

# Business in Nebraska

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Prepared by the Bureau of Business Research, College of Business Administration,  
University of Nebraska-Lincoln, 1700 Y St., Lincoln, NE 68588-0406, 402/472-2334

## Small Towns Depend on Transfer Payments

### Merlin W. Erickson

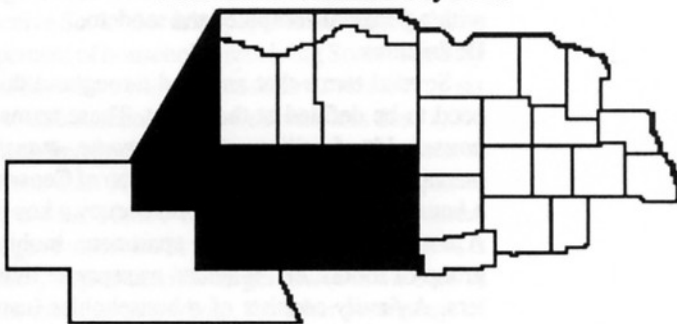
#### Introduction

Most small towns in northeast and north central Nebraska largely depend on Social Security, public assistance payments, and farm subsidies for their economic livelihood.

This area is not unique. It is simply the focus of this article. Other areas of the state will be examined in a like fashion in future issues of *Business in Nebraska*.

The study area includes 20 counties in northeast and north central Nebraska (Figure 1). A brief history and an overview of the area's population and settlement pattern are given in the accompanying sidebar.

Figure 1  
Northeast Nebraska Study Area



#### Sidebar: Small Towns Depend on Transfer Payments

This area contains 20 counties in northeast and north central Nebraska and covers 15,067 square miles of land (Figure 1). According to the *1860 Census of Population*, only Burt, Cedar, Cuming, Dixon, Knox, and Platte counties showed any inhabitants. By 1870, the region's population increased to about 14,000 (Figure 2). Migrants moving into the area along with the natural increase resulted in a peak population of nearly 248,000 by 1930. Since that time, the population has dwindled almost continually, to about 187,000 in 1990.

In 1910, slightly over 19 percent of the state's population resided in this 20-county area. Since that year, there has been a steady decline in this percentage, however, even though the number of residents didn't peak until 1930. In 1990, there were 12.4 persons per square mile of land area in northeast Nebraska, compared with 20.6 persons per square mile for the entire state. (The nonmetro portion of the state has about 10.5 persons per square mile.)

The 20-county area contains 117 incorporated places. According to the *1990 Census of Population*, most of these places contain less than 1,000 persons (Table 1). The number of households by town size groups also are shown in Table 1. Norfolk and Columbus combined had 15,839 households which was more than the sum of the households in 92 towns that make up the smallest category (*i.e.*, 12,887).

In addition to the households in incorporated areas, there were 23,700 households in rural areas. Although these include farm households, many are merely nonfarm households located away from incorporated places. According to the *1987 Census of Agriculture*, there were 15,880 farms in the 20-county area. The current definition of a *farm* is any place from which \$1,000 or more of agricultural products were produced and sold or normally would have been sold during the census year. Based on this definition and comparing the 1987 agricultural census with the 1990 population census, it can be shown that approximately 7,800 households exist in rural areas away from incorporated towns. Similarly, the 1987 agriculture census shows that about 12,400 farm operators have farming as their principal occupation, and they account for slightly over one-half of the rural households. Using this latter measure as farm households, the area contains approximately 11,300 nonfarm rural households.

**Table 1**  
**Number of Places and Households by Population Size Groups,**  
**20-County Area in Northeast Nebraska**

Population Size Groups of Places	Number of Places	Number of Households	Number of Families
Less than 1,000	92	12,887	8,383
1,000 - 2,500	19	11,406	7,346
2,500 - 10,000	4	6,224	3,944
10,000 - 50,000	2	15,839	10,735
Rural area	na	23,700	19,523
Total	117	70,056	49,931

Data for this article came from the 1990 Census of Population and the U.S. Bureau of Economic Analysis. These data are available to the public on an electronic data information system called the Nebraska Economic Information Program (NEIP) maintained by the Bureau of Business Research. The data are available to anyone with a personal computer and modem.

