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Business in Nebraska

In This Issue

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Taxation and Spending: An Introduction to the Issues

Charles Lamphear
Bureau of Business Research

"And it came to pass in those days, that there went out a decree from Caesar Augustus, that all the world should be taxed" (St. Luke II:1).

The world has been "rendering to Caesar" ever since because the public demands and expects public education, public transportation systems, police and fire protection, a strong national defense system, social services, and so on. Public goods and services largely are financed by taxes in a democracy.

The financial and administrative responsibility for providing public goods and services in the U.S. lies in the federal-state-local system. Although it is tempting to believe that this tripartite arrangement is a result of the growth of federal grants-in-aid during the Depression, the relationship is almost as old as the nation. The first instance of federal-state-local sharing of service support in the field of education occurred with the passage of the Northwest Ordinance in 1785.

Conflict and controversy almost always surround taxation and spending. Conflict and controversy are inevitable because there are no infallible economic guidelines for formulating the right tax system. Only reasoned criteria, supported by basic research, can be offered as a guide for formulating taxes and determining appropriations. To fulfill its outreach mission, the Bureau of Business Research plans to publish five articles on state and local tax issues in *Business in Nebraska* (BIN).

Professors Roy Frederick and Bruce Johnson, UN-L Department of Ag Economics, Professor John Anderson, UN-L Department of Economics, Bill Locke, former director of the Center for Rural Economic Development at UN-K, and Charles Lamphear, professor and director of UN-L's Bureau of Business Research are developing the tax series. The first article is scheduled to appear in the October issue of BIN.

The October article will address two questions: Are we overtaxed? Do we overspend? Attempts to answer these questions will be made by comparing Nebraska's taxing and spending patterns with those of other states. This article also will discuss how and why Nebraska's tax system has changed over time.

An article scheduled for the winter issue (the November-December issue) will address the question: What is a good revenue system? Basic principles of sound taxation, including fairness, stability, administrative ease, and the minimum impact of taxation on the state's economy, will be discussed in this issue.

Scheduled for the January issue is an article devoted to the question: Are we getting our money's worth from our tax dollars? This installment will discuss aspects of responsible and efficient government, including the advantages/disadvantages of consolidating governmental units/services, contracting services with the private sector, and privatizing government services.

The relationship between federal, state, and local taxation and the change in this relationship over time will be examined in the February issue of BIN. This article will analyze recent issues surrounding the evolving roles and responsibilities of federal, state, and local governments. Potential future changes in the roles of government also will be discussed.

The final article scheduled for the March issue will focus on new paradigms for tax and fiscal policy to coincide with emerging needs. One important aspect of this final installment is an examination of alternative revenue sources, such as value-added taxes, transactions taxes, user fees, lotteries, and local income taxes.

This series of articles is not being prepared to support a particular tax policy. Our intent is to provide basic information on state and local taxation and appropriations. The reader must decide what the right tax policy is. We hope, however, that our efforts will contribute positively to a better understanding of state and local tax systems and why tax policy undergoes almost continuous change.

Taxes and Public Attitudes

The U.S. Advisory Commission on Intergovernmental Relations (ACIR) has been conducting annual surveys of public attitudes toward governments and taxes since 1972. The latest survey was in 1991. The results of three questions included in the 1991 U.S. survey are summarized below.

Which do you think is the worst tax—that is, the least fair?

Thirty percent of all respondents indicated that the local property tax is the least fair tax. The federal income tax was cited as least fair by 26 percent, while 19 percent picked the state sales tax, and 12 percent chose the state income tax. Forty-three percent of the respondents in the North Central region think the local property tax is the worst tax. (Nebraska is part of the North Central region.) Thirty-seven percent of the respondents from nonmetropolitan areas think that the property tax is the worst tax. While 33 percent of college graduates think that the federal income tax is the worst tax, only 24 percent of this group think that the property tax is the worst tax. The largest percentages choosing the local property tax as worst included those from age 45 to age 65 and over (32 percent).

From which level of government do you get the most for your money: Federal, State, or Local?

