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Effects of Population Growth and Aging on Consumer Demand in Nebraska

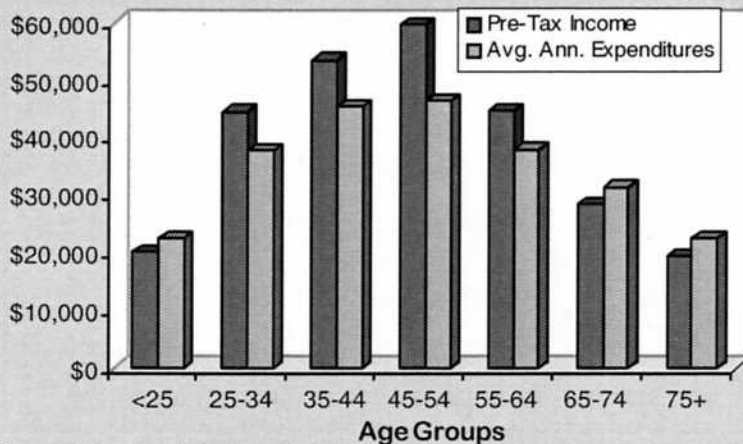
William Scheideler

BBR's recently released population projections indicate that many of Nebraska's nonmetro counties will experience dramatic population losses over the next two decades, while the state's metro counties will continue to grow rapidly. Many of the state's nonmetro counties already have large elderly populations and this group will continue to grow faster than others. But, what are the implications of those population trends for the state's businesses? Population change drives market size for most businesses, but how will changes in the population's age distribution affect the way consumers spend their money?

Household Projections

Baby boomers (those born from 1946 to 1964) will begin to reach retirement age in 2011. As this cohort grows older in Nebraska, the age distribution will profoundly change. Consequently, the population of 55 to 74 year olds will grow rapidly statewide, nearly doubling in metro counties by 2020 and increasing nearly 28 percent in the nonmetro counties that do not have a trade center of at least 2,500 population. This trend is significant, since it shifts the share of households from the highest-spending, middle-aged (35-54) households into older age groups that spend differently—20 to 30 percent less, on average (Figure 1).

Figure 1
Income and Average Annual Expenditures of Midwest Consumers, by Age—1999-2000



Source: U.S. Department of Labor, Bureau of Labor Statistics

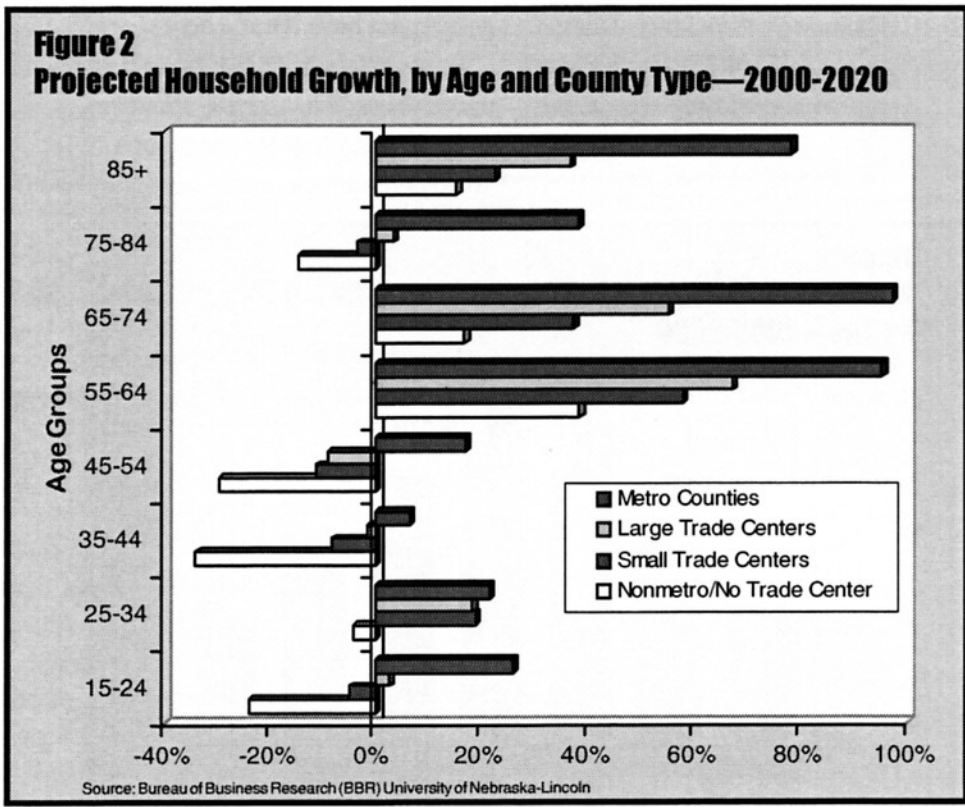
In order to examine the impact of population trends on the household age distribution, a set of household projections for eight age groups was developed by applying household formation rates from the 2000 Census to population projections for 2020. Comparison of 1990 and 2000 Census data indicated that household formation rates, by age, have been relatively constant over the past decade and consistent from metro to nonmetro areas. The following household trends are anticipated for the next two decades:

- Metro counties will add 35 percent more households. Among metro counties, Sarpy County stands out with projected household growth of nearly 45 percent.
- Nonmetro counties that have large trade centers (places with over 7,500 population) are expected to average 17.6 percent household growth by 2020. Among the Nebraska's 12 large trade center counties, Buffalo County is expected to add 32 percent more households, while Box Butte County will lose 7 percent of its households.
- Nonmetro counties that contain small trade center (places with population of 2,500-7,499) will benefit from average household growth—nearly 12 percent. However, seven of the 23 small trade center counties will add 20 percent more households.

