doering

The number of jobs in Nebraska's services sector continued to grow in 2002 while they declined in the majority of other major employment sectors in the state. But, the growth rate in services was lower than in previous years because of the general economic slowdown. It is projected that Nebraska's annual average employment in the services sector in 2002 will increase 1.3 percent. This will be the first year since 1991 when the sector will have an employment gain of less than 2 percent. But, in subsequent years, gains over 2 percent are expected to resume, with annual increases of 2.8 percent in 2003 and 3.2 percent in 2004. However, the 2003 and 2004 growth rates in services are below the historic growth rates of the 1990s.

Employment in hotels and other lodging in Nebraska is projected to grow 1.9 percent in 2002. Through August, year-

to-date taxable lodging sales in the state also were 1.9 percent above 2001. Most counties in the western half of Nebraska have seen significant gains in lodging sales as a result of more leisure highway travel. But, in Omaha where the strongest dependence on business and air travel exists, total lodging sales were down in 2002.

Business services is the part of the services sector that is most vulnerable to general economic recessions. Consequently, during Nebraska's current growth slowdown, employment in business services is projected to fall 3 percent in 2002, following a decrease of 1.3 percent in 2001. Over half of business services employment in the state is in two industries—computer and data processing services, and personnel supply services.

The health services industry is the largest component of the state's services sector and appears to be the most recession resistant. As Nebraska's population grows and ages, hospitals and other health care services will steadily and sizably expand. In 2002 employment in health services is projected to grow 3.2 percent, matching the 2001 increase.

Government

John Austin

The government sector has four components, federal civilian, federal military, state, and local. All are following different long-term trends.

Federal civilian employment in Nebraska has followed a long-term downward trend during the 1990s of about 4 percent per year. In 2000 there was a temporary rise associated with the employment of census workers. The downward trend resumed in 2001 and will continue.

Nebraska's military employment was consistently down throughout the 1990s. In 2001 there was a small resurgence as employment in Sarpy county increased as part of the consolidation of the Strategic Command at Offut Air Force Base. With the potential for renewed emphasis on military action in the Middle East and the continuing antiterrorism efforts, it is likely that military employment, coupled with increased airport security, will more than offset the downward trend in civilian government employment over the forecast period.

State government employment continues to increase despite a hiring freeze. Increased employment in health and human services due to federal mandates will result in a gradual increase in state employment. Increased employment throughout the state's prison system will boost the 2002 state employment in the near term.

Local government employment continues to rise, despite restrictions placed on local government under state law. A continuing need for teachers will drive the increase as the public schools expand their offerings in accordance with federal mandates.

Federal government employment, including military employment will increase 3 percent in 2002 and at half that rate in both 2003 and 2004. Nebraska's state and local governments will increase about 1 percent per year throughout the forecast period.



Nonfarm Personal Income

John Austin

Nonfarm personal income maintained a pace of about 6 percent per year average growth throughout the 1990s. While the national recession did not drag the Nebraska economy into a recession, the reduction in income growth rates is evident. After an exuberant year of 6.6 percent growth in 2000,

Nebraska's total nonfarm personal income gains slowed to 3.7 percent in 2001 (Table 2). The forecast for 2002 indicates that the growth rate will remain near the 2001 level. Growth gradually will increase over the remainder of the forecast period. Growth in 2004 total nonfarm personal income is projected to be 5.3 percent, a full half percent under the average growth rate of the 1990s.

The falloff in growth rates in total nonfarm personal income is traceable to parallel movements in key components. Nonfarm wages and salaries growth bottomed out in 2001 with a 2.5 percent advance, due to a near zero growth rate in overall nonfarm employment, coupled with a 2.4 percent slowdown in average wages and salaries growth. Nonfarm wages and salaries growth will rebound over the forecast period. By 2004 nonfarm wages and salaries will advance 5.4 percent, remaining a half percent below its average growth rate in the 1990s.

Dividends, interest, and rent (DIR) and nonfarm proprietors' income growth declined, as well. The DIR compo-

Table 2
Nonfarm Personal Income and Selected Components and Net Farm Income (USDA)

(\$ millions)

	Nonfarm Personal Income	DIR ¹	Transfer Payments	Nonfarm Wages & Salaries	Other Labor Income	Nonfarm Proprietors' Income	Net Farm Income USDA Basis
1999	43,675	9,304	5,691	24,836	2,881	3,612	1,688
2000	46,578	10,287	5,889	26,281	3,055	3,836	1,357
2001	48,325	10,692	6,423	26,941	3,219	3,912	1,610
2002	50,057	10,799	6,937	27,888	3,348	4,088	1,475
2003	52,368	11,123	7,388	29,191	3,499	4,333	1,500
2004	55,148	11,624	7,794	30,756	3,674	4,636	1,700

Annual Percent Changes

1999	4.6	0.7	4.1	6.0	3.5	8.2	-5.4
2000	6.6	10.6	3.5	5.8	6.0	6.2	-19.6
2001	3.7	3.9	9.1	2.5	5.4	2.0	18.6
2002	3.6	1.0	8.0	3.5	4.0	4.5	-8.4
2003	4.6	3.0	6.5	4.7	4.5	6.0	1.7
2004	5.3	4.5	5.5	5.4	5.0	7.0	13.3

Average Annual Growth Rates

1990 to 1992	5.6	3.4	8.7	5.5	9.1	3.9	0.1
1992 to 1995	5.9	5.4	5.9	5.6	3.6	11.3	-13.1
1995 to 2000	5.9	6.3	4.7	6.3	2.3	6.4	-3.8
1990 to 2000	5.8	5.5	5.8	5.9	4.0	7.3	-5.9

¹Dividends, Interest, & Rent

Note: The nonfarm personal income and net farm income columns are from different sources and do not add to total personal income. Data shown exclude adjustments for place of residence and personal contributions for social insurance.

ment has been variable. The decline in the stock market has reduced dividends received. In addition Nebraska's interest income has fallen along with national interest rates. DIR growth will fall to a mere 1 percent in 2002 before increasing in both 2003 and 2004. By 2004 the DIR growth rate will remain a full percent under the average growth rate of the 1990s. The nonfarm proprietors' income growth rate took a hit from the national recession. Its growth rate bottomed out in 2001, but will increase over the forecast period until it nearly regains the 1990s level in 2004.