Thirty-one percent of the respondents identified local government as giving them the most for their money, followed by the federal government (26 percent), and state government (22 percent). Thirty-eight percent of the respondents from the North Central region, 32 percent of nonmetropolitan respondents, and 52 percent of college graduates picked local government as providing the most for their money.

Which level of government do you think spends your tax dollars most wisely?

Thirty-five percent of the respondents picked local government for spending tax dollars most wisely. Forty-four percent of those in the North Central region picked local government. The highest percentage picking local government was college graduates (51 percent).

(Survey error is a plus/minus 4 percentage points at the 95 percent level of confidence.)

Federal Government Expenditures: Nebraska and Neighboring States

Charles Lamphear
UNL Bureau of Business Research

In fiscal year 1991 Nebraska received slightly over $6.4 billion (in current dollars) in federal expenditures according to a recent U.S. Department of Commerce, Bureau of the Census report entitled *Federal Expenditures by State for Fiscal Year 1991*.

The 1991 fiscal year level of $6.4 billion to Nebraska was 2.1 times higher than the 1981 federal expenditure level of slightly over $3 billion. (In constant dollars, adjusted for inflation, the 1991 expenditure level was 1.5 times higher than the 1981 level.)

Nebraska received $4,029 on a per capita basis in fiscal 1991. The per capita amount is equivalent to every man, woman, and child living in the state in 1991 receiving a check from the U.S. government for $4,029. The per capita average for the U.S. in 1991 was $4,282.

Federal government expenditures in this latest publication include grants, salaries and wages to federal civilian and military personnel, procurement payments, direct payments to individuals, and other programs for which data are available by state and territory.

In fiscal 1991 the federal government's expenditures to all states and territories reached $1.1 trillion.

Total and per capita federal expenditures for fiscal year 1991 are shown in Table 1 for Nebraska and neighboring states.

Missouri led among the states shown in Table 1, with approximately $26.4 billion. Procurement expenditures accounted for nearly 28 percent of Missouri's $26.4 billion total.

Wyoming received the lowest total amount of just over $1.9 billion. Nearly 43 percent of Wyoming's total represented direct payments to individuals. Direct payments to individuals include such major programs as Social Security, Medicare, food stamps, veterans compensation for service-connected disability, federal retirement and disability payments, and federal unemployment compensation.

Table 1
Total and Per Capita Federal Expenditures for Nebraska and Neighboring States 1991

State	Total Expenditures ($ millions)	Per Capita Expenditures
Nebraska	$6,419	$4,029
Colorado	16,474	4,878
Iowa	10,306	3,687
Kansas	10,519	4,216
Missouri	26,410	5,120
South Dakota	3,106	4,418
Wyoming	1,951	4,241

Figure 1
Percentage Distribution of Federal Expenditures by Major Category in Nebraska and the U.S.—1981 and 1991