- Losses of households in the larger of nonmetro counties without a trade center (a place with population of 1,000 to 2,499) will also be significant, ranging from 3 to 12 percent declines.
- Population losses will hit hard in the nonmetro non-trade center counties under 1,000 as household numbers drop a staggering 24 percent. Two of the 11 counties in this most remote and least populated group—Thomas and Blaine—are expected to lose one out of every three households over the period.

Comparison of the age distribution of households from the 2000 Census with the population projections for 2020 revealed several trends for the next two decades (Figure 2).

- Only Nebraska's metro counties are expected to realize any growth in the number of middle-aged households.
- Aging of the baby boomers will produce rapid household growth for the group ages 55 to 74 across all types of rural and urban counties.
- At the same time, the number of households headed by those ages 25 to 34 will grow about 20 percent in the state's trade center and metro counties, while falling slightly in those nonmetro counties that lack a trade center.



Spending Patterns by Age

Expected changes in the household age distribution affect consumer demand for goods and services (Table 1). For example, the average Midwest household spends about \$2,800 annually on food consumed at home, but middle-age households spend about \$3,400, on average—about 20 percent more. These spending differences generally reflect the size, composition, lifestyle, and income of those households. Middle-age households are likely to be larger—often reflecting the presence of children—and spend more on housing, food, apparel, transportation, health care, and other items. Middle-age workers also are generally at the peak of their earning power.

Younger Midwest households, although earning less, generally spend more on rent, alcoholic beverages, and apparel. The share of spending that younger households devote to food consumed away from home, alcoholic beverages, apparel, and vehicle purchases is significantly higher than that in older households. Under-25 households reported that 7.4 percent of their spending paid for meals outside the home compared to 5.4 percent in households headed by those ages 55 to 64. The youngest households devoted 5.5 percent of their spending to apparel, compared to 2.8 percent in households headed by those over age 75.

Consumers in older households also have distinct spending patterns. These households spend more on health care and donate more cash to charitable concerns, even though they have considerably less income to spend than middle-age households. Older households also devote larger

- Growth is expected in households headed by those over age 85 in all county types, although that growth ranges widely from 15 percent in non-trade center nonmetro counties to 78 percent in metro counties.
- In households headed by those ages 75 to 84, expect 38 percent growth in metro counties, little change in the large and small trade center counties, and a 15 percent decline in nonmetro counties that lack a trade center.
- Households headed by those under 25, are expected to decline 24 percent in non-trade center nonmetro counties, while the state's metro counties will experience 26 percent growth in young households. Little change is expected in small or large trade center counties.
- Nebraska's metro counties can expect household growth across the age spectrum, but like the other types of counties, that growth will be most rapid among baby boomer and older groups.
- With just one exception among all age groups—ages 25 to 34—metro counties are expected to add new households much faster than other county types.
- Overall, non-trade center nonmetro counties are expected to lose households in every age group, except those headed by baby boomers and those over age 85.
- In 2020, 58 percent of the households will be headed by those over 55 in non-trade center nonmetro counties, compared to just 39 percent in metro counties.

Table 1
Selected Average Annual Expenditures of
Midwest Households, by Age and Spending Category¹—1999-2000

	<i>Under 25</i>	<i>25-34</i>	<i>35-44</i>	<i>45-54</i>	<i>55-64</i>	<i>65-74</i>	<i>75+</i>
Alcoholic Beverages	424	397	428	415	371	209	94
Apparel/Services	1,244	2,119	2,279	2,160	1,626	1,098	638
Cash Contributions	147	586	971	1,821	1,244	2,858	2,352
Entertainment	1,183	1,965	2,871	2,398	1,991	1,901	779
Food At Home	1,557	2,855	3,443	3,376	2,910	2,474	1,807
Food Away From Home	1,672	2,301	2,829	2,767	2,060	1,649	978
Health Care	654	1,284	1,744	2,265	2,567	3,326	3,437
Household Furnishings/Equipment	968	1,507	1,901	2,018	1,731	1,331	589
Shelter	4,199	7,243	8,470	7,631	5,918	4,401	3,884
Vehicle Purchases	2,604	4,004	4,175	3,842	4,234	2,992	1,430

¹Consumer spending categories used in this analysis represent about 65 percent of all consumer spending, except utilities, housekeeping supplies, personal care products, personal taxes, and other miscellaneous expenditures.

Source: U.S. Department of Labor, Bureau of Labor Statistics

shares of their spending toward food consumed at home, but spend relatively less on food consumed away from home, apparel, and alcoholic beverages. With respect to vehicle purchases, households headed by those 55 to 64 years old are the highest-spending age group, while the over-75 households group spend the least. Cash contributions represent just 3.3 percent of spending in the 55-to-64 households, lower than the 3.9 percent contributed by households headed by 45-to-54 year olds, and far lower than the 9.1 and 10.4 percent contributed by households headed by 65-to-75 and the over-75, respectively.

Impact of Aging on Consumer Demand

Assuming differences in spending patterns between age groups remain unchanged over the next two decades, how will the changing age distribution of households affect consumer demand? Despite the dramatic shifts anticipated in the age distribution, only subtle changes are expected in overall consumer spending (Table 2). For example, the average Nebraska household is expected to lower apparel spending from 4.7 percent of expenditures in 2000 to 4.6 percent in 2020. Similar stability in spending patterns is expected for alcoholic

beverages, entertainment, household furnishings, and food (both food consumed at home and away from home).

However, two consumption categories—health care and cash contributions—are expected to increase significantly as a direct result of the increasing share of older households. Statewide, cash contributions are expected to grow from 3.8 percent of the average household's budget in 2000 to 4 percent in 2020. Over the same period, health care spending is expected to grow from 5.6 percent of spending by the average household to 6.1 percent in 2020.