#### Definitions

Several terms that are used throughout this article need to be defined at the outset. These terms include *households*, *families*, *money income*, *transfer payments*, and *poverty*. The U.S. Bureau of Census defines a *household* as all persons who occupy a housing unit. A housing unit is a house, apartment, mobile home, group of rooms, etc. intended as separate living quarters. A *family* consists of a householder (usually the head of the household) and one or more other persons

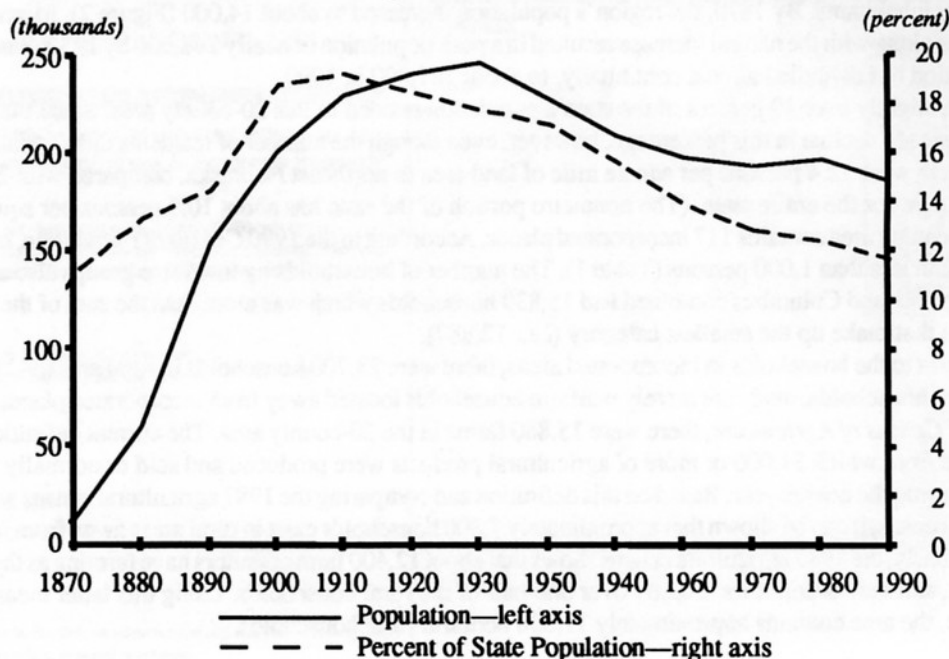
living in the same household who are related to the householder by birth, marriage, or adoption. Families are classified by type: 1) married-couple family, and 2) other family.

*Money income* is the sum of all sources of cash income including wages; salaries; net farm and nonfarm self-employment income; interest, dividends, net rental or royalty income; Social Security; railroad retirement income; public assistance or welfare income; retirement or disability income; child support; and any other source of income received on a regular basis. *Household income* is the sum of all money income received by persons at least 15 years of age who occupy a household.

*Transfer payments* are defined as payments to persons, generally in monetary form, for which they do not render current services. In the case of Medicare, payment is made through intermediaries for care provided to individuals. Some of the items identified above under money income are transfer payments (Social Security, public assistance, etc.).

*Poverty status* was determined by the U.S. Bureau of the Census for all persons except institutionalized persons, persons in military quarters and college dormitories, and unrelated individuals under 15 years old. Families and unrelated individuals are classified above or below the poverty level by comparing their incomes with poverty thresholds based upon family size, age of householder, number of related children under 18 years, etc. In 1989, the average poverty threshold for a family of four persons was \$12,674. For an unrelated individual between 15 and 64 years, the average poverty threshold was \$6,452.