Counter to the falloffs in other components of non-farm income, transfer payments growth increased 9 percent in 2001. Since transfer payments include unemployment compensation, welfare payment transfers tend to increase when economic growth slackens. Growth in transfer payments also was high in 1991 and 1992, the previous period of national recession and the first year of recovery from that recession. The council projects that transfer payment growth rates will taper off to 5.5 percent by 2004, consistent with growth rates in the years following the previous national recession.



Net Farm Income

Bruce Johnson

Several factors have contributed to a downturn in 2002 net farm income in Nebraska. Pervasive and severe drought conditions across the state seriously cut dryland crop yields, raised production costs significantly, and reduced yields of irrigated crops. Production shortfalls of 20 percent or more in the state's major crops are expected in 2002.

Forage losses also have been wide spread with production levels less than 50 percent throughout much of the state. Cattlemen have not been covered by insurance, although federal emergency livestock relief programs enacted in August 2002 will provide some assistance. Livestock liquidation is occurring in some areas and likely will continue until there is sufficient recovery of grazing land. The recovery may take two to three years after the end of the drought. Compounding the drought problem, the livestock sector has experienced declining receipts while feed costs have been pushed upward by low supplies.

The impact of the drought on Nebraska's net farm income is not uniform. For example, October 2002 corn prices were more than 30 percent higher than year-ago levels. The safety net effect of the new federal commodity program that is retroactive to 2002 offers improved crop payments \$10 to \$20 per acre over the previous program. Cash grain producers who had near normal yields will see incomes that will be much improved in 2002. However, higher prices are of little conciliation for those whose operations were a total loss. Crop insurance payments for some losses may allow them to try again next year, at best. Because of rising commodity prices, this year's direct government payments to the state will be down \$300 million from 2001.

Similarly, cattle producers who had relatively good forage production in 2002 will find the emergency payments under the recently-enacted federal Livestock Feed Program and Livestock Compensation Program to be a financial windfall. But for those with forage losses in 2002, these payments may only partially offset losses.

In 2002 net farm income is expected to total \$1.5 billion, 8 percent below the 2001 revised level of \$1.6 billion (Table 2). In historical context the 2002 net farm income level is 27 percent below the annual average of the past 10 years. And, with the exception of 2000, 1984 was the last year that annual net farm income was lower than that expected in 2002.

Unless the drought ends, troubles for the most seriously impacted livestock grazing areas and dryland crop areas could be compounded in 2003. A turnaround in aggregate farm income for Nebraska in 2003 is unlikely. Until the state recovers from the multi-year drought, any improvement in net farm income will be marginal, at best. Net farm income is likely to remain at about \$1.5 billion in 2003—\$500 million, or 25 percent below the average for the past 10 years.

Assuming an end to the drought and some U.S. and global economic recovery, there could be improvement in major crop and livestock exports by the end of 2004. Expanding ethanol production and other value-added agriculture-based products will become increasingly important, but the impact will remain modest. Net farm income will rise to \$1.7 billion in 2004.



Net Taxable Retail Sales

Franz Schwarz

So far during 2002 net taxable retail sales follow the same pattern as in 2001. Other net taxable retail sales have grown 1.6 percent and motor vehicle net taxable retail sales have increased an impressive 8.9 percent. April-July 2002 other net taxable retail sales showed considerable improvement and advanced at a 3.4 percent average rate per month. In contrast, motor vehicle net taxable retail sales declined from the double-digit growth rates of January and February after the buyers' incentives expired.

Several danger signs of a slowdown in expected growth rates are on the horizon. The University of Michigan's index of consumer sentiment declined in October, durables orders are expected to decline, and the housing market may have peaked.

Nebraska other net taxable retail sales will grow at base-adjusted rates of 2 percent in 2002, 3.5 percent in 2003, and 4.9 percent in 2004. The Unicameral expanded the other net-taxable retail sales tax base to include some selected services in October 2002. This expansion will add about 1.9 percent on an annualized basis to the other net taxable retail sales base. These changes alter the annualized growth rates

to 2.3 percent in 2002 and 5.4 percent in 2003 (Table 3). Since the tax base will not expand in 2004, growth will be less than 5 percent.

Motor vehicle net taxable retail sales dropped drastically once buyers' incentives expired at the end of February 2002. Despite the end of the incentives, motor vehicle net taxable retail sales continued at a pace of 2.7 percent a month from March through July. Motor vehicle net taxable retail sales will advance 3.8 percent from August through December, resulting in 6.6 percent growth for the year. Motor vehicle net taxable retail sales will increase about 2.4 and 5.6 percent in 2003 and 2004, respectively.

Total Nebraska net taxable retail sales growth will be 2.9 percent in 2002, 4.9 percent in 2003, and 5 percent in 2004. There are several reasons for the lower estimated growth rates, compared to growth rates of the 1990s. Nebraska's population growth was lower in 2000. E-commerce activities are becoming more prevalent for certain taxable commodities, but the sales and use taxes owed on these sales are not being remitted by consumers. A shift in consumption patterns away from taxable goods to less broadly taxed services is on the increase. And, continued legislative exemptions of certain goods or groups of goods from taxation contribute to narrowing of the tax base.

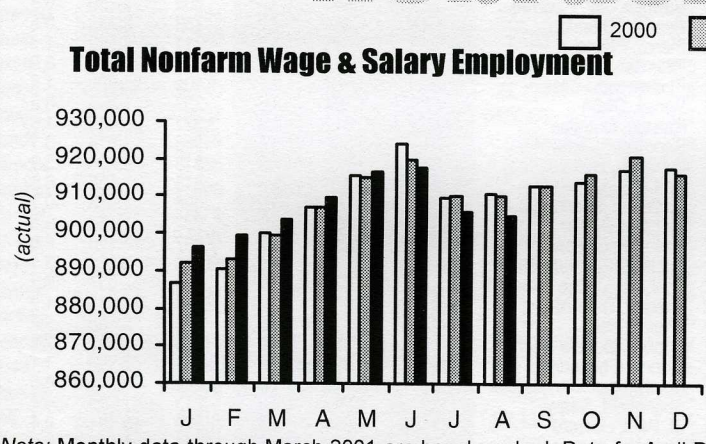
Table 3
Net Taxable Retail Sales, Annual Totals
(\$ millions)