Although the same general trends are expected across the state, nonmetro counties have a greater proportion of older households than metro counties. Consequently, spending by the average household in a nonmetro¹ county without a trade center is expected to be significantly higher for health care and cash contributions. Health care spending in these nonmetro counties will increase from 6.6 percent in 2000 to 7 percent, and cash contributions will increase from 4.4 percent to 4.7 percent.

Projections of households and county-level expenditure shares are available by county for the year 2000 and 2020 at www.bbr.unl.edu.

Table 2
Anticipated Change in Consumer Expenditure Shares by 2020, by County Type

	<i>Nonmetro/ No Trade Center</i>	<i>Small Trade Center</i>	<i>Large Trade Center</i>	<i>Metro</i>
Alcoholic Beverages	-1.0%	-0.4%	-0.8%	-1.4%
Apparel	-2.2%	-1.1%	-1.5%	-2.3%
Cash Contributions	6.3%	3.2%	5.1%	9.7%
Entertainment	-0.8%	-0.2%	-0.1%	-0.6%
Food at Home	0.5%	0.4%	0.5%	0.4%
Food Away	-1.6%	-1.0%	-1.1%	-1.4%
Health Care	6.9%	4.0%	5.5%	8.6%
Household Furnishings	0.4%	0.6%	0.4%	0.3%
Shelter	-1.7%	-1.1%	-1.2%	-1.7%
Vehicles	2.2%	2.0%	1.8%	1.1%

Source: Bureau of Business Research (BBR), University of Nebraska-Lincoln

¹The original consumer expenditure data used for this analysis reflect spending patterns by age and do not distinguish between rural and urban residents.

Retail Sales Leakage

Residents in nonmetro counties spend significant shares of consumer dollars outside their county of residence. Often referred to as leakage, this occurrence is significant for those non-trade-center nonmetro areas where, typically, 60 percent of the retail purchases made by their residents are lost to metro counties.

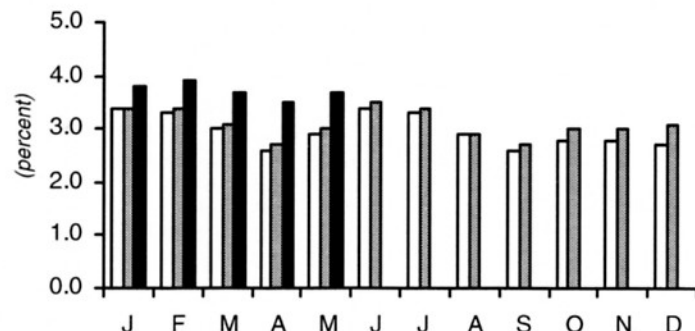
It is unclear whether the level of retail sales leakage will improve or stabilize. There are at least two reasons to believe leakage could increase—improvement of internet access in nonmetro counties will make it easier to purchase outside goods, and baby boomers are likely to age into the healthiest, most mobile older consumers ever. But, recent research indicates that nonmetro elderly consumers often demonstrate strong loyalties to local businesses, and as the share of older households increases, retail sales leakage in nonmetro Nebraska could slow.

Conclusion

In general, changes in the number of households will have more impact than changes in the age distribution of households. Across nonmetro Nebraska, substantial losses in household numbers will mean significantly fewer customers. Furthermore, if income growth in nonmetro counties continues to lag the state's metro counties and if retail leakage grows, businesses serving residents of nonmetro Nebraska face a very challenging future.

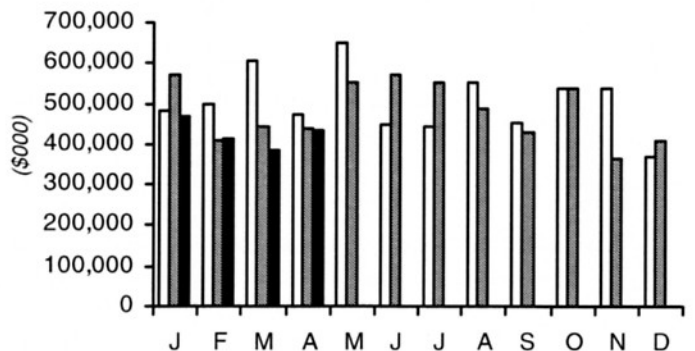
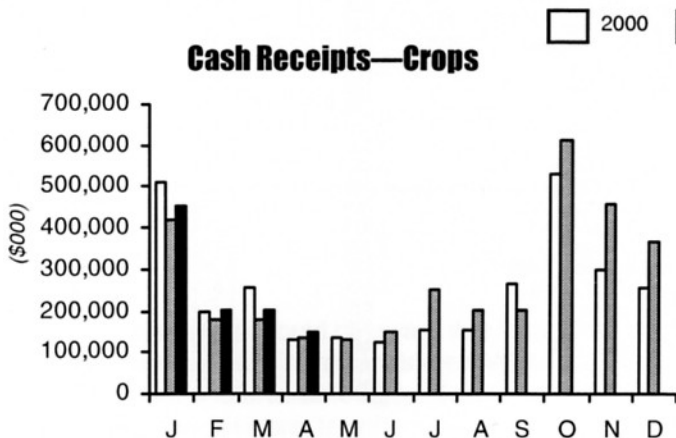
Nebraska Stats