**Figure 2**  
**Northeast Nebraska Population and Percent of State Population**



**Table 2**  
**Percent of Households by Income Categories,**  
**Northeast Nebraska and the State, 1989**

Household Income Categories (\$)	Counties	Northeast Nebraska Places by Population Size Group					Rural	State of Nebraska
		< 1,000	1,000-2,500	2,500-10,000 (Percent)	10,000-50,000			
< 5,000	6.8	10.0	7.9	6.7	5.8	5.3	5.6	
5,000-9,999	12.6	17.7	16.6	15.1	9.2	9.6	10.3	
10,000-14,999	12.9	14.9	13.8	13.4	10.5	12.7	10.7	
15,000-24,999	24.7	25.2	24.8	23.2	23.0	26.0	21.3	
25,000-34,999	18.4	16.1	17.6	18.7	18.7	19.7	18.0	
35,000-49,999	14.5	11.1	12.6	14.7	19.1	14.2	17.8	
50,000-74,999	7.2	3.9	4.8	5.9	10.0	8.6	11.4	
75,000-99,999	1.6	0.7	0.9	1.4	2.2	1.9	2.7	
100,000-149,999	0.8	0.2	0.7	0.8	1.0	1.1	1.4	
> 150,000	0.5	0.2	0.3	0.1	0.5	0.9	0.8	
Estimated median (\$)	22,161	17,963	19,735	21,349	25,018	23,654	26,016	

Source: U.S. Census of Population, 1990

### Household Income and Transfers

Money income received by households in the study area is shown in Table 2. Household incomes in northeast and north central Nebraska tend to be less in the smaller towns than in larger places, rural areas, and the state. The estimated median household income for smaller towns is 25 to 30 percent less than larger towns and the state and 10 to 20 percent below the median average for the 20-county area. Lower incomes in small towns occur for several reasons, such as job opportunities, wage and salary levels, importance of other sources of income, and the number of householders that are at least 65 years of age.

Household income by type (source) for towns and rural areas is shown in Table 3. A smaller percentage of households receive lower wage and salary income in

smaller towns than in larger towns. A relatively high percentage of households in towns below 2,500 population receive Social Security payments. Table 3 shows that the percent of households receiving Social Security payments decreases with increased town size. Forty-six percent of all households in towns with less than 1,000 persons received Social Security payments. The percent drops to less than 30 percent (28.4 percent) for places with more than 10,000 residents in the study area. Median age of residents in many of the smaller towns is considerably higher than for larger towns in the area as well as for the state as a whole. A higher percentage of older residents in the small towns reflects the number of households receiving Social Security. Most of the nonfamily households (35 percent of all households) are occupied by a householder living alone, with many

**Table 3**  
**Percent of Households Receiving Money Income by Type and Mean Income, 1989—Northeast Nebraska**

Income by Type	20-County Area in Northeast Nebraska Towns by Population Size Groups						Rural Areas	State of Nebraska
	Total	< 1,000	1,000-2,500	2,500-10,000	10,000-50,000			
<b>Wage and salary:</b>								
Percent of households	70.6	64.2	66.8	72.9	78.2	70.4	77.3	
Mean (\$)	22,681	19,756	21,385	21,769	28,765	20,454	29,436	
<b>Nonfarm self-employment:</b>								
Percent of households	15.5	16.2	15.3	17.1	13.7	16.0	13.6	
Mean (\$)	12,618	12,845	13,489	13,206	12,046	12,255	14,191	
<b>Farm self-employment:</b>								
Percent of households	20.6	9.6	7.6	7.5	3.1	47.8	9.5	
Mean (\$)	16,140	9,237	10,126	8,080	5,649	18,140	14,364	
<b>Social Security:</b>								
Percent of households	33.5	46.0	44.36	37.4	28.4	23.8	28.0	
Mean (\$)	6,919	6,614	6,901	6,639	7,692	6,753	7,746	
<b>Public assistance:</b>								
Percent of households	5.4	6.3	4.8	4.3	4.5	6.2	5.1	
Mean (\$)	3,760	3,311	3,360	3,475	3,266	4,446	3,729	
<b>Retirement:</b>								
Percent of households	8.1	9.3	8.6	8.2	10.8	5.5	11.5	
Mean (\$)	6,068	6,407	5,927	6,992	6,593	4,809	8,123	