	<i>Total Sales</i>	<i>Motor Vehicle Retail Sales</i>	<i>Other Retail Sales</i>
1999	19,806	2,520	17,286
2000	20,443	2,605	17,838
2001	21,057	2,897	18,160
2002	21,672	3,087	18,585
2003	22,742	3,161	19,581
2004	23,887	3,338	20,548
Annual Percent Changes			
1999	4.2	4.3	4.2
2000	3.2	3.4	3.2
2001	3.0	11.2	1.8
2002	2.9	6.6	2.3
2003	4.9	2.4	5.4
2004	5.0	5.6	4.9
Average Annual Growth Rates			
1990 to 1992	3.6	-0.5	4.1
1992 to 1995	5.8	8.2	5.5
1995 to 2000	5.2	6.7	5.0
1990 to 2000	5.4	6.8	5.2

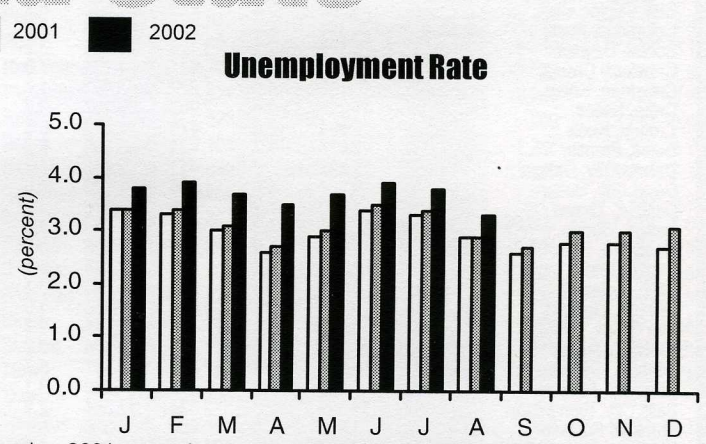
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Nebraska Stats

Total Nonfarm Wage & Salary Employment

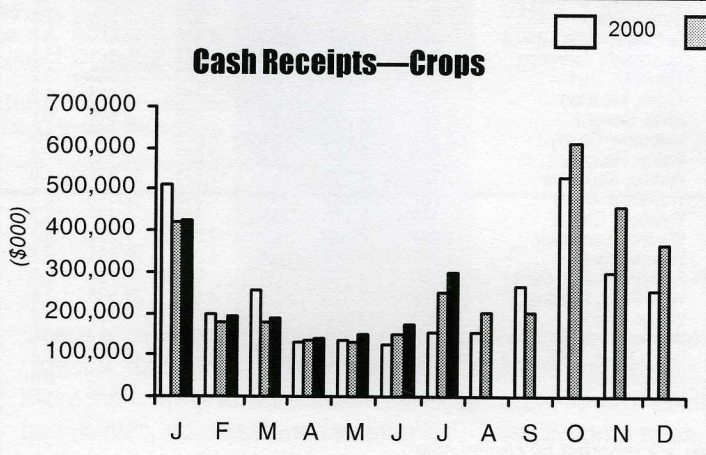


Unemployment Rate

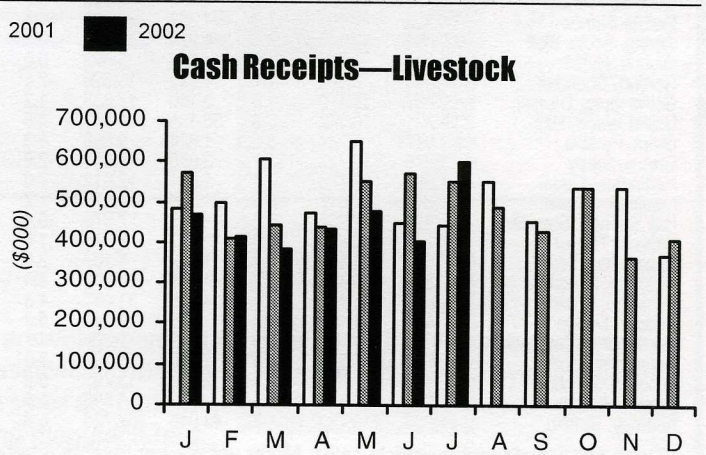


Note: Monthly data through March 2001 are benchmarked. Data for April-December 2001 are estimates until benchmarked in early 2003. All estimates are the most current revised data available.