Total Nonfarm Wage & Salary Employment **Unemployment Rate**



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

Cash Receipts—Crops **Cash Receipts—Livestock**



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

	April 2002 (\$000)	YTD (\$000)	YTD % Change vs Yr. Ago		April 2002 (\$000)	YTD (\$000)	YTD % Change vs Yr. Ago
Ainsworth, Brown	1,534	5,974	-1.0	Kenesaw, Adams	328	1,673	8.4
Albion, Boone	1,537	5,902	0.1	Kimball, Kimball	1,737	6,881	-2.7
Alliance, Box Butte	5,669	21,663	0.3	La Vista, Sarpy	11,208	42,588	6.7
Alma, Harlan	624	2,361	11.0	Laurel, Cedar	392	1,448	8.5
Arapahoe, Furnas	847	2,989	-2.6	Lexington, Dawson	7,994	30,535	3.3
Arlington, Washington	214	830	-22.9	Lincoln, Lancaster	225,064	842,357	0.2
Arnold, Custer	247	968	8.6	Louisville, Cass	444	1,535	-14.8
Ashland, Saunders	1,283	4,464	-7.7	Loup City, Sherman	470	1,870	6.7
Atkinson, Holt	1,034	4,073	9.3	Lyons, Burt	378	1,535	5.4
Auburn, Nemaha	2,455	9,174	-3.4	Madison, Madison	784	3,226	1.8
Aurora, Hamilton	2,381	8,735	-10.0	McCook, Red Willow	9,927	36,772	3.0
Baxell, Kearney	74	289	18.0	Milford, Seward	946	4,239	-3.5
Bassett, Rock	464	1,656	6.4	Minatare, Scotts Bluff	144	567	2.0
Battle Creek, Madison	685	2,890	-12.1	Minden, Kearney	2,000	7,303	7.5
Bayard, Morrill	490	2,010	5.0	Mitchell, Scotts Bluff	630	2,503	20.2
Beatrice, Gage	13,347	47,096	-0.4	Morrill, Scotts Bluff	605	2,099	8.0
Beaver City, Furnas	112	458	-3.6	Nebraska City, Otoe	5,884	21,952	-6.8
Bellevue, Sarpy	26,464	95,533	8.8	Neligh, Antelope	1,554	5,344	3.0
Benkelman, Dundy	636	2,451	6.8	Newman Grove, Madison	297	1,109	-12.1
Bennington, Douglas	714	2,028	-4.2	Norfolk, Madison	32,541	122,276	2.8
Blair, Washington	7,585	29,795	0.4	North Bend, Dodge	589	2,082	-3.2
Bloomfield, Knox	580	2,033	-7.8	North Platte, Lincoln	25,014	93,631	2.3
Blue Hill, Webster	463	1,856	10.6	ONEll, Holt	4,496	16,255	-1.4
Bridgeport, Morrill	1,137	4,390	0.4	Oakland, Burt	539	2,188	-9.3
Broken Bow, Custer	4,124	14,438	1.0	Ogallala, Keith	5,706	21,081	5.5
Burwell, Garfield	951	3,225	5.5	Omaha, Douglas	522,739	1,931,057	0.3
Cairo, Hall	285	1,024	8.3	Ord, Valley	2,356	8,319	3.6
Central City, Merrick	1,853	7,056	-2.7	Osceola, Polk	569	1,830	-4.3
Ceresco, Saunders	1,100	4,732	7.4	Oshkosh, Garden	457	1,891	5.2
Chadron, Dawes	5,299	20,826	-25.3	Osmond, Pierce	360	1,394	5.4
Chappell, Deuel	485	2,003	9.0	Oxford, Furnas	540	2,380	22.7
Clarkson, Colfax	393	1,456	-4.0	Papillion, Sarpy	7,685	28,437	-5.0
Clay Center, Clay	224	1,004	6.4	Pawnee City, Pawnee	283	1,192	-8.5
Columbus, Platte	21,179	78,624	1.8	Pender, Thurston	828	2,857	-2.1
Cozad, Dawson	3,000	11,960	5.0	Pierce, Pierce	647	2,607	-4.3
Crawford, Dawes	521	2,004	8.3	Plainview, Pierce	698	2,702	-0.4
Creighton, Knox	996	4,204	-5.5	Plattsmouth, Cass	3,502	12,809	-3.6