Source: Calculated from U.S. Census of Population, 1990



**Table 4**  
**Percent Below Poverty Level, 1989—Northeast Nebraska**

Category	20-County Area in Northeast Nebraska Towns by Population Size Groups					Rural Portion	State of Nebraska
	Total Area	< 1,000	1,000-2,500	2,500-10,000	10,000-50,000		
				(Percent)			
All persons	13.5	15.8	12.2	10.9	8.6	16.4	11.1
Persons ≥ 18 years	12.4	15.0	11.8	11.6	8.5	14.0	10.1
Persons ≥ 65 years	15.9	20.3	18.6	13.0	13.2	12.5	12.2
Related children < 18 years	16.0	17.7	13.0	8.9	8.4	21.2	13.5
Related children < 5 years	18.3	23.1	16.4	11.3	9.9	22.8	17.3
Related children 5-17 years	15.1	15.7	11.8	8.0	7.8	20.6	12.0
Unrelated individuals	28.2	32.7	28.6	32.4	24.8	25.3	24.5
All families	10.0	11.2	8.0	6.0	5.5	13.4	8.0
With children < 18 years	13.6	15.6	10.6	9.0	8.0	17.7	11.7
With children < 5 years	16.8	20.9	14.7	10.2	10.9	20.1	15.6
Female householder families	31.8	33.6	31.2	25.3	25.5	42.2	29.6
With children < 18 years	44.9	46.9	42.4	37.4	37.4	59.3	39.5
With children < 5 years	60.1	71.1	53.4	65.3	49.7	71.0	59.9

of these 65 years of age and older. The importance of Social Security to small towns in the area is further shown by comparing the percentage of these recipients with those receiving retirement income. Approximately five times as many households in smaller area towns receive Social Security income compared to retirement recipient households.

#### Poverty

Table 4 shows that small towns also contain a relatively high percent of households that are below the poverty level. Table 4 shows that the percent of persons, families, and unrelated individuals below the poverty level decreases with increased town size.

Persons 65 years of age and older are the major recipients of Social Security payment. More than 20 percent (20.3 percent) of individuals in that age group living in towns of less than 1,000 are below the poverty level. The percent drops to about 13 percent for places greater than 2,500 population. Similar relationships can be noted throughout the table, indicating that small towns suffer from low incomes regardless of the income source. Female householder families have higher rates of poverty than other categories in the 20-county area. This category includes those families where a female was the householder and no spouse was present and accounts for 5.6 percent of all households and 7.8 percent of all families. Most of these households have children present. Female heads of households with dependent children have the highest rates of poverty levels regardless of location in northeast Nebraska. Employment opportunities whether on a full-time or part-time basis, likely are limited, in small towns for the female householder with small children. Further, wages and salaries may be quite low. Transfer payments are important to many of these families.

#### Government Payments to Agriculture

Government payments to agriculture have provided considerable income to the area. This form of transfer payment totaled nearly \$298 million for the 20-county area in 1987, \$243.6 million in 1988, and slightly over \$125 million in 1989 and 1990 according to the U.S. Department of Agriculture (USDA). (The drop was due to farm program changes and farmer participation.) These direct payments to farm operators and land owners are reflected partly in the farm self-employment category shown in Table 3.

Some of these payments likely leaked from the area because of the domicile of land owners, farm management firms, and others living outside the area. Nonetheless, farm subsidies have had a positive influence on the area's income. USDA reported that slightly more than one-fourth (26.5 percent) of farm income was received as government payments.

#### Summary and Implications

The significance of transfer payments to households varies between towns of various sizes in northeast Nebraska. Households in small towns report a lower median income than do larger places. A larger percentage of households receive Social Security and public assistance payments in small towns compared to larger towns.

Recent statements from the President and Congressional representatives hint at cuts in transfers and entitlements. If a reduction were enforced, what would be the impacts on areas such as the 20-county area highlighted in this article? How can they be measured in terms of income? employment? etc.