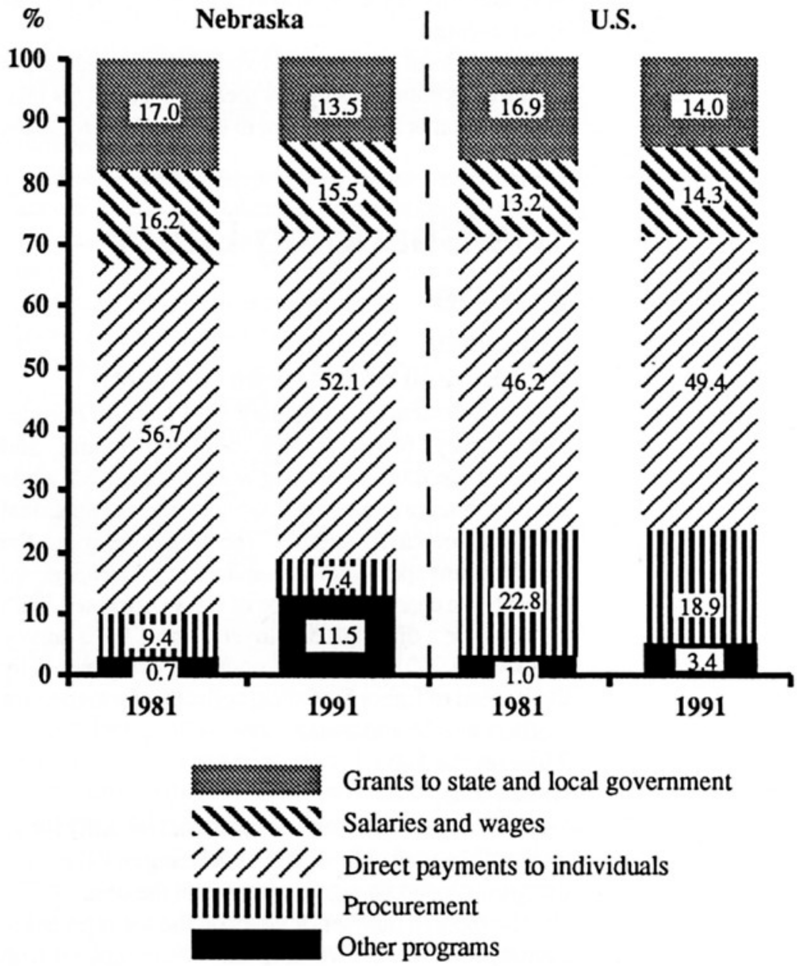


Figure 1 shows the percentage distribution of federal expenditures by major category in Nebraska and the U.S. for 1981 and 1991.

For fiscal year 1991 the most notable difference between Nebraska and total U.S. federal expenditures is in the category called *other programs* (Figure 1). This category accounted for 11.5 percent of Nebraska's total federal expenditures. The U.S. level was 3.4 percent. The other programs category includes U.S. Department of Agriculture payments to farmers.

Between 1981 and 1991 federal government expenditures in Nebraska increased at an average annual rate of 7.8 percent. The comparable rate for total federal expenditures to all states and territories in the United States was 6.9 percent. (Neither rate is adjusted for inflation.) Substantial annual increases in subsidies to Nebraska farmers kept Nebraska's rate above the national average.

Total federal government expenditures to states and territories is enormous by any measure. It does not take an economist or an accountant to understand why states are concerned about the prospect of major federal expenditure cuts in order to balance the nation's federal budget. One long-term effect of government expenditures has been the development of local economies that are government dependent. The economies of many communities in southern California are examples. These economies are nonmarket-driven economies. It's little wonder Congressional representatives of these economies vigorously oppose program cuts at budget time.

The Changing Labor Scene

Jan Laney
UNL Bureau of Business Research

A supplement to the January 1991 *Current Population Survey* (*CPS*) shows that job tenure and occupational mobility among women increased, while men's job tenure remained constant and occupational mobility decreased slightly. *Job tenure* refers to the length of time spent with an employer, and *occupational mobility* is a change in the type of work performed (with the same or a different employer). The *CPS*, a survey of about 60,000 households conducted every month by the Bureau of Labor Statistics, collects information for workers age 16 and over.

Time on the Job

Gender Gap

Overall, job tenure and occupational mobility for all workers changed only slightly, but changes within gender groups contrast significantly with the past.

The median number of years on the job reported in January 1991 for all workers was 4.5, compared with 4.4 in 1983 and 4.2 in 1987. Some noteworthy changes, however, were recorded for certain groups.

Average length of service with an employer tends to be higher for men than for women, but the gap narrowed between 1983 and 1991. Median tenure for men held steady at 5.1 years, but rose for women from 3.3 years to 3.8 years.

Although the gender differential generally increases with age, the gap decreased most in the 45-to-54 year age group during the last eight years. Median tenure in this group fell from 13.4 years to 12.2 years for men and increased from 6.9 years to 7.3 years for women.

Gender-related tenure differences vary among racial groups. In January 1991 the gender gap for white workers was 1.5 years, while almost no gap existed between black and Hispanic men and women.

Significant Overall Changes

Differences in tenure overall for men and women from 1983 to 1991 were minimal except for workers age 65 and over. Only 34.0 percent of the older workers had been with their current employer for 20 years or longer in 1991, down from 38.0 percent in 1983. Some of the decrease is attributed to early exits from the labor force and workers seeking postretirement jobs with new employers.

