Business in Nebraska

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Nebraska's Employment Growth Slows

John Austin and the Nebraska Business Forecast Council

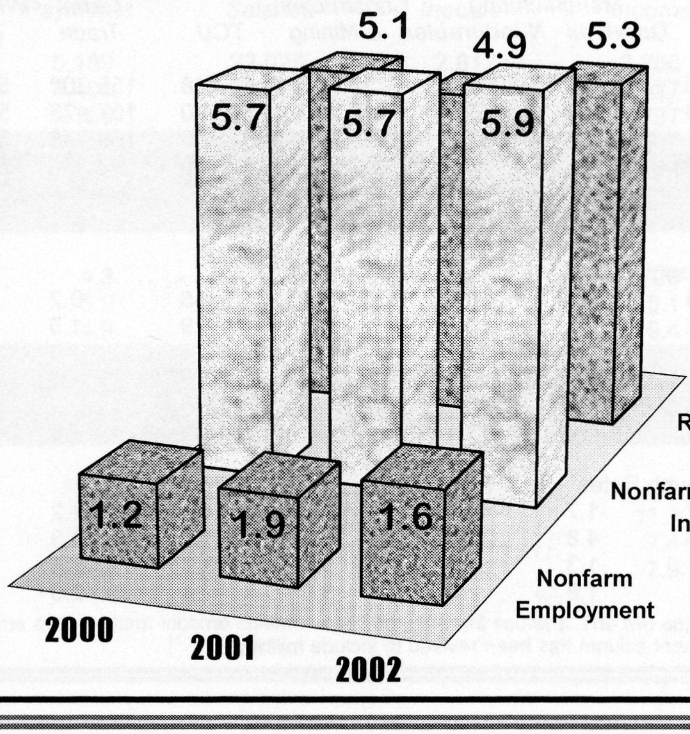
Despite the robust national economy, Nebraska's economy has started an employment growth slow down.[1] The slowdown is the result of tight labor markets across the state and the impact of a continuing decline in the agricultural sector.

The current situation is not unusual. Past studies indicate that, with the possible exception of durables manufacturing, Nebraska's business cycle has little relation to the national business cycle. In contrast, there is a strong tie between the state's overall economic cycle and its agricultural cycle. It is not a case of agriculture dominating the state's economy, but that losses in agriculture will take critical points from the state's overall economic growth rate—part of the current malaise.

The employment growth slowdown is not uniform across the state. To the extent that metro areas serve national markets rather than state or regional markets, they will participate in the nation's growth. Nonmetro areas show varied patterns. For example, the Kearney/Grand Island/Hastings area is doing well. Areas with substantial agricultural dependence, especially those closely related to grain farming, are experiencing a greater growth slowdown or are in decline.

Despite the growth slowdown in employment and the decline in the agriculture sector, nonfarm income growth has fared remarkably well. Total nonfarm personal income grew 6.2 percent in 1999 and is expected to remain just under 6 percent throughout the 2000-2002 forecast period (Figure 1). Continuing strength from nonfarm personal income will cause total net taxable retail sales to grow about 5 percent each year. Both the income and retail sales numbers are unadjusted for inflation in this article.

Figure 1
Key Economic Growth Rates



[1] An employment growth rate slowdown means that employment is growing, but at a slower rate than previously. An employment contraction means that employment growth rates are negative.

Nonfarm Employment

Total nonfarm employment growth slowed to 1.5 percent in 1999. Growth has been restrained due to the labor shortage. The adverse effect of years of poor agriculture income performance compounds the impact of the shortage. Annual growth will be limited to 1.2 percent in 2000 and 2001, but will be near the 1999 rate in 2002—well below the 2.1 percent average annual growth rate of the 1990s (Table 1).

Durables manufacturing experienced a mild contraction in 1999. Some Nebraska manufacturers reported success in penetrating export markets, but the industry is not expected to achieve positive growth during the forecast period.

Nondurables manufacturing in Nebraska is comprised mostly of food production. After some reorganization in beef production, there was virtually no growth in nondurables employment in 1999 and a small contraction is expected in 2000. Nondurables employment levels should remain nearly constant during the remainder of the forecast period.

Construction and mining present a bright spot in Nebraska's employment picture. However, current growth is in nonresidential building and heavy construction (e.g., highways). Residential construction slowed early this year as interest rates rose. In contrast, heavy construction boomed in the first few months of 2000. But, that pace of activity is not sustainable over the entire year. Nebraska did not cut its gas tax earlier in the year when gas prices sharply increased. Consequently, sufficient funds are available to support moderate growth in highway construction during the period.

Transportation, Communications, and Utilities (TCU) employment will expand slowly over the forecast period. Nebraska remains an attractive location for trucking companies due to its central location along Interstate 80. Nebraska trucking companies hire nationwide. Long-haul truckers typically reside in their home states and do not impact Nebraska's employment statistics. Nebraska's home office employment may shrink as trucking companies try to control costs.

Communications is an area in transition. There is increased competition in local communications and increased demand for services that will translate into increased employment in the short term. Over the longer term, competition may bring increased efficiencies, reducing employment levels.

Retail trade employment gains were moderate in 1999. Labor shortages will retard employment expansion and the forecast calls for this trend to continue.