To address these questions, we turn to economic data from the Bureau of Economic Analysis (BEA), U.S. Department of Commerce and the Nebraska Depart-



ment of Labor (DOL). BEA provides annual data for many economic dimensions at the national, regional, state, and county level. Two economic measures are useful in evaluating the impact of public- and private-sector initiatives. For example, we can estimate the income and employment impacts resulting from a 15 percent reduction in government transfer payments (15 percent was selected as a reasonable amount based on comments from Congress and the Clinton Administration).

Using 1990 BEA data for the 20-county area, total personal income was estimated at \$2.9 billion. BEA's definition of personal income differs from the census definition of money income in several ways. (Differences are not noted here except for a few items.) DOL estimates the number of employees annually. For the 20-county area the employment estimate is 73,850 in 1990. Again, DOL does not report employment for areas smaller than counties.

Let's assume that Social Security and farm subsidies are reduced 15 percent over a period of time. (Realistically such a reduction would be modified in many ways—there would not be a sudden reduction in these payments.) Using an income/employment ratio for 1990

and applying the result to the personal income following a 15 percent reduction in Social Security and farm subsidies would result in a loss of about 1,320 employees in the 20-county area. The 15 percent reduction in selected transfer payments results in about a 1.8 percent reduction in total personal income as well as in total employment. If a like reduction were applied to the next largest group among transfer payments, i.e., medical payments (primarily Medicare and Medicaid), further losses in personal income and employment result. No attempt is made to identify location or industries that will be affected. Nevertheless, in some areas the impact will be significant.

Putting these impacts in perspective with the discussion in the forepart of this article, it becomes obvious that small towns will be impacted severely. A high percentage of households in small towns receive Social Security payments, and the average wage and salary income in these households was lower than in adjacent areas.

The full reality of community dependence on government transfer programs will be felt when cuts occur. Rural community leaders need support as they go about attracting more private sector jobs to their communities.

## Review & Outlook

### John S. Austin

#### National Outlook

The economy continues its moderate recovery. While day-to-day news items may confuse the picture somewhat, overall progress is positive.

There was an increase of 1.9 percent in second quarter Gross Domestic Product (GDP) compared to the first quarter increase of only 0.8 percent—both figures are stated at annual rates.

Second quarter strength came in all areas except net exports and inventories. Net inventories did not accumulate as quickly as in the first quarter, in part because second quarter consumption was strong. The second quarter final real sales figure increased 3.2 percent at annual rates. Final real sales is GDP without the inventory adjustment. The latter figure implies a degree of strength in the economy that the GDP increase disguises.

Although net exports have been a source of strength in recent years, there is little hope that there will be much improvement in the sector in the near future. A recent report on the Group of Seven nations (G-7) showed that in addition to the United States, only Canada and the United Kingdom showed advances in industrial production in the year ending with June 1993. The remainder of the G-7 (Germany, France, Italy, and Japan) all showed decreases in the same time

period. German production showed the largest decrease with an 8.7 percent fall.

The future for the G-7 does not look bright. The International Monetary Fund reports that the G-7 will see economic growth in the range of 1.3 percent this year and 2.3 percent next year. The weak growth forecast for these large industrial nations suggests weak future demand for our exports.

One domestic area showing strength is housing. Housing starts went up to 1.323 million units at annual rates in August, an increase of 7.8 percent from July. But, in contrast, new home sales dropped 3.1 percent. Nevertheless, new home sales were 5.2 percent ahead of last year.

September sales of automobile and light trucks ran at the pace of 13.2 million units at annual rates, up 6 percent from the same period one year ago. From mid-March auto sales in 1993 have shown consistent improvement compared to last year. Sales for model year 1993, were 13.6 million units, up 8.3 percent from the 1992 model year.

Industrial production rose 0.2 percent in August. Capacity utilization, a figure representing our use of industrial capacities, stood at 81.8 percent. The moderate level of capacity utilization indicates little inflationary pressure from the industrial sector at this time. The

Consumer Price Index increased only 0.3 percent in August while the Producer Price Index slipped 0.6 percent. This was the fourth decrease in a row for the Producer Price Index.