Crete, Saline	2,961	11,131	-1.3	Ponca, Dixon	216	958	-8.9
Crofton, Knox	370	1,301	-5.0	Ralston, Douglas	3,867	13,208	-0.6
Curtis, Frontier	393	1,564	5.3	Randolph, Cedar	453	1,815	8.4
Dakota City, Dakota	366	1,532	-4.2	Ravenna, Buffalo	661	2,635	2.7
David City, Butler	1,628	6,159	-7.9	Red Cloud, Webster	693	2,794	6.8
Deshler, Thayer	282	1,269	-4.0	Rushville, Sheridan	377	1,695	0.6
Dodge, Dodge	284	1,171	12.8	Sargent, Custer	190	795	-11.8
Doniphan, Hall	754	2,941	-19.5	Schuyler, Colfax	1,700	7,013	-8.2
Eagle, Cass	360	998	-7.3	Scottsbluff, Scotts Bluff	22,919	87,580	4.4
Elgin, Antelope	408	1,617	-10.0	Scribner, Dodge	370	1,360	-8.8
Elkhorn, Douglas	2,340	7,303	-11.8	Seward, Seward	4,613	16,970	-5.4
Elm Creek, Buffalo	260	1,121	-16.3	Shelby, Polk	441	1,418	-12.8
Elwood, Gosper	280	1,173	23.1	Shelton, Buffalo	541	2,146	5.0
Fairbury, Jefferson	2,909	11,038	-6.9	Sidney, Cheyenne	8,674	33,236	2.5
Fairmont, Fillmore	141	615	-12.3	South Sioux City, Dakota	8,488	32,599	6.4
Falls City, Richardson	2,520	9,658	-3.8	Springfield, Sarpy	212	991	-53.8
Franklin, Franklin	598	2,486	9.0	St. Paul, Howard	1,552	5,913	8.4
Fremont, Dodge	24,755	91,479	1.2	Stanton, Stanton	641	2,495	-6.2
Friend, Saline	513	1,783	-34.2	Stromsburg, Polk	936	3,186	-7.3
Fullerton, Nance	565	2,420	9.7	Superior, Nuckolls	1,474	5,550	-3.9
Geneva, Fillmore	1,458	5,385	-1.8	Sutherland, Lincoln	360	1,622	-1.6
Genoa, Nance	317	1,354	-2.8	Sutton, Clay	838	3,365	0.2
Gering, Scotts Bluff	4,745	17,420	10.5	Syracuse, Otoe	1,343	4,850	13.1
Gibbon, Buffalo	814	3,216	-3.6	Tecumseh, Johnson	807	2,910	-19.6
Gordon, Sheridan	1,441	6,122	3.2	Tekamah, Burt	1,204	4,243	1.5
Gothenburg, Dawson	2,467	9,012	-0.7	Tilden, Madison	266	960	-1.6
Grand Island, Hall	56,010	209,542	2.0	Utica, Seward	380	1,704	11.7
Grant, Perkins	1,410	5,359	13.8	Valentine, Cherry	4,460	17,841	-7.5
Gretna, Sarpy	3,106	10,136	-5.0	Valley, Douglas	1,408	3,422	-14.9
Hartington, Cedar	1,919	6,827	5.8	Wahoo, Saunders	2,485	9,397	-0.3
Hastings, Adams	22,279	80,498	-0.7	Wakefield, Dixon	340	1,207	-24.2
Hay Springs, Sheridan	349	1,477	-4.2	Wauneta, Chase	269	1,476	15.7
Hebron, Thayer	1,152	4,540	5.8	Waverly, Lancaster	1,011	4,174	1.5
Henderson, York	699	2,610	5.9	Wayne, Wayne	4,369	16,293	3.6
Hickman, Lancaster	239	931	-0.4	Weeping Water, Cass	727	2,565	-3.4
Holdrege, Phelps	4,594	17,269	-0.4	West Point, Cuming	4,491	17,825	-8.7
Hooper, Dodge	348	1,626	-3.4	Wilber, Saline	420	1,724	-12.8
Humboldt, Richardson	321	1,245	-7.2	Wisner, Cuming	539	2,202	-10.8
Humphrey, Platte	823	3,038	4.6	Wood River, Hall	460	1,658	3.4
Imperial, Chase	1,974	7,253	10.4	Wymore, Gage	394	1,648	-14.1
Juniata, Adams	209	1,003	-11.2	York, York	10,053	37,951	0.2
Kearney, Buffalo	36,835	139,906	5.2				

