

MEDIAN FAMILY INCOME, 1979

Income data from the 1980 census are available for the state, counties, cities and villages, and unincorporated areas. The third-count census tape includes median and mean income measures for households, families, and unrelated individuals. Per capita income and various poverty income measures are also available on this third-count tape. This article focuses upon median family income.

Median family income for the state of Nebraska in 1979 was \$19,144. The median income is the statistic which divides the distribution of all family incomes into two equal groups. One family group has incomes above the median while the other family group has incomes below the median. Income data are available for 1979 since the census was conducted in April of 1980. The income question was a sample question, which means that one family in five was asked to provide information on family income. In compiling data on family income, the incomes of all family members 14 years and older are summed and treated as a single amount.

The census reports what it calls "money income." Money income is the sum of wages and salaries, nonfarm net self-employment income (entrepreneurial income), farm net self-employment income, social security or railroad retirement income, public assistance or welfare income, and all other income. The income statistic represents the amount of income regularly received by families before deductions for personal income taxes, social security payments, deductions for medical care, union dues, or other items which are deducted from gross income. Income from all other sources include money incomes received from interest, dividends, net income (or loss) from property rentals, unemployment compensation benefits, workmen's compensation benefits, royalties, alimony or child support, nonservice scholarships and fellowships, and subsistence allowances for persons participating in special public training programs.

Median family income of Nebraska families increased 124 percent over the decade 1969-79. Nebraska family incomes increased faster than the national average during the 1970s. Based upon preliminary information, median family income of all United States families increased 102 percent over the decade (\$9,867 to \$19,908). Despite the larger relative gain, Nebraska's median family income was below the United States average (96 percent of the national average).

Median family income for Nebraska's 93 counties is summarized in Table 1 (page 2). The information is provided for 1969 and 1979 median family income and the percentage change over the decade. Prices (as measured by the Consumer Price Index) increased approximately 98 percent over the decade, which suggests

that the average Nebraska family incurred a gain in real income of approximately 26 percent. For the purpose of comparison with neighboring states, median family income in Kansas in 1979 was \$19,575; in Missouri, \$18,746; in Iowa, \$20,243; in South Dakota, \$16,431; in Minnesota, \$21,217; in Wyoming, \$22,497; and in Colorado, \$21,485.

As expected, median family incomes were higher in the metropolitan areas of the state. Twelve counties had median family incomes above the state average of \$19,144. Douglas County had the top median family income of \$21,629, followed closely by Sarpy at \$21,569. Lancaster ranked third with a median family income of \$21,383, Lincoln ranked fourth at \$21,078, and Box Butte ranked fifth at \$20,833. The influence of the railroads was undoubtedly important in boosting Lincoln and Box Butte counties' median family incomes. Box Butte County income ranked 36th in 1969.

Other counties with median family incomes above the state average include Washington, \$20,556; Platte, \$20,282; Hall, \$20,144; Dodge, \$19,727; Cass, \$19,562; Madison, \$19,454; and Dakota, \$19,427. Counties with median family incomes above the state average were either associated with one of the metropolitan areas of the state or, in the case of counties such as, for example, Madison, Platte, Hall, Lincoln, and Box Butte, were major regional trade centers. The shaded areas in Map 1 (page 3) identify counties where median family income was above the state average.

Another important measure is the rate of growth of median family income. As noted above, median family income increased an average of 124 percent, 1969-79. On average, Nebraska families did somewhat better than the typical United States family in terms of income growth. At the end of the decade, family income in Nebraska was 96 percent of the U.S. average.