Finance, Insurance, and Real Estate (FIRE) employment expanded rapidly in 1999, but likely will slow the rate of growth to a moderate pace over the forecast period. Gains have been most notable in the nondepository portion of the finance

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

	Total	Manufacturing Durables	Manufacturing Nondurables	Construction & Mining	TCU	Retail Trade	Wholesale Trade	FIRE	Services	Federal Gov't	State & Local Gov't
1997	872,145	56,764	59,228	39,708	53,448	155,202	54,763	54,655	229,409	32,601	136,367
1998	891,284	58,055	60,738	42,200	56,070	157,473	54,672	57,452	237,780	30,834	136,010
1999	905,011	56,848	60,653	44,390	57,426	159,943	55,419	60,932	243,156	30,234	136,010
2000	915,579	56,393	59,955	46,077	58,575	162,150	55,973	61,785	247,290	30,234	137,147
2001	926,745	56,111	59,806	48,104	59,160	164,258	56,309	63,206	252,483	29,024	138,283
2002	941,367	56,027	59,865	50,846	60,935	165,901	56,928	65,039	258,542	27,863	139,420
Annual Percent Changes											
1997	2.4	3.6	0.6	5.1	6.5	0.2	3.4	3.0	3.9	-0.4	0.7
1998	2.2	2.3	2.5	6.3	4.9	1.5	-0.2	5.1	3.6	-5.4	-0.3
1999	1.5	-2.1	-0.1	5.2	2.4	1.6	1.4	6.1	2.3	-1.9	0.0
2000	1.2	-0.8	-1.2	3.8	2.0	1.4	1.0	1.4	1.7	0.0	1.0
2001	1.2	-0.5	-0.3	4.4	1.0	1.3	0.6	2.3	2.1	-4.0	0.7
2002	1.6	-0.2	0.1	5.7	3.0	1.0	1.1	2.9	2.4	-4.0	0.7
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 1999	2.1	1.3	1.0	5.4	3.7	1.4	1.2	3.7	3.6	-2.5	0.3
1990 to 1999	2.1	1.8	2.3	5.0	2.4	2.0	0.4	2.6	3.5	-3.3	0.9

Note: Federal government column has been revised to include military.

component. That group includes stockbrokers and nonbank finance companies. Insurance agents contend with stiff competition from e-commerce and direct marketing that offsets overall FIRE sector gains. Insurance carrier employment varies according to the success of Nebraska-based companies in bidding claims processing away from carriers in other states.

Services employment, the largest major employment sector, has experienced a dramatic slowdown from its rapid growth in the 1990s. Health and social services will experience above average growth during the forecast period, but business services will experience below average growth. While some moderate recovery for total services employment will take place during the forecast period, the pace will remain slower than in the 1990s.

Federal government employment will maintain its 1999 level due to a temporary influx of Census workers in 2000. There will be a 4 percent decline in 2001 and again in 2002.

State and local government employment growth will be moderate despite restraints. Federal mandates require expansion in some areas, especially health and human services. Other state agencies may be required to freeze employment levels or make cuts. Local government employment continues to grow, as well. There is some pressure to correct the perceived shortage of teachers across the state. Increases in teacher salaries may be necessary in order to make Nebraska more competitive with other states. However, pressure to hold down local spending and taxes may restrain salary increases.

Nonfarm Personal Income

Despite the expected slowdown in employment growth and the impact of reduced agricultural income, nonfarm personal income growth will be 5.7 percent in 2000 and 2001, and 5.9 percent in 2002, equaling its historic 1990s annual average growth rate (Table 2).

Most nonfarm personal income is in the nonfarm wages and salaries component. The growth stems from moderate increases in total employment coupled with average wage gains that will exceed overall inflation rates. Wage gains are a direct result of Nebraska's tight labor market.

The most rapid growth will be in nonfarm proprietors' income, Nebraska's small nonfarm businesses. The forecast calls for the 2000 growth rate to match the 1999 rate of 9.4 percent, then drop slightly.

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*
Annual Averages							
1997	39,409	8,536	5,189	22,028	2,812	3,250	2,063
1998	41,572	8,912	5,495	23,394	2,871	3,417	1,847
1999	44,158	9,332	5,765	25,016	2,990	3,737	1,664
2000	46,654	9,799	6,053	26,442	3,110	4,088	1,590
2001	49,336	10,289	6,356	27,976	3,237	4,456	1,512
2002	52,266	10,803	6,673	29,738	3,373	4,812	1,663
Annual Percent Changes							
1997	6.2	6.9	4.3	7.0	1.3	7.8	-39.8
1998	5.5	4.4	5.9	6.2	2.1	5.1	-10.5
1999	6.2	4.7	4.9	6.9	4.2	9.4	-9.9
2000	5.7	5.0	5.0	5.7	4.0	9.4	-4.5
2001	5.7	5.0	5.0	5.8	4.1	9.0	-4.9
2002	5.9	5.0	5.0	6.3	4.2	8.0	10.0
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	-13.8
1995 to 1999	6.0	5.3	5.3	6.6	2.4	7.4	0.8
1990 to 1999	5.9	5.0	6.2	6.0	4.2	7.9	-4.4

[1]DIR: Dividends, Interest and Rent The nonfarm personal income and net farm income columns are from different sources. The two columns do not add to total personal income.

Other labor income refers to benefits paid to labor. A consequence of the state's tight labor market is increased benefits. Other labor income emerged from its growth rate slump in 1999—an increase of 4.2 percent—and will remain near that rate throughout the forecast period.

Dividends, interest, and rent (DIR) income growth will match its 1990s average of 5 percent as long as inflation is moderate and interest rates are low. Growth rates of transfer payments will be 5 percent each year of the period.

Farm Income

Nebraska's farm sector has been in a slump since 1997. The downturn in farm income was so severe that large federal payments were necessary to prevent negative net farm income. In 1999 federal payments totaled 80 percent of Nebraska's net farm income. Record level government payments are in place for 2000, but the level of support payments in 2001 and 2002 is undetermined. There is pressure on Congress to reduce and eventually eliminate agriculture support payments. The outlook for farm income calls for poor years for Nebraska's grain farmers in 2000 and 2001 (Table 2). The forecast for 2002 indicates a breakout from the current doldrums, but the recovery still could leave Nebraska net farm income at 1999 levels, far below the average of the 1990s.

U.S. grain markets are realizing the effects of past and expected high production, higher interest rates and fuel costs, low prices, and low dollar volumes of exports. While the physical volumes of exports are substantial, low prices have kept dollar volumes low.

Nebraska farmers have mixed participation in the expected high production of grain in 2000. The eastern third of the state will have large crops while counties along the Kansas border and parts of western Nebraska will experience difficulties due to the recent drought. Low production and low prices will combine with increased costs to curtail net farm income in these areas.

The only bright spot in this bleak picture is in livestock. In part, that strength is related to the low feed costs associated with depressed grain prices. Near-term prospects are that livestock will sustain its profitability throughout the forecast period. However, some weakness could begin as the beef cycle matures.