Cash Receipts—Crops



Cash Receipts—Livestock



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

	June 2002 (\$000)	YTD (\$000)	YTD % Chg. vs Yr. Ago	July 2002 (\$000)	YTD (\$000)	YTD % Chg. vs Yr. Ago		June 2002 (\$000)	YTD (\$000)	YTD % Chg. vs Yr. Ago	July 2002 (\$000)	YTD (\$000)	YTD % Chg. vs Yr. Ago
Ainsworth, Brown	1,812	9,469	-0.8	1,801	11,270	-0.3	Kenesaw, Adams	150	2,074	3.4	250	2,324	4.4
Albion, Boone	1,900	9,440	-1.8	1,716	11,156	-1.7	Kimball, Kimball	1,861	10,616	-3.2	1,900	12,516	-4.4
Alliance, Box Butte	5,964	33,596	-0.2	6,332	39,928	0.5	La Vista, Sarpy	11,745	66,133	7.7	10,924	77,057	8.6
Alma, Harlan	810	3,889	6.1	623	4,512	4.9	Laurel, Cedar	427	2,230	-0.1	311	2,541	0.1
Arapahoe, Furnas	728	4,472	-9.4	754	5,226	-10.2	Lexington, Dawson	8,349	47,033	3.4	8,600	55,633	2.9
Arlington, Washington	300	1,323	-12.3	243	1,566	-8.7	Lincoln, Lancaster	243,306	1,321,143	3.5	237,162	1,558,305	4.4
Arnold, Custer	389	1,581	6.1	268	1,849	5.4	Louisville, Cass	649	2,683	-7.6	490	3,173	-6.2
Ashland, Saunders	1,864	7,999	0.1	1,805	9,804	2.3	Loup City, Sherman	599	2,962	2.2	441	3,403	1.0
Atkinson, Holt	1,298	6,456	0.6	1,208	7,664	4.0	Lyons, Burt	560	2,554	2.6	488	3,042	3.1
Auburn, Nemaha	2,765	14,437	0.0	2,409	16,846	1.0	Madison, Madison	993	4,998	2.4	852	5,850	2.6
Aurora, Hamilton	2,464	13,440	-9.1	2,324	15,764	-7.7	McCook, Red Willow	10,879	58,119	1.5	10,719	68,838	1.8
Axtell, Kearney	105	460	-2.3	101	561	2.0	Milford, Seward	861	5,759	-3.2	1,092	6,851	-2.1
Bassett, Rock	768	2,938	3.9	700	3,638	3.7	Minatare, Scotts Bluff	188	917	1.4	146	1,063	0.3
Battle Creek, Madison	777	4,288	-8.2	1,006	5,294	-3.0	Minden, Kearney	2,396	11,617	5.5	2,229	13,846	5.5
Bayard, Morrill	521	2,958	5.8	450	3,408	6.6	Mitchell, Scotts Bluff	660	3,723	16.1	551	4,274	14.3
Beatrice, Gage	13,000	73,387	1.3	12,246	85,633	0.9	Morrill, Scotts Bluff	551	3,278	4.5	506	3,784	2.6
Beaver City, Furnas	121	699	-4.3	177	876	2.7	Nebraska City, Otoe	6,821	34,991	-4.3	6,321	41,312	-2.8
Bellevue, Sarpy	28,785	153,457	8.3	26,424	179,881	6.9	Neigh, Antelope	1,775	8,672	1.8	1,566	10,238	3.3
Benkelman, Dundy	724	3,751	-0.6	559	4,310	-3.6	Newman Grove, Madison	343	1,755	-5.9	252	2,007	-7.3
Bennington, Douglas	850	3,554	-5.7	731	4,285	-4.7	Norfolk, Madison	34,042	189,443	2.9	33,010	222,453	2.7
Blair, Washington	7,990	45,865	-0.7	7,481	53,346	-0.2	North Bend, Dodge	625	3,276	0.2	565	3,841	1.2
Bloomfield, Knox	556	3,122	-10.4	608	3,730	-8.4	North Platte, Lincoln	29,006	149,123	3.3	28,230	177,353	3.9
Blue Hill, Webster	523	2,775	9.7	425	3,200	7.7	ONEll, Holt	5,219	26,353	0.1	5,058	31,411	0.7
Bridgeport, Morrill	1,204	6,696	-1.1	1,253	7,949	-0.1	Oakland, Burt	634	3,416	-6.8	542	3,958	-6.6
Broken Bow, Custer	4,066	22,585	0.9	3,951	26,536	1.2	Ogallala, Keith	6,974	34,240	4.8	7,211	41,451	1.1
Burwell, Garfield	1,128	5,248	0.9	1,172	6,420	-0.9	Omaha, Douglas	539,880	2,988,945	0.4	529,073	3,518,018	0.8
Cairo, Hall	313	1,941	5.7	397	2,338	6.2	Ord, Valley	2,821	13,263	4.3	2,281	15,544	5.1
Central City, Merrick	2,056	10,873	-2.7	1,742	12,615	-2.4	Osceola, Polk	545	2,931	-3.2	460	3,391	-1.7
Ceresco, Saunders	1,285	7,142	4.3	1,116	8,258	1.9	Oshkosh, Garden	491	2,847	2.5	455	3,302	2.7
Chadron, Dawes	6,166	32,464	-20.8	6,101	38,565	-17.4	Osmond, Pierce	567	2,376	6.3	580	2,956	11.3
Chappell, Deuel	485	2,956	2.8	513	3,469	3.4	Oxford, Furnas	392	3,191	13.7	441	3,632	14.6
Clarkson, Colfax	453	2,275	-7.3	427	2,702	-3.9	Papillion, Sarpy	8,779	45,069	-1.0	8,143	53,212	0.9
Clay Center, Clay	184	1,380	0.8	222	1,602	0.1	Pawnee City, Pawnee	323	1,844	-2.5	306	2,150	-0.5
Columbus, Platte	23,497	124,374	2.6	21,959	146,333	2.2	Pender, Thurston	944	4,582	-1.2	753	5,335	0.5
Cozad, Dawson	3,182	18,196	2.7	3,120	21,316	3.2	Pierce, Pierce	886	4,095	-3.3	711	4,806	-1.4
Crawford, Dawes	908	3,553	9.3	871	4,424	7.9	Plainview, Pierce	886	4,351	6.1	620	4,971	6.0
Creighton, Knox	1,123	6,269	-4.0	1,222	7,491	-1.7	Plattsmouth, Cass	4,097	20,604	0.1	4,205	24,809	1.8
Crete, Saline	3,291	17,294	-0.7	2,903	20,197	-0.6	Ponca, Dixon	362	1,604	-6.0	259	1,863	-8.6