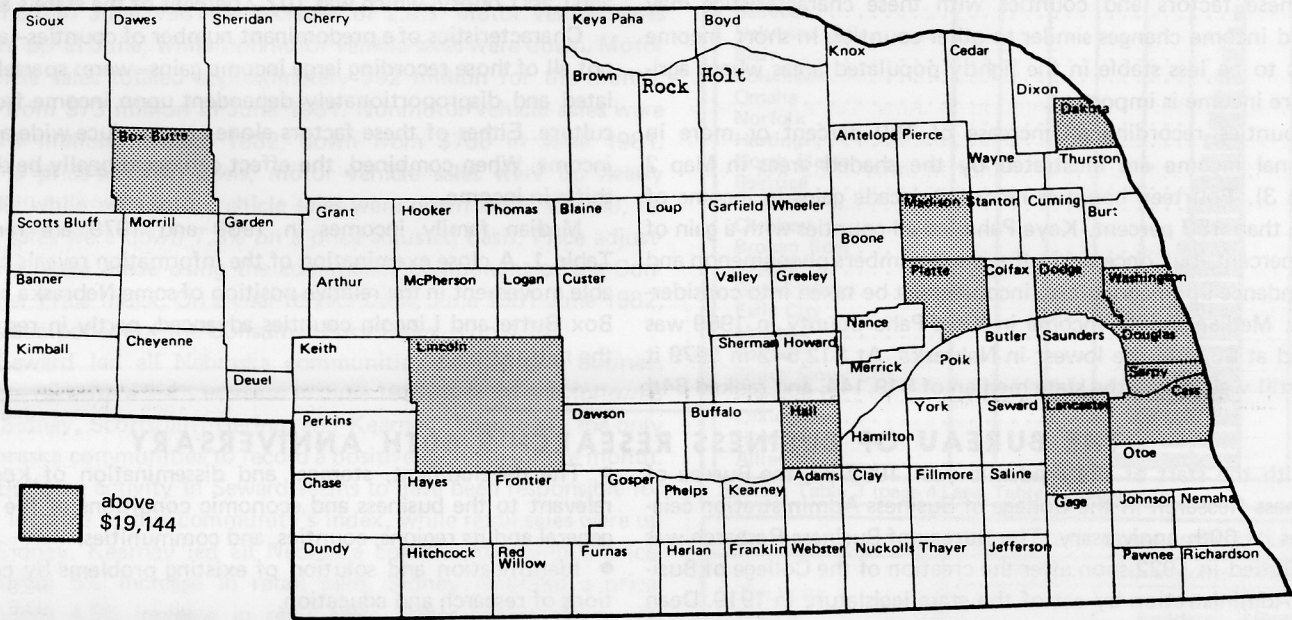
Data in Table 1 also set out the county-by-county percentage change in median family income. Any increase of 98 percent or more indicates that families recorded a gain in real income. Nearly 95 percent of Nebraska's counties recorded a gain in real family income. Any county recording an increase of less than 98 percent suffered a deterioration in real family income. Counties where income failed to keep pace with inflation include Banner, Blaine, Grant, Hooker, Kimball, and Logan. These counties are relatively sparsely populated and almost entirely dependent upon agriculture income. Sparse population means that a change in the income status of only a few families can substantially impact the median. Furthermore, when dealing with agriculture-related incomes, it is always possible that 1969 or 1979 could have been an abnormally good or abnormally poor year for

(continued on page 6)