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

	Total Sales	*Motor Vehicle Sales*	*Other Sales*[1]
1997	17,815	2,205	15,610
1998	19,005	2,417	16,588
1999	19,806	2,520	17,286
2000	20,927	2,742	18,185
2001	22,029	2,870	19,159
2002	23,185	3,019	20,166
Annual Percent Changes			
1997	5.7	6.6	5.6
1998	6.7	9.6	6.3
1999	4.2	4.3	4.2
2000	5.1	8.8	5.2
2001	4.9	4.7	5.4
2002	5.3	5.2	5.3
Average Annual Growth Rates			
1990 to 1992	3.6	-0.5	4.1
1992 to 1995	5.8	8.2	5.5
1995 to 1999	5.7	7.6	5.4
1990 to 1999	5.3	5.9	5.2

[1]Retail sales excluding motor vehicle sales

Net Taxable Retail Sales

After a lackluster performance in 1999 when total net taxable retail sales grew only 4.2 percent, it is advancing by 6 percent in 2000. Gains in nonfarm personal income will be strong enough to offset the losses in net farm income in 2000 and 2001. As a result, total net taxable retail sales will maintain growth rates just over 5 percent per year during the forecast period.

Motor vehicle sales lead the way with gains near 8 percent in early 2000 and are expected to increase nearly 9 percent over 1999 levels this year (Table 3). Motor vehicle sales growth often has an alternating pattern. If motor vehicles sales growth is low one year, it is likely to be higher the next. In 2001 and 2002 motor vehicle sales will moderate to an average of about 5 percent per year.

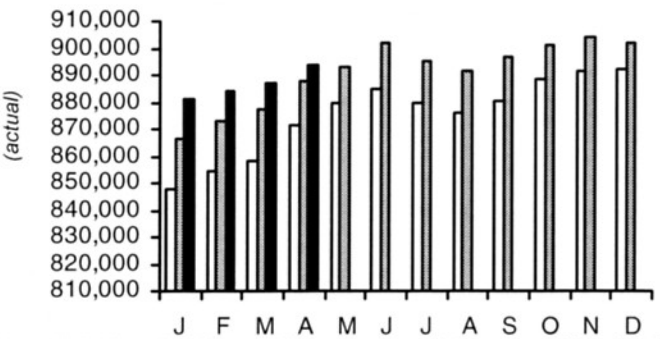
Other retail sales typically are steadier than motor vehicle sales. Gains will be 5 percent per year, consistent with the average annual growth rate of the 1990s.

BBR is grateful for the help of the Nebraska Business Forecast Council. Serving this session were: Tom Doering, Nebraska Department of Economic Development; Ernie Goss, Department of Economics and Finance, Creighton University; Bruce Johnson, Department of Agricultural Economics, UNL; Gene Koepke, Department of Management and Marketing, UNK; Donis Petersan, Nebraska Public Power District; Franz Schwarz, Nebraska Department of Revenue; Bryan Skalberg, Nebraska Department of Labor; Keith Turner, Department of Economics, UNO (emeritus); Charles Lamphear and John Austin, BBR.

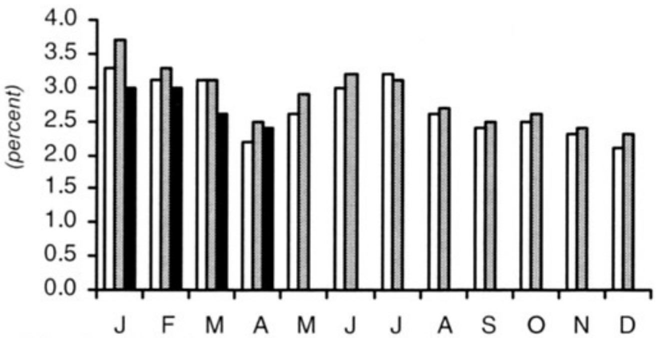
Nebraska Stats

1998 1999 2000

Total Nonfarm Wage & Salary Employment



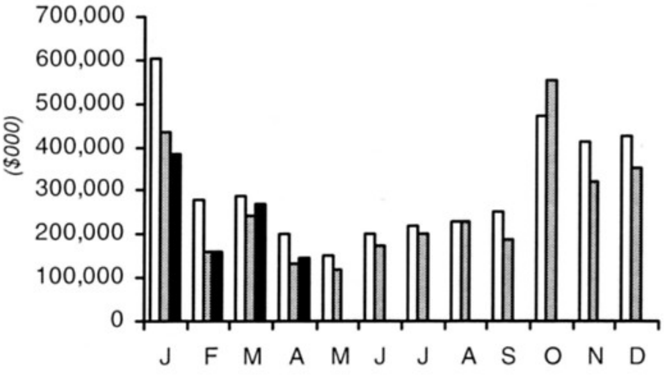
Unemployment Rate



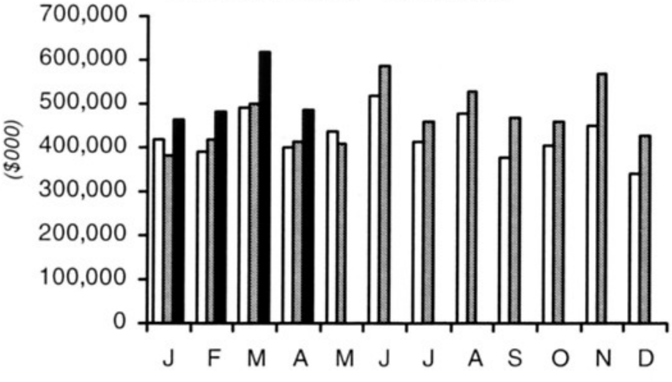
Note: All 1999 and 2000 monthly employment data are considered estimates until benchmarked. Data shown for 1999 and 2000 are the most current revised estimates available. Final benchmarked monthly data for 1999 are expected to be released by the Nebraska Department of Labor in mid-2000.