Crofton, Knox	556	2,294	-6.6	479	2,773	-6.8	Ralston, Douglas	3,650	20,612	-2.4	3,321	23,933	-1.8
Curtis, Frontier	530	2,477	7.7	421	2,898	5.2	Randolph, Cedar	419	2,652	4.4	366	3,018	3.1
Dakota City, Dakota	458	2,397	-7.6	443	2,840	-7.3	Ravenna, Buffalo	643	3,892	4.2	513	4,405	3.9
David City, Butler	1,746	9,564	-5.9	1,856	11,420	-3.6	Red Cloud, Webster	820	4,320	5.3	818	5,138	6.3
Deshler, Thayer	291	1,810	-7.2	406	2,216	-3.2	Rushville, Sheridan	478	2,581	-0.9	398	2,979	-0.1
Dodge, Dodge	366	1,809	4.3	235	2,044	3.9	Sargent, Custer	292	1,261	-12.0	222	1,483	-9.9
Doniphan, Hall	835	4,578	-10.9	1,048	5,626	0.7	Schuyler, Colfax	2,297	11,033	-6.2	2,087	13,120	-4.8
Eagle, Cass	843	2,350	-6.1	564	2,914	-5.2	Scottsbluff, Scotts Bluff	24,101	135,726	4.4	23,686	159,412	3.4
Elgin, Antelope	392	2,368	-11.5	398	2,766	-10.1	Scribner, Dodge	469	2,229	-6.5	408	2,637	-6.3
Elkhorn, Douglas	3,359	13,626	-1.8	2,824	16,450	-1.0	Seward, Seward	5,015	27,003	-2.1	4,868	31,871	-1.1
Elm Creek, Buffalo	394	1,815	-13.7	430	2,245	-9.3	Shelby, Polk	426	2,185	-8.8	373	2,558	-9.3
Elwood, Gosper	513	2,067	27.0	407	2,474	25.8	Shelton, Buffalo	488	3,084	1.0	458	3,542	2.3
Fairbury, Jefferson	3,069	16,996	-6.1	2,861	19,857	-5.7	Sidney, Cheyenne	9,942	53,098	1.8	10,701	63,799	1.1
Fairmont, Fillmore	202	1,065	4.6	175	1,240	-3.1	South Sioux City, Dakota	9,394	50,799	5.6	9,042	59,841	4.6
Falls City, Richardson	2,786	15,029	-2.3	2,335	17,364	-2.8	Springfield, Sarpy	325	1,572	-53.0	213	1,785	-54.4
Franklin, Franklin	576	3,672	5.8	656	4,328	6.7	St. Paul, Howard	1,540	8,864	5.3	1,590	10,454	6.4
Fremont, Dodge	25,898	143,157	1.8	24,223	167,380	1.9	Stanton, Stanton	728	3,827	-2.5	764	4,591	-0.7
Friend, Saline	563	2,827	-27.0	497	3,324	-23.2	Stromsburg, Polk	1,195	5,289	4.3	1,130	6,419	-3.2
Fullerton, Nance	591	3,512	7.7	582	4,094	5.2	Superior, Nuckolls	1,646	8,817	-4.6	1,620	10,437	-4.2
Geneva, Fillmore	1,552	8,562	-3.7	1,690	10,252	-0.7	Sutherland, Lincoln	377	2,356	-3.6	334	2,690	-4.2
Genoa, Nance	302	1,963	-1.9	302	2,265	-1.4	Sutton, Clay	952	5,060	0.3	929	5,989	1.5
Gering, Scotts Bluff	5,064	27,116	8.8	4,924	32,040	9.1	Syracuse, Otoe	1,521	7,667	10.0	1,219	8,886	8.5
Gibbon, Buffalo	1,046	5,068	-1.3	855	5,923	0.0	Tecumseh, Johnson	927	4,734	-14.2	777	5,511	-13.3
Gordon, Sheridan	1,840	9,402	-1.1	1,493	10,895	-2.6	Tekamah, Burt	1,238	6,577	3.2	1,073	7,650	3.2
Gothenburg, Dawson	2,837	14,473	-0.3	3,160	17,633	1.2	Tilden, Madison	362	1,556	0.9	257	1,813	1.2
Grand Island, Hall	59,321	326,142	3.2	58,135	384,277	3.6	Utica, Seward	321	2,365	4.5	452	2,817	5.7
Grant, Perkins	1,517	8,244	3.5	1,624	9,868	4.3	Valentine, Cherry	5,563	28,254	-8.9	5,375	33,629	-9.2
Gretna, Sarpy	3,375	16,743	-3.1	3,088	19,831	-2.9	Valley, Douglas	1,970	7,256	-7.4	2,047	9,303	-7.3
Hartington, Cedar	1,980	10,728	7.1	1,884	12,612	7.0	Wahoo, Saunders	2,753	14,786	2.4	2,591	17,377	1.9
Hastings, Adams	21,842	124,817	0.5	21,596	146,413	1.2	Wakefield, Dixon	352	1,951	-16.1	366	2,317	-13.5
Hay Springs, Sheridan	420	2,264	-0.8	415	2,679	-0.4	Wauwata, Chase	405	2,173	14.9	324	2,497	13.2
Hebron, Thayer	1,246	6,874	1.9	1,102	7,976	1.5	Waverly, Lancaster	1,041	6,206	6.2	1,015	7,221	5.3
Henderson, York	811	4,146	2.2	1,037	5,183	2.6	Wayne, Wayne	4,047	24,648	5.4	4,245	28,893	6.4
Hickman, Lancaster	320	1,473	3.2	258	1,731	3.0	Weeping Water, Cass	820	4,111	0.1	683	4,794	0.8
Holdrege, Phelps	4,697	26,404	-4.4	4,678	31,082	-4.3	West Point, Cuming	4,778	27,022	-8.7	4,576	31,598	-8.4
Hooper, Dodge	407	2,462	-0.3	486	2,948	3.2	Wilber, Saline	523	2,685	-8.1	465	3,150	-6.6
Humboldt, Richardson	360	1,939	-3.9	269	2,208	-4.7	Wisner, Cuming	623	3,358	-11.7	634	3,992	-10.0
Humphrey, Platte	690	4,550	0.3	640	5,190	-3.0	Wood River, Hall	542	2,560	-2.2	477	3,037	-2.1
Imperial, Chase	2,144	11,591	4.7	2,206	13,797	5.8	Wymore, Gage	518	2,572	-8.0	448	3,020	-6.0
Juniata, Adams	260	1,453	-8.1	243	1,696	-5.5	York, York	11,092	59,669	1.1	11,306	70,975	1.6
Kearney, Buffalo	41,750	219,719	4.8	43,016	262,735	5.8							