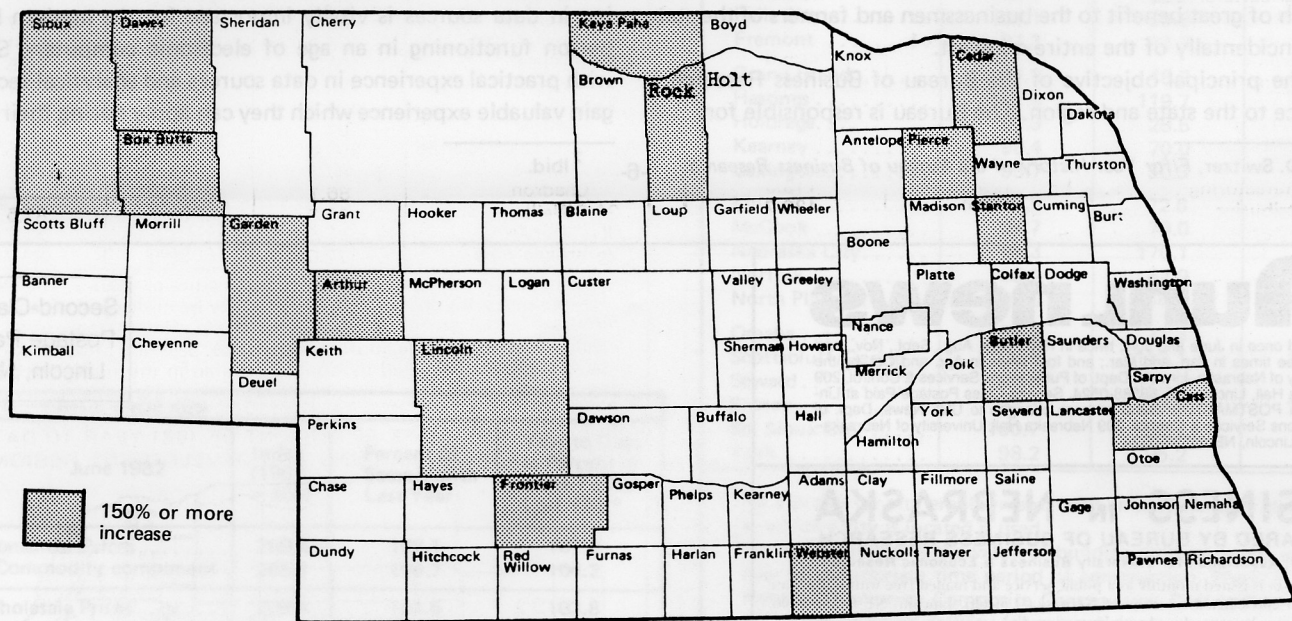
Table 1
MEDIAN FAMILY INCOME

	1979	1969	Percent Increase	Rank 1979	Rank 1969		1979	1969	Percent Increase	Rank 1979	Rank 1969
Adams	\$18,852	\$8,811	114	15	9	Keith	\$18,347	\$8,862	107	21	8
Antelope	12,949	6,194	109	82	71	Keya Paha	12,542	3,956	217	84	93
Arthur	14,125	5,225	170	69	89	Kimball	17,335	9,116	90	30	4
Banner	12,109	8,225	47	90	18	Knox	13,067	5,382	143	80	88
Blaine	12,083	6,500	86	91	63	Lancaster	21,383	9,777	119	3	3
Boone	13,833	6,713	106	74	56	Lincoln	21,078	8,210	157	4	19
Box Butte	20,833	7,600	174	5	36	Logan	12,500	6,984	79	85	44
Boyd	10,565	4,683	126	93	92	Loup	13,625	6,548	108	77	60
Brown	13,232	5,814	128	79	82	McPherson	14,479	6,033	140	63	78
Buffalo	18,332	7,756	136	22	30	Madison	19,545	8,292	136	11	16
Burt	15,446	7,546	105	54	37	Merrick	17,489	7,674	128	28	31
Butler	16,613	6,489	156	38	65	Morrill	12,752	5,923	115	83	81
Cass	19,562	7,813	150	10	28	Nance	13,504	6,542	106	78	61
Cedar	14,184	5,526	157	67	87	Nemaha	16,758	8,191	105	36	20
Chase	15,465	6,741	129	53	54	Nuckolls	15,841	6,898	130	47	46
Cherry	16,270	7,417	119	42	40	Otoe	17,922	8,027	123	25	24
Cheyenne	17,604	7,473	136	26	38	Pawnee	12,130	5,572	118	89	85
Clay	16,587	6,836	143	39	49	Perkins	16,753	8,804	90	37	11
Colfax	15,905	7,088	124	45	42	Phelps	18,961	8,505	123	13	14
Cuming	17,375	7,107	144	29	41	Pierce	15,126	5,972	153	57	80
Custer	15,475	6,887	125	52	47	Platte	20,282	8,615	135	7	12
Dakota	19,426	8,557	127	12	13	Polk	15,818	7,452	112	48	39
Dawes	16,977	6,411	165	34	66	Red Willow	18,906	7,612	148	14	35
Dawson	18,538	8,076	130	17	22	Richardson	14,590	6,818	114	61	50
Deuel	16,295	7,798	109	41	29	Rock	14,844	5,709	160	59	83
Dixon	14,525	7,012	107	62	43	Saline	18,784	7,655	145	16	32
Dodge	19,727	8,897	122	9	7	Sarpy	21,569	10,209	111	2	2
Douglas	21,629	10,419	108	1	1	Saunders	18,361	7,838	134	20	27
Dundy	14,407	6,793	112	64	52	Scotts Bluff	17,076	8,072	112	31	23
Fillmore	16,531	7,857	110	40	26	Seward	18,253	8,171	123	24	21
Franklin	14,053	6,020	133	71	79	Sheridan	17,066	6,907	147	32	45
Frontier	15,708	6,290	150	49	68	Sherman	12,251	6,134	100	87	73
Furnas	13,925	6,357	119	72	67	Sioux	15,575	6,167	153	50	72
Gage	17,050	7,631	123	33	34	Stanton	17,517	6,851	156	27	48
Garden	15,503	6,065	156	51	75	Thayer	15,885	6,692	137	46	57
Garfield	13,719	6,049	127	75	76	Thomas	14,850	6,655	123	58	59
Gosper	15,203	6,810	123	55	51	Thurston	14,095	6,074	132	70	74
Grant	14,167	7,905	79	68	25	Valley	13,648	6,222	119	76	69
Greeley	11,962	5,691	110	92	84	Washington	20,556	8,808	133	6	10
Hall	20,144	8,905	126	8	6	Wayne	16,769	6,744	149	35	53
Hamilton	18,364	7,594	142	19	5	Webster	15,150	5,544	173	56	86
Harlan	14,369	6,489	121	65	64	Wheeler	12,237	5,155	137	88	90
Hayes	12,500	5,100	145	86	91	York	18,506	8,263	124	18	17
Hitchcock	14,234	6,199	130	66	70						
Holt	13,910	6,034	131	73	77						
Hooker	13,056	7,646	71	81	33						
Howard	16,038	6,542	145	43	62						
Jefferson	15,930	6,664	139	44	58						
Johnson	14,733	6,719	119	60	55						
Kearney	18,313	8,497	116	23	15	Nebraska	\$19,144	\$8,564	124		