*Does not include motor vehicle sales. Motor vehicle net taxable retail sales are reported by county only.

Source: Nebraska Department of Revenue

Net Taxable Retail Sales for Nebraska Counties (\$000)

	Motor Vehicle Sales			Other Sales			Motor Vehicle Sales			Other Sales			
	April	YTD	YTD	April	YTD	YTD	April	YTD	YTD	April	YTD	YTD	
	2002	2002	% Chg. vs	2002	2002	% Chg. vs	2002	2002	% Chg. vs	2002	2002	% Chg. vs	
	(\$000)	(\$000)	Yr. Ago	(\$000)	(\$000)	Yr. Ago	(\$000)	(\$000)	Yr. Ago	(\$000)	(\$000)	Yr. Ago	
Nebraska	253,666	952,996	15.3	1,484,419	5,626,244	0.4	Howard	836	4,006	26.4	1,864	7,442	6.8
Adams	3,925	15,310	12.3	23,072	84,059	-0.7	Jefferson	1,228	4,682	22.9	4,035	15,340	-3.2
Antelope	1,343	4,989	17.1	2,326	8,429	0.8	Johnson	698	2,909	50.1	1,056	4,177	-17.9
Arthur	101	450	63.6	(D)	(D)	(D)	Kearney	1,297	4,755	14.2	2,199	7,938	6.7
Banner	193	688	-7.0	(D)	(D)	(D)	Keith	1,602	6,012	15.6	6,208	22,947	6.7
Blaine	112	343	-35.3	(D)	(D)	(D)	Keya Paha	113	742	21.2	98	445	7.5
Boone	799	3,705	-1.9	1,929	7,627	-3.5	Kimball	531	2,485	16.8	1,765	7,054	-2.6
Box Butte	1,622	7,834	27.3	5,979	22,920	0.2	Knox	1,156	4,882	3.5	2,569	10,112	-4.0
Boyd	304	1,303	18.9	469	1,860	-6.8	Lancaster	33,231	120,830	16.5	228,838	857,201	0.2
Brown	509	1,913	-9.6	1,605	6,269	-0.2	Lincoln	5,070	19,519	4.6	25,872	97,252	2.1
Buffalo	5,776	23,140	11.0	39,676	150,854	5.0	Logan	156	756	13.5	(D)	(D)	(D)
Burt	1,370	5,102	28.6	2,434	9,261	0.8	Loup	77	351	-17.4	(D)	(D)	(D)
Butler	1,118	4,890	11.1	2,044	8,043	-7.7	McPherson	147	404	1.5	(D)	(D)	(D)
Cass	4,318	16,394	21.5	6,448	23,709	-5.5	Madison	4,960	18,944	30.5	34,626	130,733	2.1
Cedar	1,462	6,068	16.8	3,078	11,220	6.6	Merrick	1,020	4,071	-12.4	2,531	9,517	-1.4
Chase	1,139	3,895	23.9	2,267	8,818	10.4	Morrill	650	3,212	-2.7	1,656	6,514	1.5
Cherry	1,030	4,540	12.1	4,624	18,566	-7.4	Nance	653	2,376	10.2	921	3,904	4.3
Cheyenne	1,791	6,186	3.5	8,935	34,262	1.8	Nemaha	1,070	4,311	5.6	2,681	10,258	-3.8
Clay	1,214	4,154	3.4	2,134	8,328	-0.9	Nuckolls	625	2,861	15.6	2,252	8,886	-1.5
Colfax	1,400	5,599	9.5	2,491	10,175	-5.9	Otoe	2,529	9,443	24.4	7,605	28,387	-3.8
Cuming	1,293	5,972	9.9	5,513	21,926	-8.8	Pawnee	416	1,874	12.0	455	1,993	-4.2
Custer	1,971	6,994	1.2	5,141	18,525	0.3	Perkins	581	2,740	14.1	1,636	6,335	12.9
Dakota	2,732	9,265	10.1	9,440	36,551	4.5	Phelps	1,558	7,335	21.7	4,964	18,684	0.4
Dawes	1,107	4,575	25.9	5,820	22,830	-23.2	Pierce	1,180	5,069	36.0	1,773	6,993	-0.9
Dawson	3,717	13,924	11.8	13,862	52,917	2.7	Platte	4,732	18,317	16.2	22,721	84,384	2.1
Deuel	321	1,321	8.7	1,078	4,268	3.9	Polk	764	3,288	-0.9	2,122	7,167	-6.7
Dixon	843	3,329	1.0	677	2,602	-17.1	Red Willow	1,562	6,718	11.6	10,247	37,961	2.9
Dodge	5,580	20,212	23.4	26,692	98,844	0.8	Richardson	1,168	4,828	16.0	3,005	11,803	-5.5
Douglas	67,455	238,253	17.5	532,517	1,962,623	0.2	Rock	308	1,045	-16.4	471	1,690	5.7
Dundy	500	1,882	17.5	637	2,477	6.6	Saline	1,793	7,110	4.7	4,262	16,215	-8.4
Fillmore	835	4,173	5.8	2,448	9,152	-2.7	Sarpy	22,134	78,221	20.8	52,753	189,836	5.0
Franklin	426	1,987	-15.7	869	3,460	4.7	Saunders	3,746	12,738	17.3	6,281	24,225	2.1
Frontier	435	2,077	5.0	691	2,737	-2.2	Scotts Bluff	5,479	20,449	25.1	29,101	110,580	5.8
Furnas	717	3,147	-8.4	2,426	9,865	7.1	Seward	2,262	9,244	11.9	6,222	24,093	-3.7
Gage	3,258	11,874	8.3	14,812	52,970	-1.2	Sheridan	1,039	4,014	31.8	2,504	10,488	1.3
Garden	356	1,563	11.8	655	2,563	8.2	Sherman	502	1,934	-7.1	599	2,353	4.4
Garfield	292	1,144	18.3	951	3,225	5.5	Sioux	298	1,166	45.8	120	377	-5.8
Gosper	341	1,717	11.6	343	1,426	21.2	Stanton	1,008	4,009	20.8	839	3,241	-11.0
Grant	272	754	46.7	236	1,127	1.3	Thayer	970	3,925	28.2	1,936	7,853	1.9
Greeley	497	1,495	-5.1	664	2,437	-5.3	Thomas	137	602	11.1	252	959	0.1
Hall	7,232	26,749	9.8	57,802	216,173	1.4	Thurston	461	2,159	15.1	974	3,443	-7.7
Hamilton	1,353	5,997	11.7	2,723	9,948	-8.9	Valley	560	2,505	-4.6	2,543	9,029	3.8
Harlan	654	2,636	6.2	841	3,064	12.0	Washington	4,166	14,184	23.2	8,232	32,725	-2.5
Hayes	205	784	-15.0	(D)	(D)	(D)	Wayne	1,372	5,505	21.5	4,477	16,830	3.0
Hitchcock	539	1,934	-2.8	622	2,679	2.5	Webster	520	2,146	6.2	1,283	5,179	9.1
Holt	1,743	7,310	22.2	6,114	23,021	2.8	Wheeler	245	900	16.9	100	295	8.5
Hooker	34	393	-9.7	232	903	-7.3	York	2,824	9,197	13.7	11,148	42,201	0.5

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

Source: Nebraska Department of Revenue

Note on Net Taxable Retail Sales

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

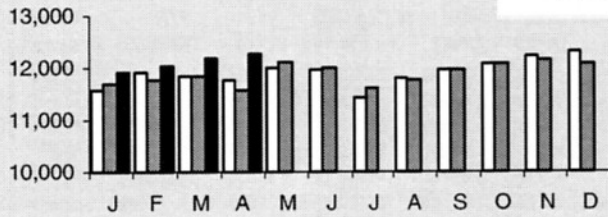
Regional Nonfarm Wage and Salary Employment* 2000 to April** 2002

2000 2001 2002

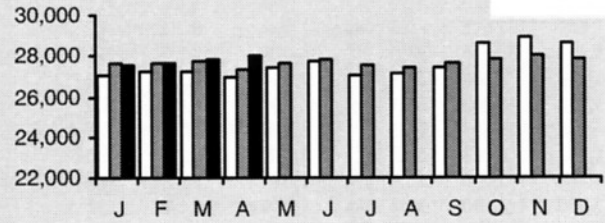
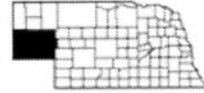
Note to Readers