Highest median tenure levels were in the agriculture and public administration sectors at 10.1 years and 8.1 years, respectively. The largest tenure increase over the period was in mining which rose from 5.0 years to 7.3 years. The largest dip—9.0 years to 7.9 years—was in the transportation and public utilities sector.

Changing to a Different Line of Work

Between January 1990 and January 1991 one in ten employed persons changed occupations (that is, the type of work performed). Women outpaced men in this regard with 10.7 percent of women and 9.2 percent of men changing jobs. These figures reflect a slight increase for women and a decrease for men.

Although statistics do not indicate the direction of job changes, increased length of service with an employer combined with increased numbers of job changes suggest worker advancement.

Conclusion

In 1991 job switching was higher for white workers (10.1 percent) than for blacks (8.7 percent) and Hispanics (9.5 percent). The number of job changes for whites remained the same when compared to 1983 data, but rose marginally for blacks and Hispanics.

The changes are not dramatic, but reveal that women are staying with employers longer and changing the types of jobs they hold more frequently as their careers advance. Men, on the other hand, seem to be staying with employers a shorter time than previously and not changing occupations as often as women.

BBR Forum—Easy Computer Access to Vital Data

David D. DeFruiter
UNL Bureau of Business Research

BBR Forum is a state, regional, and national economic and demographic information system accessible from both personal computers and Macintosh computers.

BBR Forum is a multifaceted system providing news articles, bulletins, and data files. It also serves as an electronic communication system for various groups across the state. It presently is networked to over 25 Nebraska communities, all U.S. states, and many foreign countries. Connections to BBR Forum can be made from other Nebraska systems that participate in the NEBLINK, RBBS, MidNet, or InterNet computer networks.

In addition to the many on-line services, in the near future BBR Forum will serve as the remote host (telephone access) for the Nebraska Economic Information Program (NEIP). The NEIP system which was developed and is maintained by the Bureau of Business Research contains over 3,500 files on business, economic, and demographic data. Nebraskans equipped with a personal computer and a modem will be able to transfer information from NEIP directly to a file on their own computer, where it can be manipulated in spreadsheet or word processing programs. Remote access to NEIP currently is being tested by a limited number of users.

BBR Forum also provides news personnel with access to needed statistical information, *Business in Nebraska* features, and Bureau press releases. For example, a reporter needing a story about the state economy could dial the system and download a relevant article or press release the same day of release.

The BBR Forum is accessible seven days a week, 24 hours a day. Any brand of computer equipped with a modem and telecommunications software can access BBR Forum. Access is free of charge, except for the cost of the call to Lincoln.

BBR Forum's international networking through PC connections brings the world into the home or classroom.

For more information, call David DeFruiter, information systems coordinator, at 402/472-7927.

Review & Outlook

John S. Austin
UNL Bureau of Business Research

National Outlook

A Weak Economic Recovery

A recent revision to second quarter GDP figures indicates the growth was 1.4 percent in the second quarter. This rate is less than half the growth rate experienced in the first quarter. Furthermore, second quarter 1992 GDP was only 2.0 percent higher than the low point reached by the economy in the first quarter of 1991. Perhaps most telling, the economy remains below its peak level of activity set in the second quarter of 1990, just prior to the start of the recession.

The second quarter GDP figures were mixed. Moderate gains in nonresidential and residential investment plus a large gain in inventory accumulation were enough to offset small losses in the consumption and government sectors and a major loss in the net export area. The latter is disturbing, as net exports have been a major area of gain in the economy over the last several years. It is especially curious because the weakened dollar should mean increasing exports and decreasing imports.

Most troubling was the fall in the consumption sector. Many analysts look to the consumer to strengthen the recovery; instead, the consumption of goods (both durable and nondurable) dropped to an extent that more than offset a rather small gain in the consumption of services. The consumer accounts for two-thirds of GDP. It is hard to advance when two-thirds of the total is showing a decrease. Nor is there relief in sight. Both the University of Michigan and the Conference Board surveys of consumer confidence fell in July and August.