Map 1
 MEDIAN FAMILY INCOME ABOVE STATE AVERAGE
 1979



Map 2
 INCREASES IN PERSONAL INCOME OF 150 PERCENT OR MORE
 1969-79



Review and Outlook

Nebraska's net physical volume increased 1.5% May-June. June was the first monthly increase in the Bureau of Business Research's net physical volume index since January 1982. Despite the increase in the overall index there are some disturbing trends in the Nebraska economy.

The increase in the state's economy was led by the agriculture sector. This component of the economy was up 18.5% on the strength of substantial increases in cash farm marketings. Cash farm marketings totaled \$518 million in June. On a seasonally adjusted basis, this represents a 29% increase over May. Compared with June 1981, cash farm marketings in June 1982 were 45% above the earlier figure.

Nebraska's nonagriculture sectors declined 1.1% May-June 1982. Construction increased 2.9%, but the June 1982 reading for this component was two-thirds of the year's previous level.

Manufacturing recorded a 3.8% decline on a month-to-month basis. This index has displayed an almost constant deterioration from one year ago. The index stood at 129.7 in June 1982 (1967 = 100), approximately four-fifths of the June 1981 index value of 161.3.

The government and the distributive trade sectors of the index were little changed from the previous month. Government recorded a 0.3% increase, while the distributive trade sector recorded a 0.7% decrease. Compared with (continued on page 5)