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

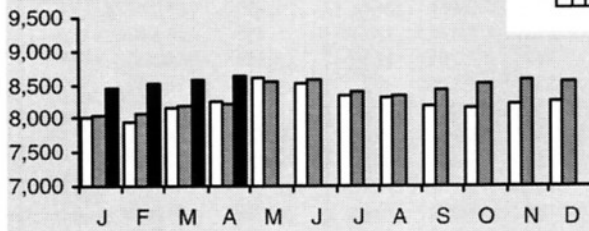
Northwest Panhandle



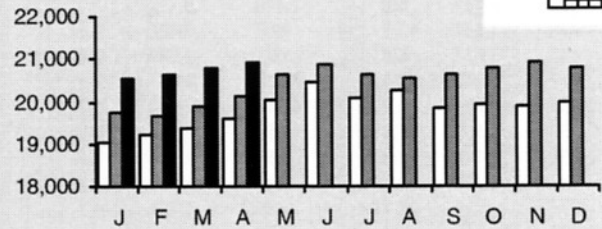
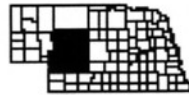
Southwest Panhandle



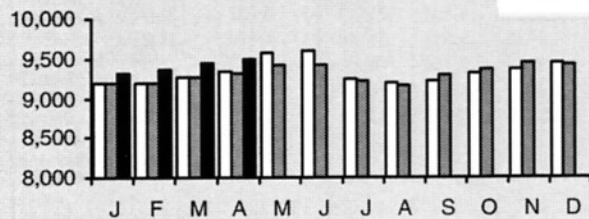
North Central



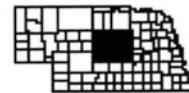
West Central



Southwest Central



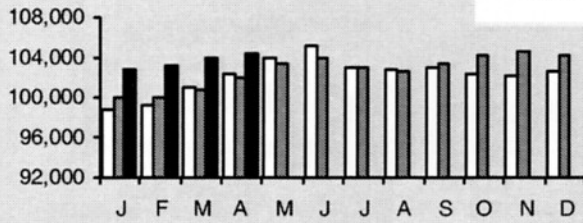
East Central



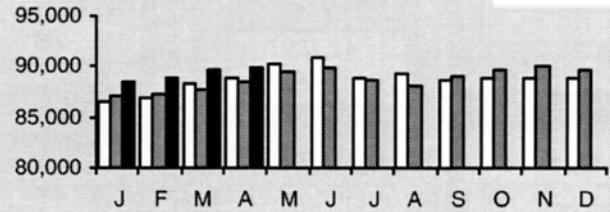
Regional Nonfarm Wage and Salary Employment* 2000 to April** 2002

2000 2001 2002

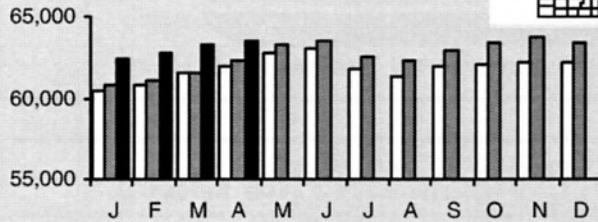
Southeast Central



Northeast

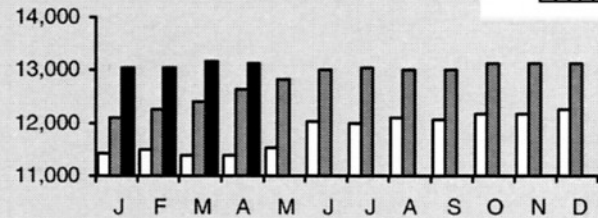


Southeast



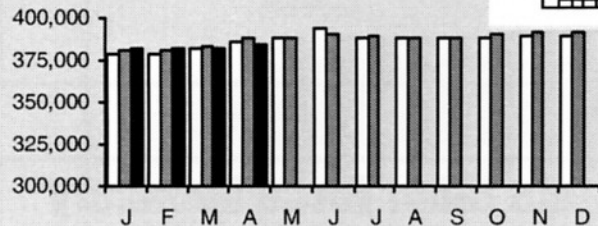
Sioux City MSA

Nebraska portion only

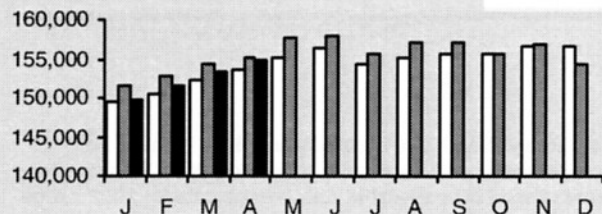


Omaha MSA

Nebraska portion only



Lincoln MSA



*By place of work

**Current month data are preliminary and subject to revision

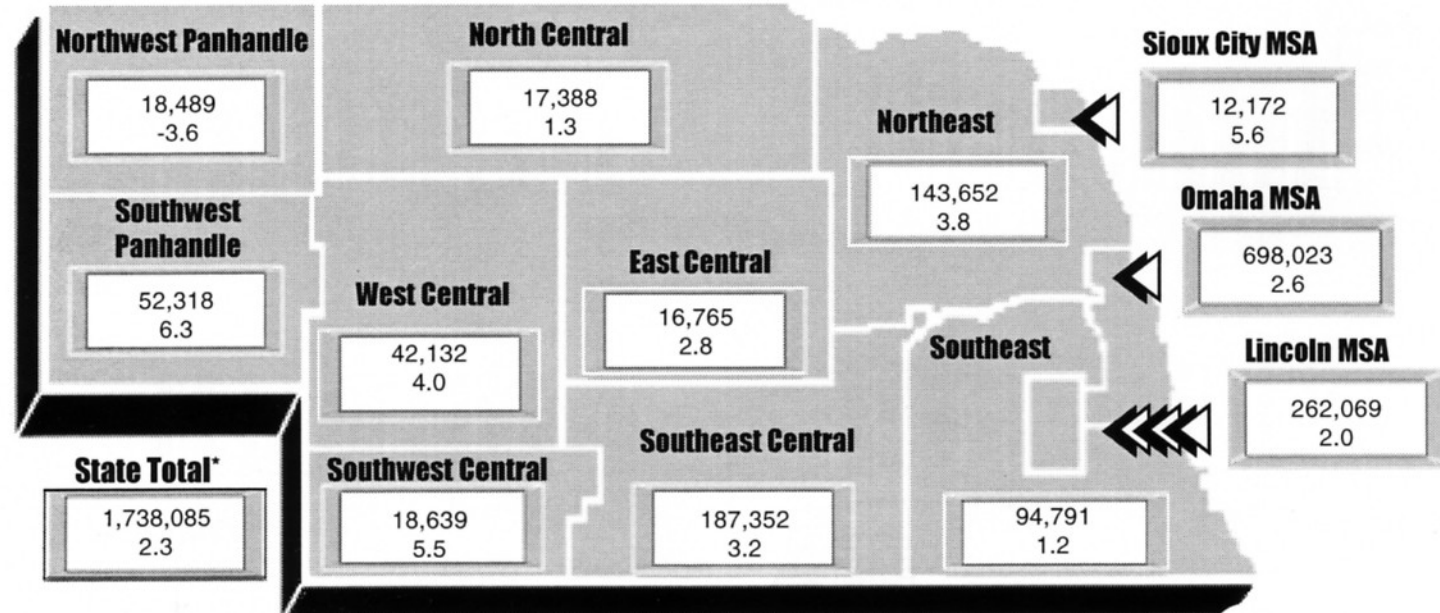
***Previously, other than Nebraska data were included in the Omaha and Sioux City MSA