1998 1999 2000

Cash Receipts—Crops



Cash Receipts—Livestock



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

	April 2000 ($000)	YTD ($000)	YTD % Change vs Yr. Ago
Ainsworth, Brown	1,417	5,602	-11.9
Albion, Boone	1,699	6,334	-0.5
Alliance, Box Butte	5,639	21,490	-0.6
Alma, Harlan	539	2,005	-16.5
Arapahoe, Furnas	866	3,001	10.9
Arlington, Washington	212	889	17.7
Arnold, Custer	235	1,278	33.5
Ashland, Saunders	1,454	4,492	21.0
Atkinson, Holt	991	3,745	5.0
Auburn, Nemaha	2,375	9,450	6.7
Aurora, Hamilton	2,349	8,946	-12.7
Axtell, Kearney	49	206	-12.7
Bassett, Rock	378	1,451	-2.2
Battle Creek, Madison	509	2,353	-6.4
Bayard, Morrill	439	1,824	11.2
Beatrice, Gage	12,030	45,154	12.9
Beaver City, Furnas	129	488	1.9
Bellevue, Sarpy	21,530	76,517	8.2
Benkelman, Dundy	544	2,205	6.5
Bennington, Douglas	652	2,217	10.5
Blair, Washington	6,766	27,040	7.6
Bloomfield, Knox	455	1,851	-16.8
Blue Hill, Webster	419	1,856	5.0
Bridgeport, Morrill	1,121	4,184	1.4
Broken Bow, Custer	3,797	14,843	6.4
Burwell, Garfield	683	2,652	5.6
Cairo, Hall	206	811	0.6
Central City, Merrick	1,785	6,912	1.7
Ceresco, Saunders	1,293	5,252	4.6
Chadron, Dawes	4,435	17,342	2.4
Chappell, Deuel	454	1,927	8.8
Clarkson, Colfax	454	1,574	10.5
Clay Center, Clay	234	1,442	-0.3
Columbus, Platte	20,889	79,960	6.4
Cozad, Dawson	2,755	11,844	1.0
Crawford, Dawes	455	1,708	6.5
Creighton, Knox	929	3,741	-21.2
Crete, Saline	2,777	10,543	-12.0
Crofton, Knox	368	1,272	-5.7
Curtis, Frontier	307	1,327	-2.8
Dakota City, Dakota	296	1,410	-20.4
David City, Butler	1,537	5,865	3.5
Deshler, Thayer	299	1,157	-1.3
Dodge, Dodge	175	949	11.4
Doniphan, Hall	885	4,834	15.2
Eagle, Cass	385	1,015	10.7
Elgin, Antelope	356	1,589	4.3
Elkhorn, Douglas	2,287	7,403	-7.2
Elm Creek, Buffalo	369	1,445	-3.6
Elwood, Gosper	293	949	-38.4
Fairbury, Jefferson	3,135	12,376	-2.7
Fairmont, Fillmore	135	605	-0.3
Falls City, Richardson	2,424	9,524	0.1
Franklin, Franklin	512	2,144	-1.1
Fremont, Dodge	23,949	90,219	8.0
Friend, Saline	451	1,778	-9.0
Fullerton, Nance	460	2,105	4.2
Geneva, Fillmore	1,600	5,630	-8.8
Genoa, Nance	254	1,156	1.7
Gering, Scotts Bluff	4,257	16,144	18.2
Gibbon, Buffalo	808	3,121	-1.5
Gordon, Sheridan	1,468	5,933	-3.2
Gothenburg, Dawson	2,400	8,673	-0.7
Grand Island, Hall	53,901	204,153	9.5
Grant, Perkins	1,044	3,915	2.5
Gretna, Sarpy	2,510	9,500	-6.1
Hartington, Cedar	1,395	5,510	-7.0
Hastings, Adams	20,636	80,162	3.9
Hay Springs, Sheridan	313	1,407	5.9
Hebron, Thayer	1,543	6,217	-13.1
Henderson, York	644	2,298	0.3
Hickman, Lancaster	211	949	0.4
Holdrege, Phelps	4,548	16,824	4.5
Hooper, Dodge	400	1,607	14.1
Humboldt, Richardson	305	1,335	-32.3
Humphrey, Platte	826	2,790	12.1
Imperial, Chase	1,893	6,773	-10.1
Juniata, Adams	192	916	3.6
Kearney, Buffalo	34,449	131,018	8.6
Kenesaw, Adams	213	1,066	-11.8
Kimball, Kimball	1,695	6,283	-2.5
La Vista, Sarpy	10,443	38,283	15.3
Laurel, Cedar	382	1,420	11.4
Lexington, Dawson	7,066	28,273	6.5
Lincoln, Lancaster	211,426	825,297	6.4
Louisville, Cass	447	1,630	-17.3
Loup City, Sherman	392	1,574	-34.1
Lyons, Burt	413	1,423	-12.5
Madison, Madison	668	2,982	0.3
McCook, Red Willow	11,987	44,878	9.6
Milford, Seward	640	3,664	-1.8
Minatare, Scotts Bluff	144	579	17.7
Minden, Kearney	1,755	6,675	1.7
Mitchell, Scotts Bluff	668	2,702	-6.4
Morrill, Scotts Bluff	574	1,992	15.8
Nebraska City, Otoe	5,895	22,980	-0.2
Neligh, Antelope	1,474	5,109	-1.1
Newman Grove, Madison	240	1,134	-0.1
Norfolk, Madison	31,171	118,393	8.3
North Bend, Dodge	509	1,908	0.6
North Platte, Lincoln	22,744	87,170	4.6
O'Neill, Holt	4,296	16,515	6.6
Oakland, Burt	495	2,308	-16.1
Ogallala, Keith	5,219	19,925	1.4
Omaha, Douglas	478,625	1,917,997	5.6
Ord, Valley	1,945	7,386	1.2
Osceola, Polk	631	1,968	-28.1
Oshkosh, Garden	395	1,574	-5.3
Osmond, Pierce	462	1,682	15.6
Oxford, Furnas	408	1,767	-9.0
Papillion, Sarpy	6,901	27,583	0.7
Pawnee City, Pawnee	256	1,212	-8.4
Pender, Thurston	831	2,722	1.1
Pierce, Pierce	510	2,269	-5.3
Plainview, Pierce	584	2,627	4.2
Plattsmouth, Cass	3,341	12,598	-0.1
Ponca, Dixon	234	937	-49.2
Ralston, Douglas	3,286	12,871	7.3
Randolph, Cedar	349	1,527	-0.2
Ravenna, Buffalo	593	2,337	-15.7
Red Cloud, Webster	630	2,589	2.3
Rushville, Sheridan	375	1,621	-20.2
Sargent, Custer	178	778	11.0
Schuyler, Colfax	1,600	6,960	4.0
Scottsbluff, Scotts Bluff	21,358	82,345	7.4
Scribner, Dodge	403	1,499	6.9
Seward, Seward	4,716	18,338	3.2
Shelby, Polk	418	1,493	22.9
Shelton, Buffalo	452	1,673	-33.2
Sidney, Cheyenne	8,017	31,372	22.9
South Sioux City, Dakota	7,402	30,045	0.3
Springfield, Sarpy	645	2,416	39.7
St. Paul, Howard	1,206	4,556	1.3
Stanton, Stanton	549	2,253	-2.4
Stromsburg, Polk	864	3,086	2.6
Superior, Nuckolls	1,562	5,755	-1.3
Sutherland, Lincoln	373	1,480	9.4
Sutton, Clay	742	3,231	-1.3
Syracuse, Otoe	1,174	4,334	1.0
Tecumseh, Johnson	817	3,319	-1.3
Tekamah, Burt	1,009	3,854	-9.0
Tilden, Madison	241	1,118	-32.7
Utica, Seward	304	1,234	3.2
Valentine, Cherry	3,883	15,340	7.9
Valley, Douglas	1,813	5,385	76.0
Wahoo, Saunders	2,439	8,923	7.3
Wakefield, Dixon	342	1,300	13.4
Wauneta, Chase	206	1,245	1.8
Waverly, Lancaster	633	2,890	2.6
Wayne, Wayne	3,511	13,714	-1.6
Weeping Water, Cass	617	2,329	-1.4
West Point, Cuming	3,557	13,626	0.5
Wilber, Saline	412	1,783	2.2
Wisner, Cuming	638	2,323	10.5
Wood River, Hall	338	1,414	-1.1
Wymore, Gage	412	1,727	8.5
York, York	9,966	38,238	1.7