*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			
	June 2002 (\$000)	July 2002 (\$000)	YTD (\$000)	% Chg. vs Yr. Ago	June 2001 (\$000)	July 2002 (\$000)	YTD (\$000)	% Chg. vs Yr. Ago		June 2002 (\$000)	July 2002 (\$000)	YTD (\$000)	% Chg. vs Yr. Ago	June 2001 (\$000)	July 2002 (\$000)	YTD (\$000)	% Chg. vs Yr. Ago
Nebraska	228,229	266,409	1,711,478	8.9	1,617,082	1,546,523	10,302,685	1.6	Howard	663	840	6,443	12.9	1,981	2,096	13,245	5.6
Adams	3,589	4,185	26,701	5.1	22,623	22,319	152,202	1.2	Jefferson	1,063	1,268	8,442	11.3	4,388	3,921	27,556	-3.4
Antelope	963	1,052	8,035	4.9	2,804	2,348	15,858	0.2	Johnson	627	566	4,669	27.0	1,311	997	7,657	-11.5
Arthur	87	65	638	14.1	(D)	(D)	(D)	(D)	Kearney	1,075	1,144	7,840	10.8	2,680	2,531	15,257	5.4
Banner	100	137	1,075	-21.3	(D)	(D)	(D)	(D)	Keith	1,442	1,406	10,187	8.7	7,951	8,073	45,769	2.1
Blaine	130	84	685	-23.4	(D)	(D)	(D)	(D)	Keya Paha	70	179	1,152	-5.0	292	130	989	5.6
Boone	589	886	6,070	-4.2	2,468	2,239	14,455	-3.6	Kimball	456	681	4,392	1.6	1,933	1,929	12,830	-4.4
Box Butte	1,390	1,630	13,152	16.2	6,341	6,732	42,302	0.5	Knox	1,038	1,057	8,249	0.6	3,192	3,041	18,931	-2.1
Boyd	350	284	2,329	17.5	851	535	3,867	-4.4	Lancaster	32,899	36,699	226,461	11.2	247,472	241,136	1,584,797	4.3
Brown	433	414	3,271	-3.8	1,982	1,890	11,929	-0.3	Lincoln	4,368	5,744	35,266	8.0	30,263	29,216	184,218	3.7
Buffalo	5,359	8,144	43,464	12.2	45,013	45,979	282,679	5.7	Logan	67	155	1,085	-8.7	(D)	(D)	(D)	(D)
Burt	864	972	8,123	10.2	3,098	2,309	17,194	0.7	Loup	62	129	690	-14.0	(D)	(D)	(D)	(D)
Butler	978	1,012	7,923	-1.7	2,273	2,212	14,537	-3.8	McPherson	103	42	657	-16.4	(D)	(D)	(D)	(D)
Cass	3,788	4,505	29,488	16.3	8,331	7,911	46,892	0.2	Madison	3,994	4,966	33,872	20.8	36,580	35,415	237,831	2.4
Cedar	1,353	1,293	9,988	7.6	3,217	2,896	20,321	4.8	Merrick	706	1,014	6,729	-12.2	3,019	2,692	17,757	-0.8
Chase	786	739	6,107	11.4	2,594	2,533	16,433	6.5	Morrill	743	772	5,486	-5.1	1,781	1,725	11,569	1.6
Cherry	877	1,236	7,703	12.4	5,875	5,598	35,094	-8.9	Nance	449	687	4,015	7.0	970	934	6,663	2.1
Cheyenne	1,527	1,733	11,059	-0.2	10,302	11,013	65,802	0.8	Nemaha	1,129	1,165	7,603	5.1	3,067	2,618	18,648	0.3
Clay	902	1,148	7,392	3.5	2,142	2,317	14,611	-1.2	Nuckolls	795	638	4,984	3.8	2,624	2,724	16,620	-1.3
Coffax	1,120	986	9,020	8.8	3,275	2,969	18,988	-2.8	Otoe	2,019	2,497	16,415	13.0	8,940	8,008	53,349	-1.2
Cuming	1,496	1,657	10,437	3.5	5,933	5,676	38,982	-8.6	Pawnee	312	384	3,031	6.5	593	528	3,629	2.4
Custer	1,266	1,718	11,762	-5.3	5,482	5,108	34,168	0.2	Perkins	525	712	4,690	10.5	1,874	1,886	11,658	4.6
Dakota	2,280	3,112	17,358	1.5	10,570	10,081	66,999	3.2	Phelps	1,436	1,404	11,581	5.9	5,070	5,094	33,600	-3.5
Dawes	816	1,312	7,677	12.0	7,074	6,972	42,989	-15.3	Pierce	867	997	7,974	14.8	2,459	1,985	13,319	4.1
Dawson	2,284	2,834	22,429	-1.6	14,988	15,318	97,439	2.1	Platte	4,113	4,619	31,958	9.3	24,933	23,423	156,360	2.2
Deuel	206	240	2,110	-8.0	1,149	1,193	7,755	0.7	Polk	769	850	5,673	-1.3	2,310	2,120	13,523	-3.1
Dixon	1,063	930	5,982	3.6	842	741	4,972	-10.5	Red Willow	1,415	2,105	11,976	11.0	11,271	11,050	71,032	1.6
Dodge	4,685	5,840	36,411	12.8	28,197	26,291	181,072	1.8	Richardson	1,095	1,174	8,092	-0.2	3,349	2,759	20,972	-3.8
Douglas	62,511	71,097	443,040	8.8	551,999	540,386	3,583,823	0.7	Rock	293	223	1,763	-22.7	791	709	3,713	3.0
Dundy	423	444	3,210	14.5	761	563	4,378	-3.4	Saline	1,800	2,103	13,237	10.2	4,793	4,248	29,306	-4.7
Fillmore	982	1,136	7,188	4.9	2,499	2,932	17,233	-0.9	Sarpy	21,330	24,659	147,132	13.9	57,911	53,555	359,144	5.3
Franklin	425	590	3,612	-2.2	869	936	6,048	2.8	Saunders	2,732	3,468	22,137	11.0	7,685	7,226	46,130	5.5
Frontier	512	574	3,658	-4.3	937	789	5,111	-0.5	Scotts Bluff	4,548	5,485	35,817	17.6	30,748	30,002	201,419	4.6
Furnas	631	810	5,268	-8.1	2,424	2,447	16,939	2.6	Seward	2,186	2,240	15,850	4.8	6,505	6,680	43,538	-0.7
Gage	2,459	3,144	20,906	-1.5	14,782	13,848	96,221	0.2	Sheridan	706	708	6,238	7.1	3,087	2,705	18,855	-1.0
Garden	332	204	2,662	17.7	817	717	4,803	4.3	Sherman	288	321	2,997	-13.5	795	570	4,319	-0.3
Garfield	197	197	1,746	6.5	1,128	1,172	6,420	-0.9	Sioux	207	156	1,701	2.2	168	169	891	4.8
Gosper	207	418	2,720	4.9	607	504	2,980	23.9	Stanton	783	896	6,780	18.8	891	915	5,817	-6.0
Grant	103	162	1,144	10.4	343	328	2,078	0.1	Thayer	609	781	6,155	12.1	2,231	2,105	13,960	-0.1
Greeley	222	479	2,499	-15.9	780	653	4,466	-8.0	Thomas	175	196	1,063	6.0	396	322	2,008	4.5
Hall	6,711	8,011	49,350	5.6	61,425	60,435	397,401	3.4	Thurston	428	465	3,525	5.7	1,090	831	6,231	-4.3
Hamilton	1,240	1,217	9,682	6.5	2,860	2,669	17,984	-6.9	Valley	413	833	4,303	-6.1	3,151	2,707	17,207	6.1
Harlan	391	705	4,481	3.5	1,205	1,101	6,393	6.6	Washington	2,867	3,910	24,884	13.7	8,810	8,139	58,451	-1.6
Hayes	186	226	1,351	3.8	(D)	(D)	(D)	(D)	Wayne	1,007	1,454	9,043	16.2	4,214	4,353	29,812	5.6
Hitchcock	387	511	3,246	-4.6	939	718	4,875	7.1	Webster	437	692	3,884	11.4	1,559	1,371	9,347	6.1
Holt	1,435	1,873	12,304	18.4	8,357	6,945	44,934	4.6	Wheeler	82	265	1,315	9.2	97	108	572	16.7
Hooker	107	86	771	-15.7	676	655	2,493	-2.0	York	1,487	2,156	15,054	5.4	12,415	12,757	79,057	1.7