There are mixed signals in the consumer confidence area. The Conference Board's September index of consumer confidence rose to 62.6 percent from August's 59.3 percent. The index, however, is well below the December level of 78.1 percent. The September rise in consumer confidence is reinforced by a report from the University of Michigan Survey of Consumer Confidence. On the whole, it appears that consumers are not impressed with our low inflation-low interest rate economy, but instead are focusing on slow job growth and high levels of unemployment.

In contrast, recent figures on personal income show strong advances. In August, personal income rose 1.3 percent. Disposable income rose 1.2 percent. Disposable income is a measure of how much after tax income consumers have to spend. Despite the quick rises in personal income by either measure, spending did not keep pace. As a result, savings increased. Retail sales went up only 0.2 percent in August.

The 1990/1991 recession was regional in nature. The recession started and stayed in the New England area for a long time. Toward the end of the recession period a downturn ensued on the west coast, particularly in California. A recent report by UCLA forecasters indicates that California won't start to recover until the third quarter of 1994.

#### Nebraska Outlook

The corn crop is late and is predicted to be below records set in 1991 and 1992. The predicted decrease in

Nebraska at 12.5 percent is less than the predicted U.S. drop in production of 23.7 percent.

The low U.S. production numbers imply lower year-end stocks, well below 1992 but now predicted to be slightly higher than 1991's year-end stocks. Prices per bushel have responded and are expected to run in a range of \$2.15 to \$2.55. This range compares to a 1992 average figure of \$2.07.

Livestock costs have been down, while profitability has been up somewhat. Some of the losses in crop income may be offset by a good livestock picture.

The U.S. Department of Commerce's Bureau of Economic Analysis recently released a report on 1992 state per capita income. With a per capita income of \$18,957, Nebraska ranked in the middle of the pack at number 24. Nebraska's per capita income was 94 percent of the national average, a level in line with long-term historical standards. The growth in Nebraska's per

**Table II**  
City Business Indicators  
June 1993 Percent Change from Year Ago

The State and Its Trading Centers	Employment (1)	Building Activity (2)
NEBRASKA	1.0	-2.9
Alliance	0.8	5.6
Beatrice	1.0	-68.7
Bellevue	0.8	100.6
Blair	0.8	-36.1
Broken Bow	1.4	64.2
Chadron	2.2	297.0
Columbus	2.2	45.9
Fairbury	1.5	-24.3
Falls City	1.4	3.0
Fremont	1.0	-16.0
Grand Island	1.6	50.3
Hastings	1.4	115.5
Holdrege	1.5	-4.4
Kearney	1.4	49.2
Lexington	2.7	2.9
Lincoln	0.3	-11.6
McCook	0.8	203.2
Nebraska City	1.5	11.0
Norfolk	1.3	106.0
North Platte	1.0	-36.0
Ogallala	1.3	-69.4
Omaha	0.8	13.3
Scottsbluff/Gering	1.2	-86.6
Seward	2.1	-53.4
Sidney	2.1	98.4
South Sioux City	0.9	-70.1
York	0.3	-16.8

(1) As a proxy for city employment, total employment (labor force basis) for the county in which a city is located is used

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

Sources: Nebraska Department of Labor and reports from private and public agencies

**Table I**  
Employment in Nebraska

	Revised July 1993	Preliminary August 1993	% Change vs. Year Ago
Place of Work			
Nonfarm	744,549	747,729	0.4
Manufacturing	101,304	103,148	2.6
Durables	47,598	48,896	3.7
Nondurables	53,706	54,252	1.5
Mining	1,641	1,618	2.5
Construction	31,665	31,643	5.3
TCU*	46,999	46,917	-0.3
Trade	187,761	188,864	-0.6
Wholesale	54,246	53,780	1.5
Retail	133,515	134,284	-1.4
FIRE**	49,228	49,186	-0.4
Services	185,134	185,102	-0.4
Government	140,817	142,051	0.7
Place of Residence			
Civilian Labor Force	869,095	868,124	1.3
Unemployment Rate	2.7	2.4	

\* Transportation, Communication, and Utilities

\*\* Finance, Insurance, and Real Estate

Source: Nebraska Department of Labor

capita income in 1992 was 5.1 percent ahead of 1991. As such, Nebraska's growth was only slightly ahead of the nation's growth at 4.9 percent and well ahead of inflation.