*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		
	april 2000 ($000)	YTD ($000)	YTD % Chg. vs Yr. Ago	April 2000 ($000)	YTD ($000)	YTD % Chg. vs Yr. Ago
Nebraska	220,987	858,021	8.1	1,396,554	5,534,008	6.1
Adams	3,343	14,494	-3.3	21,261	83,507	3.4
Antelope	927	4,358	16.7	2,109	7,948	-3.0
Arthur	33	277	-8.9	(D)	(D)	(D)
Banner	71	572	68.7	(D)	(D)	(D)
Blaine	201	583	75.1	(D)	(D)	(D)
Boone	876	3,654	24.1	2,145	8,067	-0.5
Box Butte	1,235	6,015	3.5	5,927	22,620	-0.4
Boyd	286	1,095	16.9	498	2,085	8.0
Brown	503	2,059	8.4	1,499	5,896	-10.5
Buffalo	5,480	21,418	14.0	37,030	140,915	6.8
Burt	912	4,214	1.9	2,069	8,381	-9.7
Butler	1,081	4,693	1.4	1,927	7,686	2.1
Cass	3,894	14,068	-1.5	6,201	23,440	2.4
Cedar	1,736	5,698	13.7	2,403	9,443	-3.0
Chase	828	3,316	13.8	2,127	8,326	-6.0
Cherry	697	3,364	5.8	4,035	16,051	7.4
Cheyenne	1,860	6,928	36.9	8,301	32,581	22.6
Clay	1,047	4,674	12.5	1,989	8,596	1.0
Colfax	1,108	4,694	6.9	2,401	10,267	7.2
Cuming	1,559	6,101	31.7	4,683	17,929	1.4
Custer	1,487	6,999	21.8	4,779	19,177	8.9
Dakota	2,418	9,362	-1.2	8,256	33,776	-1.1
Dawes	729	3,360	15.1	4,890	19,056	2.7
Dawson	3,194	13,816	27.3	12,671	50,448	4.3
Deuel	261	1,384	30.1	1,047	4,092	7.6
Dixon	807	3,172	2.5	676	2,677	-20.9
Dodge	4,657	17,565	7.7	25,739	97,316	7.9
Douglas	55,148	205,634	1.4	488,415	1,952,249	5.7
Dundy	228	1,432	-6.8	557	2,262	6.8
Fillmore	1,076	4,424	25.9	2,458	8,921	-5.9
Franklin	416	2,127	18.0	743	3,016	-2.2
Frontier	398	2,148	22.7	593	2,456	-2.6
Furnas	681	3,478	37.3	2,069	8,253	-2.8
Gage	2,821	11,517	15.3	13,075	49,777	12.2
Garden	283	1,072	9.3	553	2,253	1.5
Garfield	195	839	-5.2	683	2,652	5.6
Gosper	404	1,625	17.8	356	1,190	-32.5
Grant	170	685	20.4	227	926	26.8
Greeley	315	1,466	5.8	609	2,378	0.9
Hall	6,939	26,451	8.8	55,651	212,447	9.5
Hamilton	1,354	6,045	16.5	2,682	10,185	-11.9
Harlan	553	2,426	15.1	734	2,674	-10.4
Hayes	180	826	26.3	(D)	(D)	(D)
Hitchcock	553	2,250	42.5	541	2,328	11.9
Holt	1,786	6,561	17.3	5,872	22,661	6.5
Hooker	63	424	-9.8	192	816	14.4