There is no solace in the increase in inventory that contributed to second quarter growth. Lack of consumption likely drove inventories up rather than a conscious effort by producers to build inventories in anticipation of demand increases. In rapid growth periods, inventories often are drawn down.

We should not be confused by the mixed results in the GDP figures. We see mixed signals from different sectors in various weekly reports. The economy does not move as a single homogeneous mass—movements within the economy are in different directions—this allows multiple interpretations of what is happening. The impact upon the individual depends critically upon movements in the sector most closely tied to that individual. A retailer will be much more disturbed by the decrease in second quarter consumption of goods than would someone supplying machinery to industry.

Curious and Curiouser

Deficit woes result in attempts to cut government spending in a time when we normally would look for stimulus from government. In a sense, the size of our deficit is a rough measure of how stimulating government has been. The deficit is the result of excess spending over tax receipts. Using this notion, government has been overstimulating for a long time now. There are virtually no calls to increase the deficit further. Instead, there is concern about reducing the deficit. Thus, the federal government is limited in its ability to speed the recovery by increased spending. There is one major exception. Prospects are that the federal government will intervene and spend heavily on rebuilding south Florida. It is unlikely that concern over the deficit will harness spending on rebuilding.

That leaves the Federal Reserve as the one possible actor that could do something about our current malaise. Past Fed actions, however, have resulted in low short-term interest rates. There is not much room for the Federal Reserve to lower interest rates further. Long-term interest rates have dropped a bit, mostly as a result of continuing low inflation and (to a lesser extent) the influence of short-term interest rate markets.

These low interest rates already have impacted the international exchange rate markets. The exchange rate of the dollar against major currencies is low at this point, as individuals with funds to invest are seeking higher rates of return in countries other than the United States.

We are witnessing an odd recovery. Growth is somewhere between weak and anemic. Deficits are running at extremely high levels. Interest rates are low, and inflation rates remain low. Unemployment rates have been a major problem, remaining at high levels long after what will become the official termination date of the 1990/1991 recession.

Hope and Despair

Where is the hope in all of this? The hope is that low interest rates will stimulate spending, especially in the auto and housing industries. In turn, these increases in spending will stimulate investors to respond. Put simply, the hope is that we will see a strong private sector recovery. Deficits have tied the hands of government to do anything about the recovery, and interest rates can't go much lower.

The despair in all of this is that an outside force may nudge a weakened economy into another downturn. It is difficult to predict the occurrence, impact, or timing of outside shocks. All we can talk about at this point are hypotheticals. For example, a major uncontrolled flare-up in the Middle East resulting in the curtailment of oil supplies could be enough of a shock as to drag the U.S. economy down.

Other Economic News

Domestic auto makers have become cautious over third quarter production plans. Car sales this year have mimicked last year's performance, but last year is not a good year to imitate. Sales remain weak in early Au-

Table I
Employment in Nebraska

	Revised June 1992	Preliminary July 1992	% Change vs. Year Ago
Place of Work			
Nonfarm	747,187	734,066	0.0
Manufacturing	100,304	93,444	0.6
Durables	47,760	45,073	-1.7
Nondurables	52,544	52,371	2.7
Mining	1,582	1,559	2.0
Construction	29652	30,432	1.7
TCU*	47,991	47,380	-0.4
Trade	184,304	183,491	-1.9
Wholesale	31,711	51,791	-0.4
Retail	132,593	131,700	-2.5
FIRE**	49,099	49,055	0.4
Services	182,647	181,499	1.0
Government	151,608	142,196	0.6
Place of Residence			
Civilian Labor Force	875,523	887,997	2.1
Unemployment Rate	3.4	3.1	

* Transportation, Communication, and Utilities
** Finance, Insurance, and Real Estate