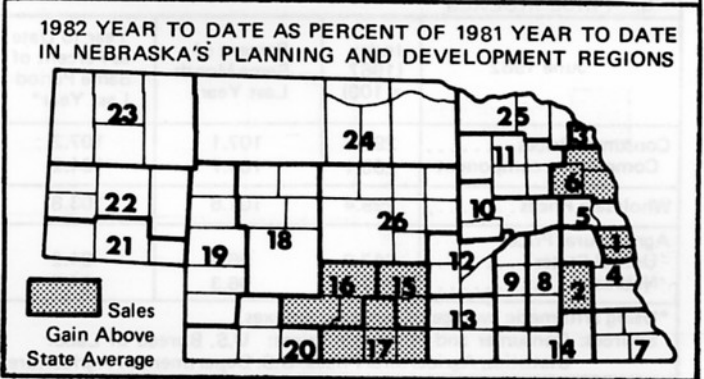
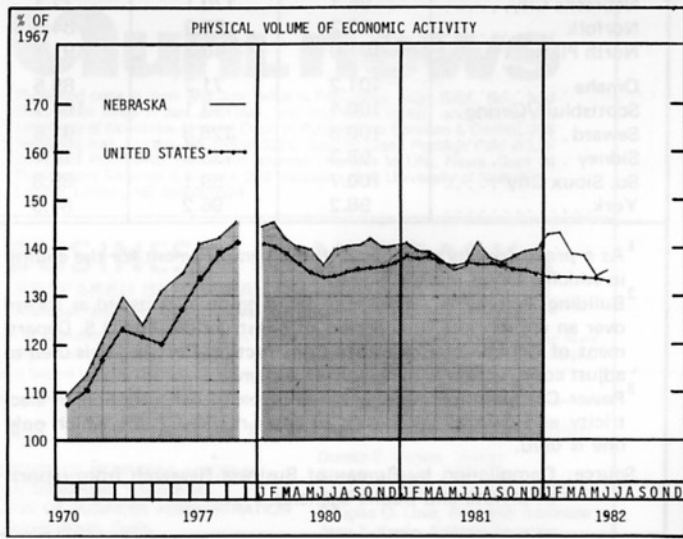
Notes for Tables 1 and 2: (1) The "distributive" indicator represents a composite of wholesale and retail trade; transportation, communication and utilities; finance, insurance, and real estate; and selected services. (2) The "physical volume" indicator and its components represent the dollar volume 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				
June 1982	Current Month as Percent of Same Month Previous Year		1982 Year to Date as Percent of 1981 Year to Date	
	Nebraska	U.S.	Nebraska	U.S.
Dollar Volume	105.2	102.0	104.6	103.4
Agricultural	141.0	108.4	138.5	108.9
Nonagricultural	100.9	101.8	100.4	103.3
Construction	70.7	96.9	68.9	91.6
Manufacturing	82.0	91.5	91.4	95.4
Distributive	106.7	105.9	103.3	106.4
Government	111.3	107.2	110.7	110.3
Physical Volume	100.0	96.6	100.1	97.3
Agricultural	146.5	112.3	146.5	115.6
Nonagricultural	94.6	96.1	94.4	96.8
Construction	67.6	92.6	66.1	87.7
Manufacturing	80.4	89.7	89.1	92.5
Distributive	99.7	98.8	96.3	99.2
Government	102.0	99.4	101.9	98.2

2. CHANGE FROM 1967		
Indicator	Percent of 1967 Average	
	Nebraska	U.S.
Dollar Volume	375.0	363.1
Agricultural	408.5	370.5
Nonagricultural	369.7	362.9
Construction	192.9	306.5
Manufacturing	311.1	292.4
Distributive	400.6	405.9
Government	406.4	369.1
Physical Volume	135.7	132.9
Agricultural	158.9	150.0
Nonagricultural	132.1	132.4
Construction	57.6	91.5
Manufacturing	129.7	119.3
Distributive	137.9	139.7
Government	146.5	148.1

3. NET TAXABLE RETAIL SALES OF NEBRASKA REGIONS AND CITIES (Adjusted for Price Changes)			
Region Number and City	City Sales*	Sales in Region*	
	June 1982 as percent of June 1981	June 1982 as percent of June 1981	Year to date '82 as percent of Year to date '81
<i>The State</i>	90.1	92.7	94.6
1 Omaha	95.6	97.8	97.7
Bellevue	98.9		
2 Lincoln	91.0	94.3	95.3
3 So. Sioux City	84.3	87.5	90.4
4 Nebraska City	93.3	95.7	92.9
5 Fremont	92.8	98.3	93.6
Blair	102.3		
6 West Point	96.5	101.9	96.9
7 Falls City	86.7	90.9	94.2
8 Seward	94.0	96.6	93.0
9 York	100.4	97.6	94.1
10 Columbus	102.7	96.4	91.3
11 Norfolk	99.8	95.0	91.8
Wayne	86.1		
12 Grand Island	94.7	94.4	90.6
13 Hastings	88.7	93.1	90.0
14 Beatrice	97.3	99.2	92.4
Fairbury	96.1		
15 Kearney	105.0	104.2	96.3
16 Lexington	90.2	93.7	96.2
17 Holdrege	85.3	92.3	94.7
18 North Platte	98.9	99.4	90.4
19 Ogallala	101.7	91.8	89.5
20 McCook	90.9	94.6	92.7
21 Sidney	104.5	86.2	94.2
Kimball	64.6		
22 Scottsbluff/Gering	101.0	98.1	89.5
23 Alliance	87.2	91.2	88.6
Chadron	86.1		
24 O'Neill	94.2	91.2	87.5
25 Hartington	91.5	99.3	93.7
26 Broken Bow	77.6	89.8	89.2