	Motor Vehicle Sales			Other Sales		
	April 2000 ($000)	YTD ($000)	YTD % Chg. vs Yr. Ago	April 2000 ($000)	YTD ($000)	YTD % Chg. vs Yr. Ago
Howard	1,011	3,666	17.8	1,482	5,905	1.3
Jefferson	1,252	4,732	15.3	4,033	16,160	-1.4
Johnson	544	2,133	-8.3	1,078	4,661	-0.6
Kearney	1,005	4,505	26.2	1,941	7,321	0.6
Keith	1,365	5,745	9.6	5,726	21,615	1.2
Keya Paha	187	671	57.1	84	355	2.6
Kimball	493	2,247	5.1	1,727	6,447	-2.1
Knox	1,428	5,154	22.3	2,284	9,174	-12.8
Lancaster	29,119	108,038	5.6	213,755	835,122	6.4
Lincoln	4,255	16,375	-5.5	23,646	90,795	4.5
Logan	136	577	12.9	110	344	0.0
Loup	20	327	-3.8	(D)	(D)	(D)
McPherson	52	368	94.7	(D)	(D)	(D)
Madison	4,301	16,139	2.4	32,886	126,228	7.1
Merrick	985	4,815	12.3	2,251	9,104	2.4
Morrill	815	3,502	26.0	1,574	6,071	2.7
Nance	522	2,367	34.6	739	3,345	3.8
Nemaha	843	3,878	10.7	2,589	10,587	7.6
Nuckolls	689	2,987	16.1	2,235	8,134	0.8
Otoe	1,947	7,935	6.3	7,527	29,125	0.9
Pawnee	447	1,679	19.5	435	1,950	-6.0
Perkins	379	2,623	-3.5	1,278	4,761	3.5
Phelps	1,235	6,009	14.3	4,799	17,875	4.4
Pierce	1,242	4,265	15.5	1,610	6,827	2.3
Platte	4,577	17,901	12.2	22,352	85,283	6.7
Polk	826	4,145	18.8	2,036	7,140	-6.8
Red Willow	1,681	6,902	34.7	12,270	46,107	9.4
Richardson	1,306	4,743	27.8	2,868	11,783	-4.3
Rock	419	1,265	49.5	389	1,517	-1.7
Saline	1,765	7,051	12.6	3,973	15,657	-9.7
Sarpy	18,045	63,560	10.7	45,601	165,696	11.4
Saunders	3,175	12,085	17.4	6,294	23,803	17.2
Scotts Bluff	4,086	17,448	13.8	27,091	104,096	8.8
Seward	1,981	8,259	3.3	5,881	24,228	2.3
Sheridan	906	3,431	21.8	2,429	10,082	-4.7
Sherman	403	1,713	4.3	479	2,017	-28.7
Sioux	199	1,151	40.7	104	387	-0.5
Stanton	650	2,895	-3.0	741	2,894	-6.0
Thayer	953	4,135	28.3	2,289	9,533	-7.0
Thomas	69	642	48.6	244	917	0.3
Thurston	421	1,854	-6.8	945	3,265	0.5
Valley	686	2,699	41.2	2,162	8,145	0.7
Washington	3,214	11,902	4.3	7,288	29,641	6.9
Wayne	1,022	4,055	0.8	3,620	14,289	-1.4
Webster	502	2,531	64.2	1,139	4,845	3.7
Wheeler	129	602	32.0	124	332	2.8
York	2,064	8,020	10.9	10,985	42,242	2.0