Source: Nebraska Department of Labor

Table II
City Business Indicators
May 1992 Percent Change from Year Ago

The State and Its Trading Centers	Employment (1)	Building Activity (2)
NEBRASKA	-0.8	39.7
Alliance	-1.0	118.8
Beatrice	0.0	289.8
Bellevue	-4.2	3.2
Blair	-4.2	81.1
Broken Bow	-2.3	55.1
Chadron	0.1	550.9
Columbus	-1.5	64.7
Fairbury	-4.1	65.4
Falls City	-1.8	31.2
Fremont	-0.6	15.9
Grand Island	3.9	20.5
Hastings	-6.1	-18.3
Holdrege	-0.6	-78.7
Kearney	-3.7	0.0
Lexington	18.5	-0.3
Lincoln	-0.7	38.1
McCook	-10.1	-33.7
Nebraska City	-1.6	425.0
Norfolk	-2.9	-41.6
North Platte	4.5	-27.5
Ogallala	-2.0	117.6
Omaha	-4.2	19.7
Scottsbluff/Gering	-1.9	753.4
Seward	2.1	-17.1
Sidney	-0.4	-70.0
South Sioux City	4.0	105.8
York	7.0	134.3

(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 gust. The only bright spot in the whole spectrum is light truck sales, a category that includes mini-vans.

Housing starts fell in July 2.8 percent, reaching 1.19 million units at annual rates. This followed a fall of 3.8 percent in June. Housing starts peaked in March.

There is little inflationary pressure. In July both the Consumer Price Index and the Producer Price Index increased only 0.1 percent. Energy prices fell 0.4 percent in the. Consumer prices stand 3.2 percent ahead of year ago levels.

Retail sales increased 0.5 percent in July. Retail sales made a major shift early in the year following an anemic holiday sale performance. There have been meager gains since Christmas.

Nebraska Outlook

While Nebraskans may look forward to a another record year of corn production, corn likely will be sold at lower prices than last year. National corn production is estimated by the USDA to increase 17.2 percent over last year. Nebraska production will increase 3.7 percent. At this writing, corn prices have hovered just above the $2.00 per bushel area for some time.

Nebraska's unemployment rate fell from 3.4 percent in June to 3.1 percent in July. The July U.S. unemployment rate was 7.8 percent. The unemployment drop was not matched by a gain in total jobs. July jobs held steady with year ago figures.

Total net taxable retail sales in Nebraska increased 3.2 percent in May versus a year ago. On a year-to-date basis through May sales increased 5.6 percent.

Table III
Price Indices

	July 1992	% Change vs. Year Ago	YTD % Change vs. Year Ago
Consumer Price Index - U* (1982-84 = 100)			
All Items	140.5	3.2	3.0
Commodities	129.0	2.2	1.8
Services	152.5	3.9	4.0

U* = All urban consumers
Source: U.S. Bureau of Labor Statistics, Nebraska Department of Agriculture

Table IV
Net Taxable Retail Sales of Nebraska Regions and Cities

Region Number	and City (1)	City Sales (2) May 1992 (000s)	City Sales (2) % Change vs. Year Ago	Region Sales (2) May 1992 (000s)	Region Sales (2) % Change vs. Year Ago	Year to Date % Change vs. Year Ago
	NEBRASKA	983,874	4.9	1,109,336	3.2	5.6
1	Omaha	334,680	5.0	413,035	3.8	7.5
	Bellevue	13,665	5.9	*	*	*
	Blair	5,030	3.2	*	*	*
2	Lincoln	127,104	5.9	146,672	4.9	5.2
3	South Sioux City	6,353	5.0	8,707	7.6	9.9
4	Nebraska City	4,137	3.6	19,150	-5.4	3.6
6	Fremont	16,857	-6.9	30,229	-6.5	0.6
	West Point	2,781	-11.5	*	*	*
7	Falls City	2,299	-6.0	9,770	1.8	0.8
8	Seward	4,587	3.1	14,902	-2.7	3.1
9	York	7,777	3.6	16,223	-0.5	-0.1
10	Columbus	17,085	6.6	28,726	1.7	1.1
11	Norfolk	20,556	-2.3	35,829	-2.9	-0.3
	Wayne	2,847	-14.2	*	*	*
12	Grand Island	36,841	11.1	50,621	5.8	6.7
13	Hastings	18,962	15.4	28,455	7.4	4.7
14	Beatrice	9,114	-1.0	18,832	-4.0	0.7
	Fairbury	2,981	2.5	*	*	*
15	Kearney	22,870	7.5	31,362	3.4	3.4
16	Lexington	6,489	2.6	17,078	-1.7	5.3
17	Holdrege	4,683	-8.7	8,236	-8.1	0.1
18	North Platte	17,885	4.1	22,646	4.3	3.0
19	Ogallala	5,726	-1.8	12,016	-3.8	2.8
20	McCook	8,126	-9.9	11,621	-4.5	0.0
21	Sidney	4,870	14.4	9,161	6.1	6.5
	Kimball	2,004	-5.0	*	*	*
22	Scottsbluff/Gering	20,729	5.1	28,062	4.0	1.2
23	Alliance	5,467	-2.3	14,095	-3.7	-1.7
	Chadron	2,744	-4.0	*	*	*
24	O'Neill	4,599	5.7	14,934	-1.4	-2.7
	Valentine	2,666	-14.3	*	*	*
25	Hartington	1,887	16.7	8,154	-10.5	-8.2
26	Broken Bow	3,845	2.0	11,814	-8.2	-1.8