*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. Region 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.



(continued from page 4)

year-previous levels, these two sectors have changed very little. The government sector is up 2% above June 1981 levels, while the distributive trade component is essentially unchanged from year-previous levels.

Retail sales were \$806 million in June 1982, down from \$831 million in June 1981—a decrease of 2.9%. Motor vehicle sales were up in June, while nonmotor vehicle sales were down. Motor vehicle sales totaled approximately \$92 million for the month, up from \$73 million in June 1981. Nonmotor vehicle sales were \$715 million in June 1982, down from \$758 in June 1981. On a price-adjusted basis, motor vehicle sales were up nearly 20%, while nonmotor vehicle sales were down 9.9%. Overall, retail sales were down 7.3% on a price-adjusted basis. Price adjustments were made using the commodity component of the Consumer Price Index. On a year-to-year basis, June 1981-June 1982, this component of the Consumer Price Index is up 4.7%.

Seward led all Nebraska communities on the city business index list with a 3.4% increase in June 1982. Seward was followed by Sidney, Scottsbluff-Gering, and Kearney. These were the only Nebraska communities to record a positive increase for the month.

Building activity in Seward seems to have been responsible for the increase in this community's index, while retail sales were up in Sidney. Kearney led all Nebraska communities with a price-adjusted 5% increase in retail sales. Sidney recorded a price-adjusted 4.5% increase in retail sales. Other communities with increases in real retail sales include Columbus, up 2.7%; Blair, up 2.3%; Ogallala, up 1.7%; Scottsbluff-Gering, up 1%; and York, up 0.4%.

An examination of information in Table 3 indicates that real retail sales are less than 90% of year-previous levels in several Nebraska trade centers. Omaha and Lincoln, the state's two largest retailing markets, were both below year-previous levels in real terms.

D. E. P.

	-20	-15	-10	-5	0	5
Seward						
Sidney						
Scottsbluff/Gering						
Kearney						
York						
Bellevue						
Nebraska City						
Blair						
Columbus						
Omaha						
Norfolk						
Hastings						
North Platte						
Beatrice						
Lincoln						
Chadron						
Broken Bow						
STATE						
Grand Island						
Falls City						
McCook						
Fairbury						
South Sioux City						
Fremont						
Lexington						
Holdrege						
Alliance						

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

The State and Its Trading Centers	Percent of Same Month a Year Ago		
	Employment ¹	Building Activity ²	Power Consumption ³
<i>The State</i>	99.3	62.7	88.2
Alliance	92.3	23.3	123.5
Beatrice	101.8	39.2	100.8
Bellevue	101.2	80.5	81.2
Blair	98.0	63.1	NA
Broken Bow	100.1	184.5	106.5
Chadron	100.8	107.7	92.8
Columbus	95.5	67.5	94.5
Fairbury	99.7	22.3	90.5
Falls City	101.1	66.9	82.3
Fremont	97.3	33.9	95.9*
Grand Island	97.3	45.7	83.8
Hastings	101.0	119.7	86.5
Holdrege	97.3	28.5	92.0
Kearney	99.4	70.0	92.4
Lexington	95.7	30.3	NA
Lincoln	100.9	72.6	89.1
McCook	94.7	70.0	85.9
Nebraska City	98.3	170.1	72.3
Norfolk	96.2	67.9	84.6
North Platte	101.0	46.3	91.7
Omaha	101.2	71.3	85.5
Scottsbluff/Gering	100.4	113.1	104.1
Seward	100.8	325.8	91.6
Sidney	98.3	133.9	111.4
So. Sioux City	100.7	59.1	85.8
York	98.2	96.2	84.5

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

² 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.