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

Source: Nebraska Department of Revenue

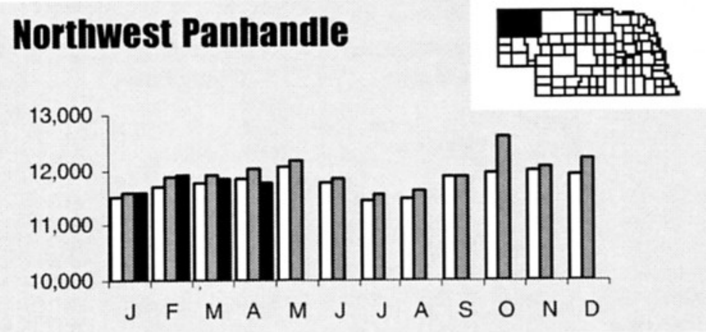
Note on Net Taxable Retail Sales

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

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

1998 1999 2000

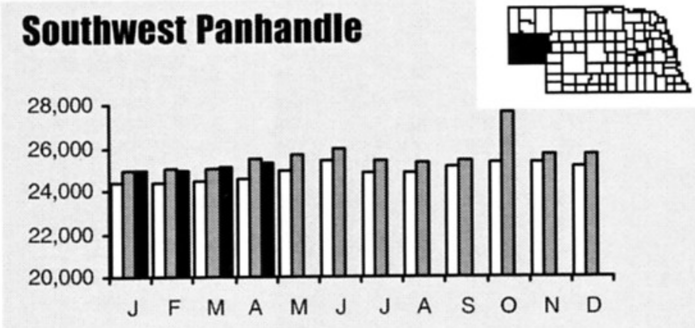
Northwest Panhandle



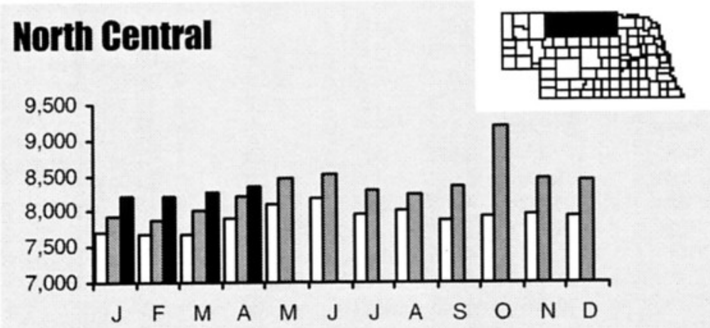
Note to Readers

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

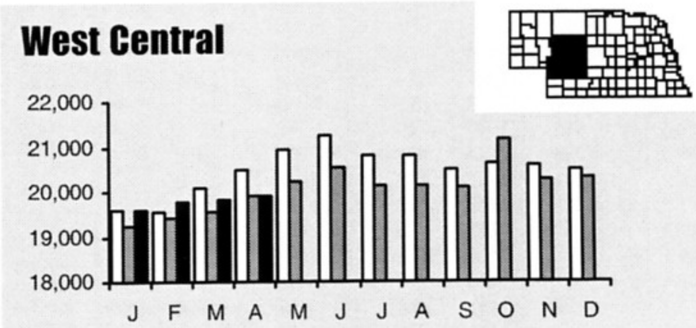
Southwest Panhandle



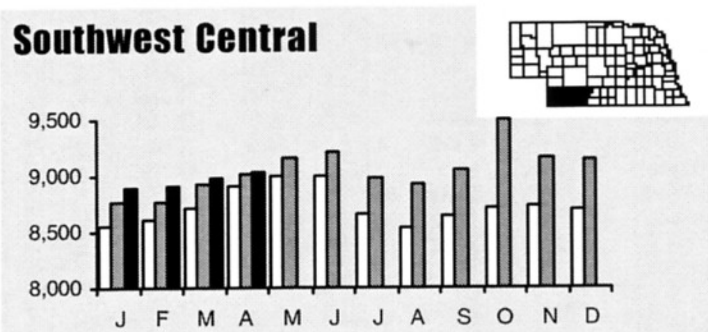
North Central



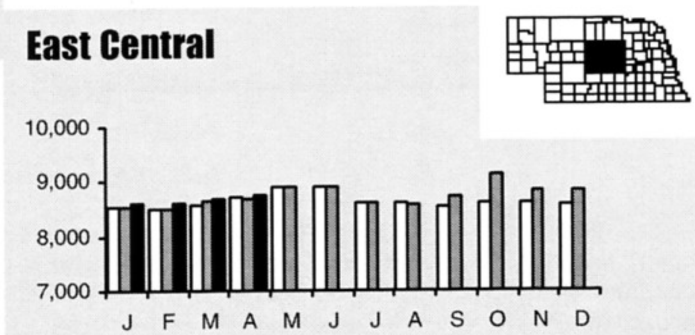
West Central



Southwest Central



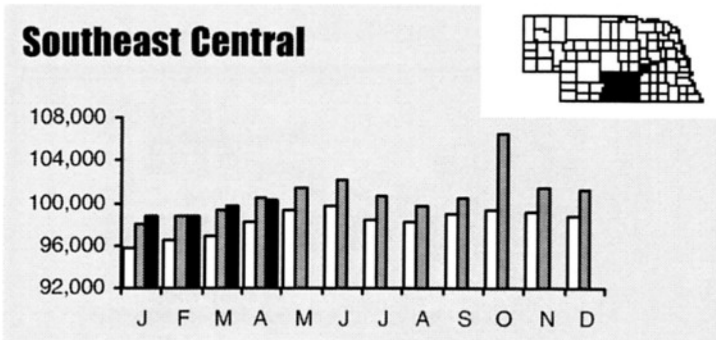
East Central



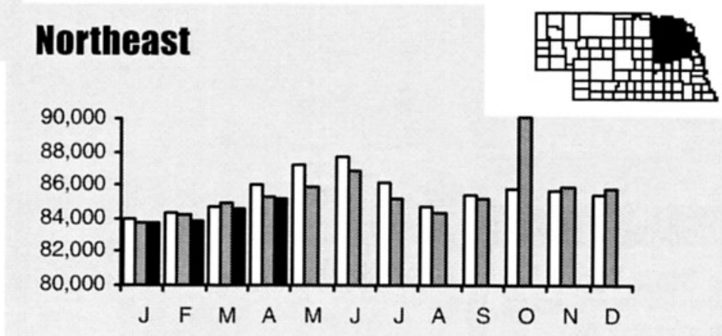
Regional Nonfarm Wage and Salary Employment* 1998 to April** 2000