(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

Mark Your Calendars

•State of the State—December 2

Economic issues in the 1990s, Nebraska taxes, and state economic projections will highlight the fourth annual State of the State conference at the Nebraska Center for Continuing Education. Sponsored by the UNL College of Business Administration's Bureau of Business Research, this year's conference is scheduled for Wednesday, December 2.

Diane Swonk of the 1st National Bank of Chicago will deliver the luncheon address. Other morning panels and speakers will examine key issues of vital importance to all Nebraskans.

To receive a brochure or for more information, call the Bureau of Business Research at 402/472-2334.

•Northeast Rural Development Conference—October 14

The fourth annual Cooperative Rural Development Conference will be held at Northeast Community College in Norfolk on Wednesday, October 14.

This one day conference emphasizes how communities can network with agencies, resources, and community leaders from across the area to build community strength.

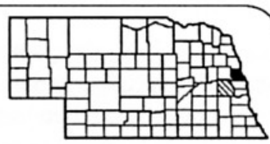
An added feature this year is the "Nebraska's Field of Dreams" exhibition fair. Resource tables will allow conference participants to network with resource providers, community leaders, and others about programs, initiatives, and other facets of community and economic development.

Conference sessions include community conflict management, strategic planning, LB840 Local Option Municipal Economic Development Act, foundation grant application process, and financing job creation and expansion.

For information concerning the conference, contact Joe Ferguson, Northeast Community College, 644-0587, or 1-800-348-9033.

County of the Month

Washington



County Seat: Blair
License plate prefix number: 29
Size of county: 394 square miles, ranks 88th in the state
Population: 16,607 in 1990, a change of +7.1 percent from 1980
Median age: 34.8 years in Washington County, 33.0 years in Nebraska in 1990
Per capita personal income: $17,167 in 1990, ranks 42nd in the state
Net taxable retail sales ($000): $81,199 in 1991, a change of -0.7 percent from 1990; $34,118 during Jan.-May 1992, a change of +6.2 percent from the same period one year ago
Number of business and service establishments: 376 in 1989; 66 percent had fewer than five employees
Unemployment rate: 2.8 percent in Washington County, 2.7 percent in Nebraska for 1991
Nonfarm employment (1991):

	State	Washington County
Wage and salary workers	736,172	4,727
	(percent of total)	
Manufacturing	13.5%	8.3%
Construction and Mining	4.0	5.9
TCU	6.4	4.2
Retail Trade	18.3	19.7
Wholesale Trade	7.0	3.7
FIRE	6.6	2.4
Services	24.4	26.4
Government	19.8	29.4
Total	100.0%	100.0%

Agriculture:
Number of farms: 826 in 1987, 812 in 1982
Average farm size: 280 acres in 1987
Market value of farm products sold: $76 million in 1987 ($91,985 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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