*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.

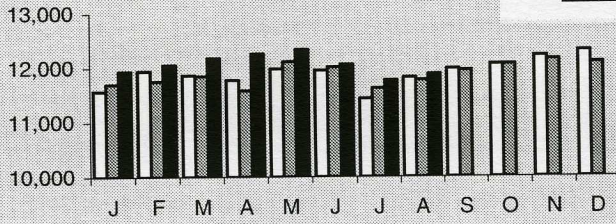
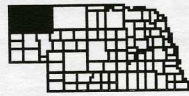
Regional Nonfarm Wage and Salary Employment* 2000 to August** 2002

2000 2001 2002

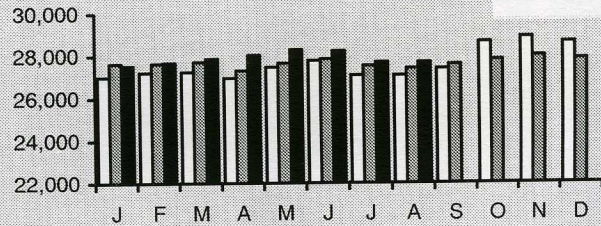
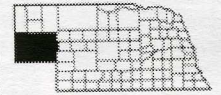
Note to Readers

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

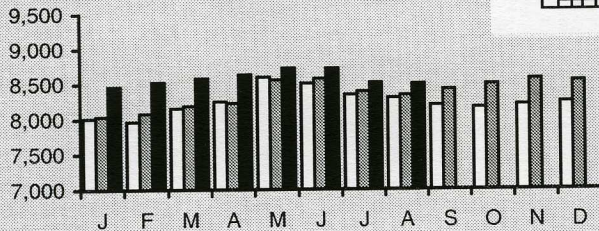
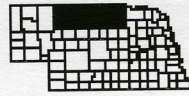
Northwest Panhandle



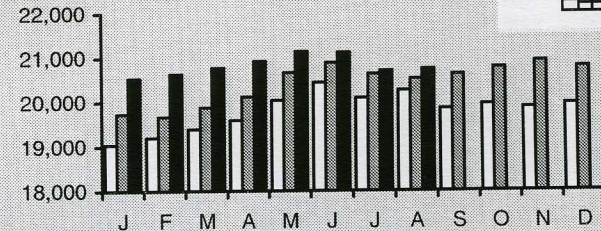
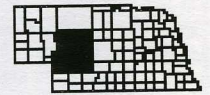
Southwest Panhandle



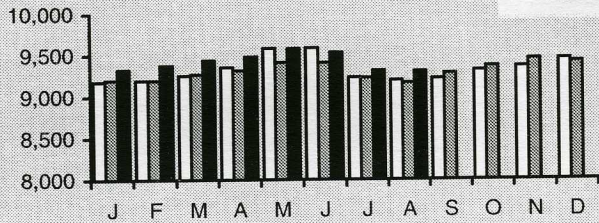
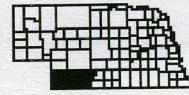
North Central



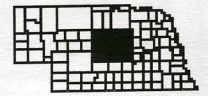
West Central



Southwest Central



East Central



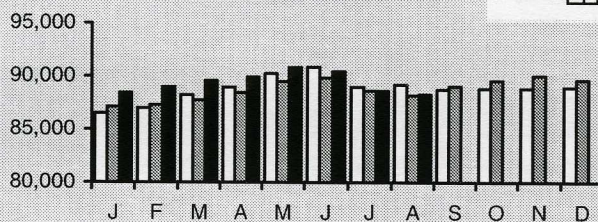
Regional Nonfarm Wage and Salary Employment* 2000 to August** 2002

2000 2001 2002

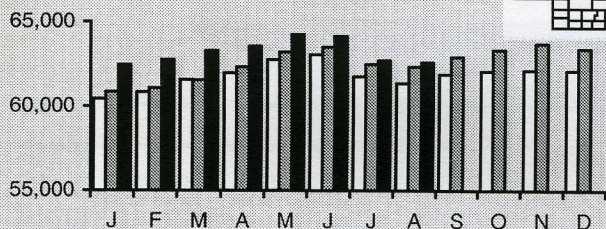
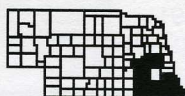
Southeast Central



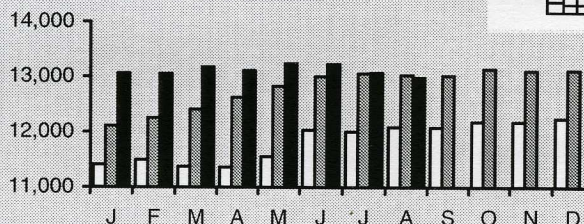
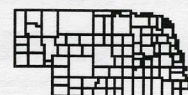
Northeast



Southeast

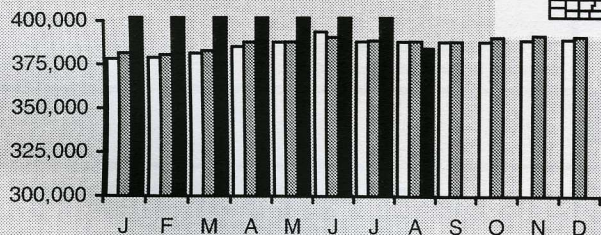
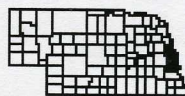


Sioux City MSA Nebraska portion only

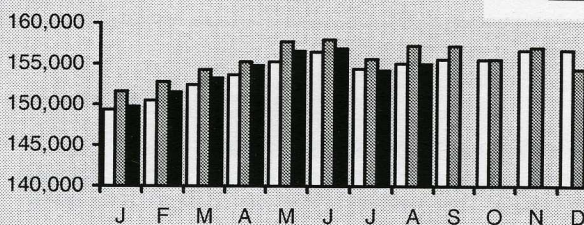
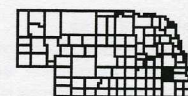