1998 | 1999 | 2000

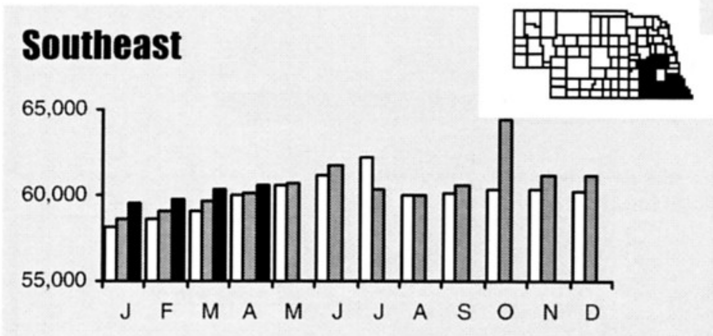
Southeast Central



Northeast

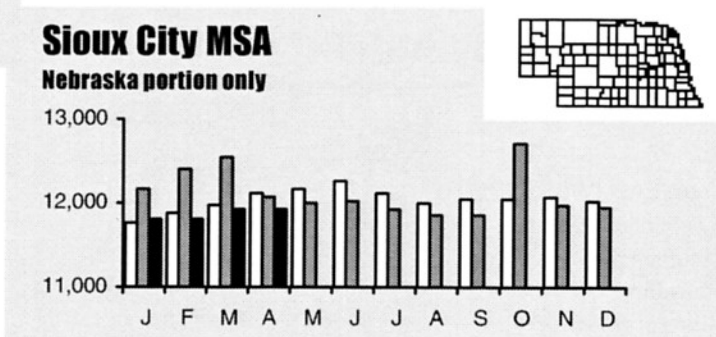


Southeast



Sioux City MSA

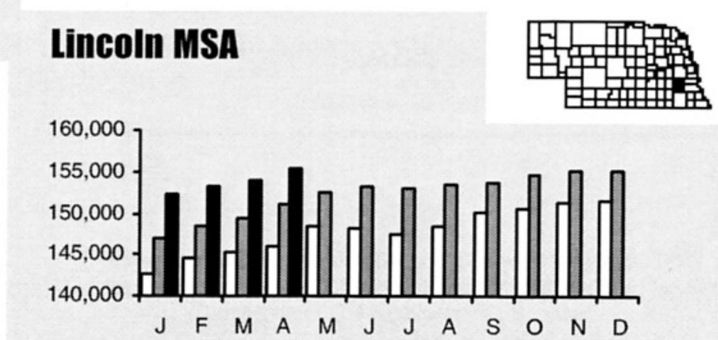
Nebraska portion only



Omaha MSA

Nebraska portion only

Lincoln MSA



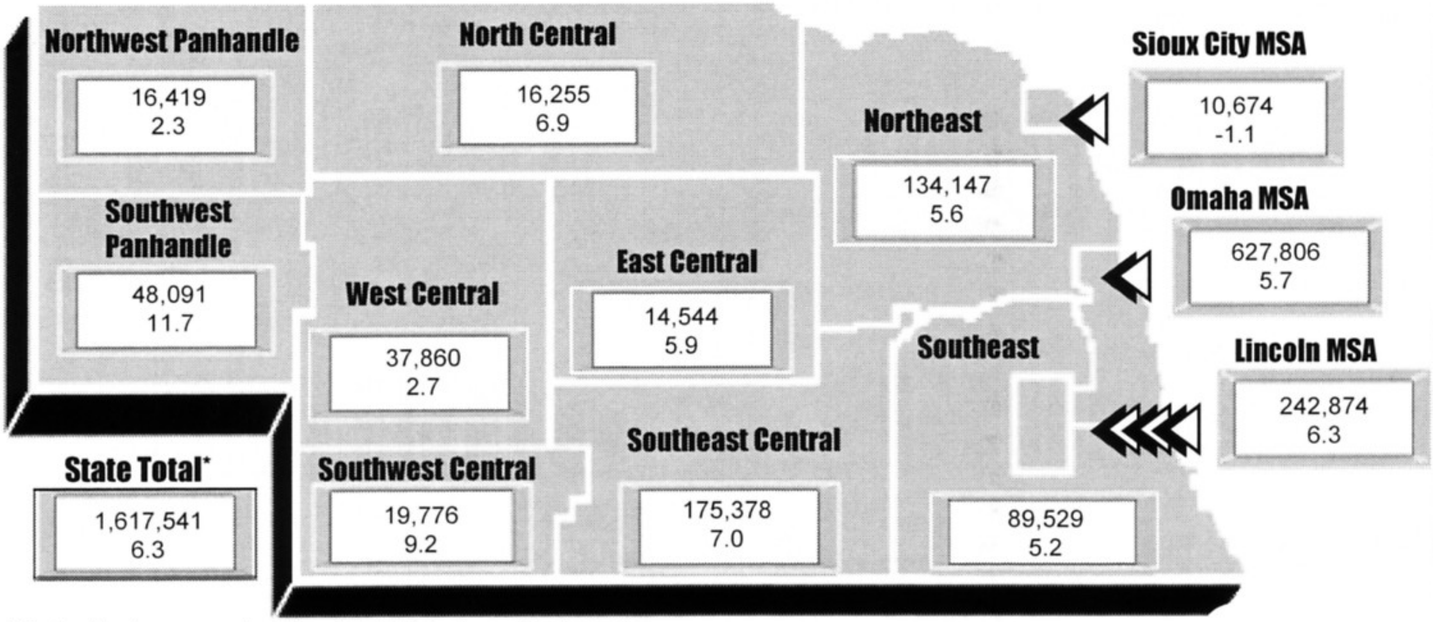
*By place of work

**Current month data are preliminary and subject to revision

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

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

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



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

Source: Nebraska Department of Revenue

State Nonfarm Wage & Salary Employment by Industry*

	April 2000
Nonfarm Emp (W&S)	893,970
Construction & Mining	43,927
Manufacturing	117,174
Durables	56,795
Nondurables	60,379
TCU**	58,657
Trade	212,573
Wholesale	55,823
Retail	156,750
FIRE***	61,201
Services	244,115
Government	156,323

*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)

	June 2000	*% Change vs Yr. Ago*	*YTD % Change vs Yr. Ago (inflation rate)*
All Items	172.3	3.7	3.2
Commodities	149.7	4.0	3.6
Services	195.0	3.4	3.0

*U = All urban consumers

Source: U.S. Bureau of Labor Statistics

State Labor Force Summary*

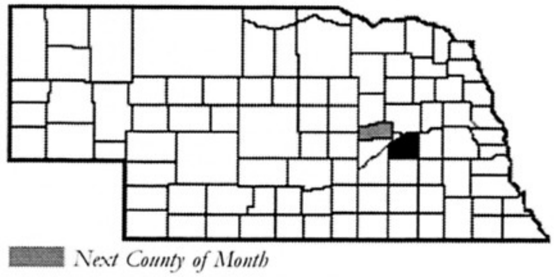
	April 2000
Labor Force	938,490
Employment	915,520
Unemployment Rate	2.4

*By place of residence

Source: Nebraska Department of Labor, Labor Market Information

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

County of the Month



Polk

Osceola-County Seat

License plate prefix number: 41

Size of county: 437square miles, ranks 82nd in the state

Population: 5,631 in 1998, a change of –0.7 percent from 1990

Per capita personal income: $23,152 in 1997, ranks 10th in the state

Net taxable retail sales ($000): $37,039 in 1998 change of –0.8 percent from 1997; $14,295 from January through May of 2000, a change of 3.9 percent from the same period the previous year.

Unemployment rate: 1.9 percent in Polk County, 2.6 percent in Nebraska for 1999

	State	Polk County
Nonfarm employment (1999)[1]:	816,377	1,231
(wage & salary)	*(percent of total)*	
Construction and Mining	5.0	5.3
Manufacturing	13.2	5.2
TCU	6.4	3.7
Wholesale Trade	6.2	10.7
Retail Trade	18.0	12.6
FIRE	6.8	5.5
Services	27.3	20.6
Government	17.0	36.4

Agriculture:

Number of farms: 601 in 1997; 625 in 1992; 736 in 1987

Average farm size: 430 acres in 1997; 400 acres in 1992

Market value of farm products sold: $165.6 million in 1997 ($275,579 average per farm); $118.5 million in 1992 ($189,632 average per farm)

[1]By place of work

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

bulletin board

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