Nebraska's growth in per capita income was in line with growth in neighboring states. Iowa, Kansas, and South Dakota grew faster than Nebraska; Missouri, Colorado, and Wyoming grew more slowly.

Once again, Nebraska's unemployment rate remains low when compared to the nation. In August the unemployment rate was 2.4 percent. The low unemployment rate was accompanied by only modest overall employment gains. Nebraska's nonfarm employment increased 0.4 percent in August versus its year ago level. Sectors showing the greatest strength were construction, with an increase of 5.3 percent, and durable manufacturing, with an increase of 3.7 percent. Several sectors showed decreases, including the large service sector (Table I).



# NEIP

Nebraska Economic Information Program

The NEIP modem access number is (402) 472-5201.  
Call David DeFruiter at (472) 472-7927 for assistance.

**Table III**  
**Price Indices**

	August 1993	% Change vs. Year Ago	YTD % Change vs. Year Ago
Consumer Price Index - U* (1982-84 = 100)			
All Items	144.8	2.8	3.1
Commodities	131.1	1.4	2.1
Services	159.0	3.9	3.8

U\* = All urban consumers

Source: U.S. Bureau of Labor Statistics

**Table IV**  
**Net Taxable Retail Sales of Nebraska Regions and Cities**

Region Number and City (1)	City Sales (2)		Region Sales (2)		Year to Date % Change vs. Year Ago
	June 1993 (000s)	% Change vs. Year Ago	June 1993 (000s)	% Change vs. Year Ago	
<b>NEBRASKA</b>	1,062,254	5.3	1,225,603	6.9	3.0
1 Omaha	374,709	8.9	465,493	8.9	5.0
Bellevue	14,005	13.7	*	*	*
Blair	5,575	7.6	*	*	*
2 Lincoln	138,532	9.8	161,292	9.8	6.4
3 South Sioux City	5,698	-13.9	8,693	-5.2	7.6
4 Nebraska City	4,841	3.6	22,962	15.8	6.7
6 Fremont	17,667	-10.2	32,268	-3.4	-0.8
West Point	3,116	-0.9	*	*	*
7 Falls City	3,190	42.2	10,306	9.9	0.8
8 Seward	3,710	-13.6	15,862	2.9	1.3
9 York	6,535	-10.4	15,593	-4.1	-3.4
10 Columbus	14,477	-18.6	27,387	-9.4	-3.8
11 Norfolk	20,776	-3.5	37,531	-1.5	1.7
Wayne	3,341	-1.4	*	*	*
12 Grand Island	37,725	4.1	54,378	5.1	0.9
13 Hastings	17,324	2.6	27,948	4.6	-0.1
14 Beatrice	9,048	4.6	19,548	2.7	5.4
Fairbury	2,203	-25.8	*	*	*
15 Kearney	21,781	-4.1	31,203	-1.1	1.8
16 Lexington	5,889	-6.7	17,586	-0.1	-1.3
17 Holdrege	4,819	-6.2	9,171	2.8	-3.3
18 North Platte	17,798	-7.1	23,408	-3.0	0.2
19 Ogallala	5,567	-11.5	11,447	-7.1	-14.6
20 McCook	7,762	-7.5	11,579	-2.0	-1.5
21 Sidney	5,810	2.8	10,438	7.1	5.3
Kimball	1,866	5.8	*	*	*
22 Scottsbluff/Gering	19,370	-4.4	27,494	-1.2	1.3
23 Alliance	5,514	-0.3	16,171	9.4	5.8
Chadron	3,169	0.8	*	*	*
24 O'Neill	4,222	-0.4	15,784	1.4	-2.2
Valentine	3,619	12.9	*	*	*
25 Hartington	1,592	-14.5	8,696	-5.3	2.8
26 Broken Bow	3,857	4.4	13,041	6.0	-2.2