Omaha MSA

Nebraska portion only



Lincoln MSA



*By place of work

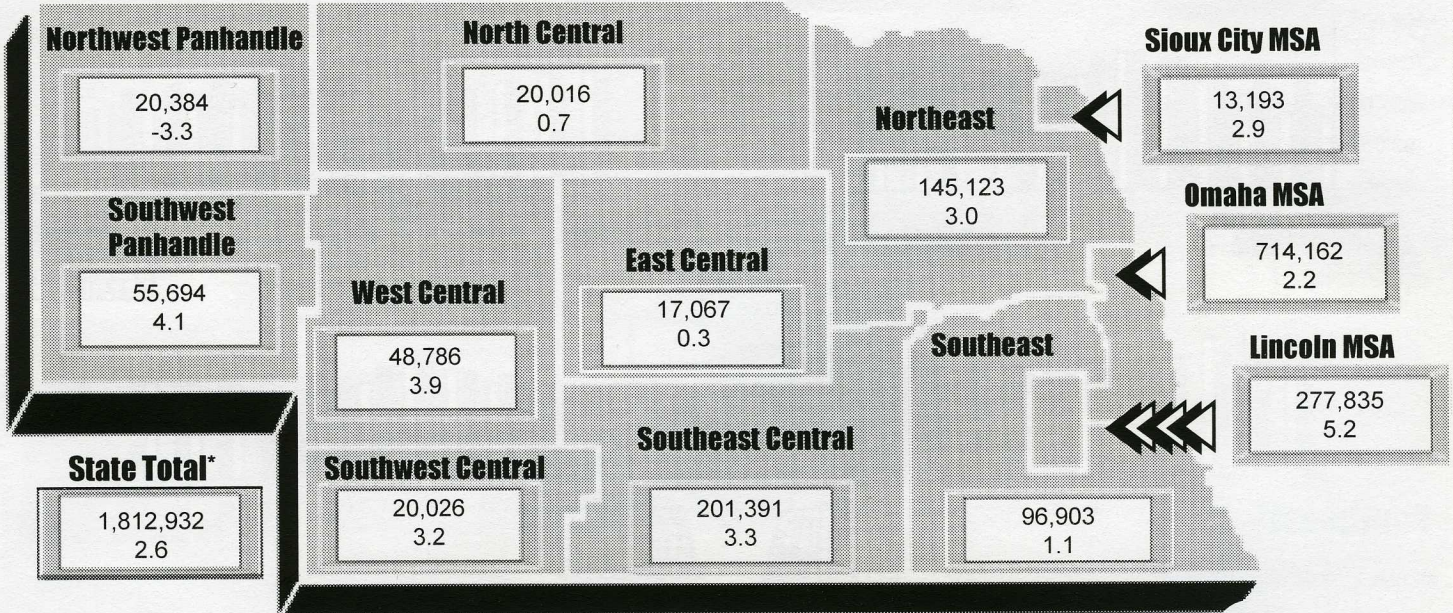
**Current month data are preliminary and subject to revision

***Previously, other than Nebraska data were included in the Omaha and Sioux City MSA

Note: Monthly data through March 2001 are benchmarked. Data for April-December 2001 are estimates until benchmarked in early 2003. All estimates are the most current revised data available.

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

July 2002 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 2002
Total	904,655
Construction & Mining	45,840
Manufacturing	112,810
Durables	51,551
Nondurables	61,259
TCU**	56,941
Trade	215,532
Wholesale	55,407
Retail	160,125
FIRE***	63,502
Services	259,413
Government	150,617

*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)

	October 2002	% Change vs Yr. Ago	YTD % Change vs Yr. Ago (inflation rate)
All Items	181.3	2.0	1.4
Commodities	150.7	0.1	-0.9
Services	211.7	3.4	3.1

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

Inflation Rate

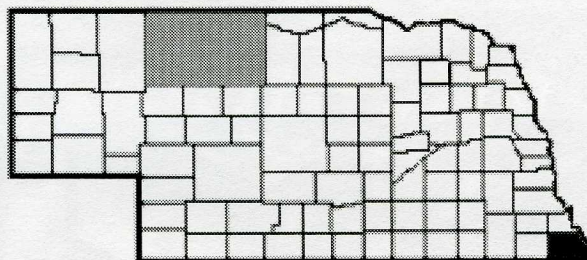
1.4

State Labor Force Summary*

	August 2002
Labor Force	952,351
Employment	921,328
Unemployment Rate	3.3

*By place of residence
Source: Nebraska Department of Labor, Labor Market Information

Note: Monthly data through March 2001 are benchmarked. Data for April-December 2001 are estimates until benchmarked in early 2003. All estimates are the most current revised data available. Labor force data for 2002 will be revised.

*County of the Month***Richardson
Falls City - County Seat**

License plate prefix number: 19

Size of county: 553 square miles, ranks 69th in the state

Population: 9,531 in 2000, a change of -4.1 percent from 1990

Per capita personal income: \$21,818 in 2000, ranks 50th in the state

Net taxable retail sales (\$000): \$54,467 in 2001 a change of 5.7 percent from 2000; \$37,617 from January through August 2002, a change of 10 percent from the same period the previous year.

Unemployment rate: 5.3 percent in Richardson County, 3.1 percent in Nebraska in 2001

	State	Richardson County
Nonfarm employment (2001)¹:	909,402	2,728
(wage & salary)	<i>(percent of total)</i>	
Construction and Mining	4.8	2.9
Manufacturing	12.9	12.5
TCU	6.4	6.7
Wholesale Trade	5.8	18.6
Retail Trade	17.6	6.4
FIRE	6.8	4.7
Services	28.5	25.3
Government	17.0	22.7

Agriculture:

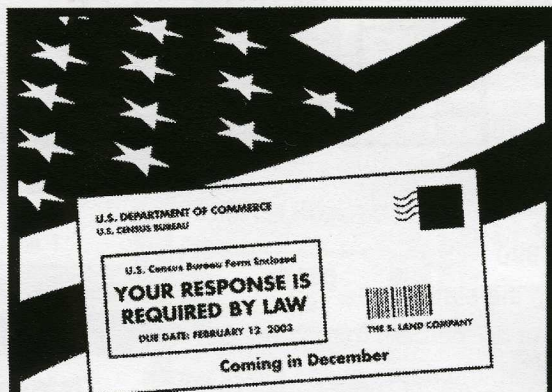
Number of farms: 717 in 1997; 712 in 1992; 826 in 1987

Average farm size: 444 acres in 1997; 423 acres in 1992 Market value of farm products sold: \$69.2 million in 1997 (\$96,752 average per farm); \$52.1 million in 1992 (\$73,119 average per farm)

¹By place of work

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

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**2002
Census of
Agriculture**



Producers will receive their 2002 Census of Agriculture forms in December 2002. Report forms are due back by February 3, 2003.

All producers are encouraged to participate in the census of agriculture to ensure all operations, large and small, are properly counted and represented.

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