³ 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.

June 1982	Index (1967 = 100)	Percent of Same Month Last Year	Year to Date as Percent of Same Period Last Year*
Consumer Prices	290.6	107.1	107.2
Commodity component	265.1	104.7	104.2
Wholesale Prices	299.4	101.6	103.8
Agricultural Prices			
United States	247.0	96.5	94.2
Nebraska	257.0	96.3	94.9

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

(continued from page 1) the areas in question, making comparisons of limited value.

It is important to note that these two factors, small population base and dependence upon agriculture income, may contribute to substantial variations (either up or down) in income when making comparisons. In other cases, income may be relatively unaffected by these factors and counties with these characteristics may record income changes similar to other counties. In short, income tends to be less stable in the lightly populated areas where agriculture income is important.

Counties recording an increase of 150 percent or more in personal income are illustrated by the shaded areas in Map 2 (page 3). Fourteen counties recorded decade gains in income of more than 150 percent. Keya Paha led all counties with a gain of 217 percent, but once again the small-numbers phenomenon and dependence upon agriculture income must be taken into consideration. Median family income in Keya Paha County in 1969 was placed at \$3,956, the lowest in Nebraska. At \$12,542 in 1979 it was still well below the state median of \$19,144, and ranked 84th

among the state's counties.

Of the 14 counties recording gains of 150 percent or more in personal income, only 3 had 1979 incomes above the state's average. These 3 counties were Box Butte, which reported a median family income of 108.8 percent of the state's average; Lincoln County, which was 110 percent of the state's average; and Cass County, which was 102.2 percent of the state's average.

Characteristics of a predominant number of counties—although not all of those recording large income gains—were: sparsely populated and disproportionately dependent upon income from agriculture. Either of these factors alone can produce wide swings in income. When combined, the effect can occasionally be dramatic shifts in income.

Median family incomes in 1969 and 1979 are ranked in Table 1. A close examination of the information reveals considerable movement in the relative position of some Nebraska counties. Box Butte and Lincoln counties advanced, partly in response to the railroad boom.

D. E. P.

THE BUREAU OF BUSINESS RESEARCH'S 60TH ANNIVERSARY

With the start of the academic year 1982/83, the Bureau of Business Research in the College of Business Administration celebrates its 60th anniversary. The Bureau of Business Research was established in 1922 soon after the creation of the College of Business Administration by act of the state legislature in 1919. Dean J. E. LeRossignol, first dean of the College of Business Administration, was very instrumental in the establishment of the Bureau of Business Research. The 1921 report of the Board of Regents recommended that a Bureau of Business Research be organized in the College of Business Administration. Dean LeRossignol stated: "In addition to the extension work, there is a fine opportunity for a Bureau of Business Research, along the lines of the AUBER Bureau, which has done important work. If such a Bureau were created in the University of Nebraska, it could carry on the research of great benefit to the businessmen and farmers of the state and incidentally of the entire midwest."¹

The principal objective of the Bureau of Business Research is service to the state and region. The Bureau is responsible for:

- The development, storage, and dissemination of knowledge relevant to the business and economic conditions of the state in general and its regions, counties, and communities.
- Identification and solution of existing problems by combinations of research and education.
- Stimulation of theoretical and applied research by faculty and graduate students.
- Providing a practical learning experience for students in the areas of business and economics research.²

Although the Bureau has no formal teaching program for which credit is given, teaching is a very important Bureau function. Graduate and undergraduate students play an important role in the Bureau's program. In assisting staff researchers, students are exposed to data sources useful in making business decisions. Training in data sources is vitally important for the modern business person functioning in an age of electronic computers. Students with practical experience in data sources and analytical techniques gain valuable experience which they can apply during their careers.

¹D. Switzer, *Fifty Year History of the Bureau of Business Research*. .6.

²Ibid.

UNL news

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