(1) See Figure II of previous *Business in Nebraska* issues for regional composition

(2) Sales on which sales taxes are collected by retailers located in the state. Region totals include motor vehicle sales

\*Within an already designated region

Compiled from data provided by the Nebraska Department of Revenue



## Sixth Annual State of the State Conference

December 15, 1993  
Nebraska Center for Continuing Education, Lincoln  
and via satellite to the  
Panhandle Education Center, Scottsbluff

### Schedule of Events: Wednesday, Dec. 15

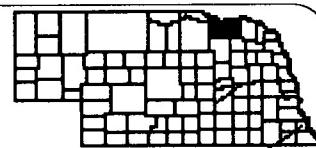
- 8:00—8:30 Registration, Refreshments, and Nebraska Economic Information Program (NEIP) Demonstration
- 8:30—8:40 **Opening Remarks**  
Charles Lamphear
- 8:40—9:20 **"Rural Nebraska's Economic Development"**  
R. Garth Taylor
- 9:20—10:00 **"Economic Projections"**  
John S. Austin
- 10:00—10:15 Break
- 10:15—11:15 **"The Likely Economic Impact of the North American Free Trade Agreement (NAFTA) on the Nebraska Economy"**  
*Moderator:* Charles Lamphear  
*Panel:* Craig R. MacPhee  
Robert L. McGeorge  
Stu Miller  
E. Wesley F. Peterson
- 11:15—12:00 **"Searching for Synergy: Exploring Nebraska's Economic Future"**  
Mark Drabenstott
- 12:15 Luncheon and Address  
**"Will President Clinton Succeed in Reducing Budget Deficits Despite the Health Care Reform?"**  
Sung Won Sohn

Please call BBR for more information (402) 472-2334

### County of the Month

## Knox

Center—County Seat



Next County of Month

License plate prefix number: 12

Size of county: 1,140 square miles, ranks 12th in the state

Population: 9,534 in 1990, a change of -16.8 percent from 1980  
Median age: 40.6 years in Knox County, 33.0 years in Nebraska in 1990

Per capita personal income: \$14,278 in 1991, ranks 87th in the state

Net taxable retail sales (\$000): \$41,289 in 1992, a change of -4.1 percent from 1991; \$15,849 during January-May 1993, a change of +4.0 percent from the same period one year ago

Number of business and service establishments: 265 in 1990; 67.9 percent had less than five employees

Unemployment rate: 3.0 percent in Knox County, 2.9 percent in Nebraska for 1992

Nonfarm employment (1992):	Knox State	County
Wage and salary workers	746,985	2,328
	(percent of total)	
Manufacturing	13.4%	2.2%
Construction and Mining	3.9	4.2
TCU	6.3	3.8
Retail Trade	18.2	15.9
Wholesale Trade	7.0	8.9
FIRE	6.6	4.3
Services	24.8	20.0
Government	19.8	40.7
Total	100.0%	100.0%

#### Agriculture:

Number of farms: 1,212 in 1987, 1,280 in 1982

Average farm size: 507 acres in 1987

Market value of farm products sold: \$99.2 million in 1987  
(\$81,880 average per farm)

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

Merlin W. Erickson

Business  
in  
Nebraska

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October, 1993, Volume 49 No. 585  
University of Nebraska-Lincoln—Graham Spanier, *Chancellor*  
College of Business Administration—Gary Schwendiman, *Dean*

**Bureau of Business Research**  
John S. Austin, *Research Associate*  
David Bennett, *Programming Assistant*  
Carol Boyd, *Secretary*  
David DeFruiter, *Information Systems Manager*  
Merlin W. Erickson, *Research Associate*  
F. Charles Lamphear, *Director*  
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