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

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

April 2002 Regional Retail Sales (\$000)

YTD Change vs Yr. Ago



*Regional values may not add to state total due to unallocated sales
Source: Nebraska Department of Revenue

State Nonfarm Wage & Salary Employment by Industry*

	April 2002
Total	909,766
Construction & Mining	42,904
Manufacturing	112,257
Durables	51,602
Nondurables	60,655
TCU**	56,675
Trade	213,746
Wholesale	54,753
Retail	158,993
FIRE***	62,795
Services	262,126
Government	159,263

*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 2002	% Change vs Yr. Ago	YTD % Change vs Yr. Ago (inflation rate)
All Items	179.9	1.1	1.3
Commodities	149.8	-1.5	-1.3
Services	209.8	2.8	3.1

*U = All urban consumers

Source: U.S. Bureau of Labor Statistics

Inflation Rate

1.3

State Labor Force Summary*

	April 2002
Labor Force	953,534
Employment	919,741
Unemployment Rate	3.5

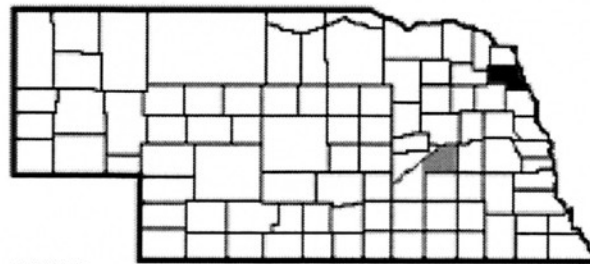
*By place of residence

Source: Nebraska Department of Labor, Labor Market Information

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

County of the Month

Thurston Pender - County Seat



License plate prefix number: 55

Size of county: 394 square miles, ranks 88th in the state

Population: 7,171 in 2000, a change of 3.4 percent from 1990

Per capita personal income: \$16,821 in 2000, ranks 80th in the state

Net taxable retail sales (\$000): \$17,443 in 2001 a change of 5.7 percent from 2000; \$5,602 from January through April 2002, a change of -0.1 percent from the same period the previous year.

Unemployment rate: 7.5 percent in Thurston County, 3.0 percent in Nebraska in 2001

	State	Thurston County
Nonfarm employment (2001)¹: (wage & salary)	909,402	2,345 (percent of total)
Construction and Mining	4.8	9.8
Manufacturing	12.9	2.9
TCU	6.4	3.1
Wholesale Trade	5.8	8.8
Retail Trade	17.6	4.4
FIRE	6.8	2.8
Services	28.5	18.8
Government	17.0	49.4

Agriculture:

Number of farms: 379 in 1997; 386 in 1992; 462 in 1987

Average farm size: 499 acres in 1997; 501 acres in 1992

Market value of farm products sold: \$59.6 million in 1997 (\$157,132 average per farm); \$54.5 million in 1992 (\$141,109 average per farm)

¹By place of work

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

bulletin board

Population Trends Through 2020

Population losses significant enough to affect age distribution will be in young and middle-aged workers in nonmetro counties without a trade center. By 2020 the group ages 15 to 54 in these counties will represent 40 percent of the total population, compared to 50 percent statewide.

Each of the state's six metro counties will grow rapidly contributing 80 percent of the state's growth. The slowest growing—Douglas County—will grow 27.2 percent.

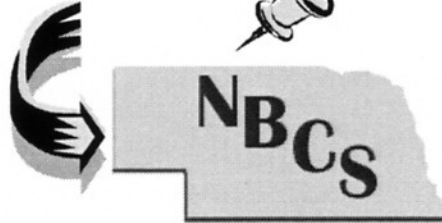
Metro counties will grow by 300,000 residents (33.4 percent). The 33 nonmetro counties with populations under 5,000 will lose 10,000 residents (-14.3 percent).

Fifteen of Nebraska's remote nonmetro counties will decline over 20 percent. Fifty-one counties will lose population.

The state's 12 large trade center counties will add 66,000 residents—18.3 percent. Seven will grow rapidly. Box Butte and Red Willow will lose population.

Small trade center counties will grow just 23,700 (9.5 percent). Six of these 23 counties will lose over 5 percent of their populations.

Overall, Nebraska's population is projected to grow 21.9 percent by 2020, reaching 2,085,000.



See the Nebraska Business Conditions Survey Reports on BBR's website:
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