

NEBRASKA WORKFORCE **DECEMBER 2011** Trends



Nebraska's Workers Young and Old



Nebraska's Unemployment Insurance Combined Tax Rates

Also Featuring...

Flash Forward...

Future Industry and Occupation
Employment Trends

Fast Facts...

Economic Retail Therapy

Map Facts...

Holiday Cheer



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SOUTHEAST COMMUNITY COLLEGE

Employment Outcomes

There were 1,594 Southeast Community College graduates between July 1, 2008 and June 30, 2009. Of these graduates, 1,200 (75%) were working in Nebraska in the first quarter of 2010. In 2009, there were 76% and in 2008 there were 78% of the graduates working in the state. Slightly less than half (45%) of the graduates were female, with 79% of the female graduates working in the state, while 72% of male graduates were employed in the state.



There was at least one graduate employed in 56 of the state's 93 counties. Lancaster County, with more than half of the graduates working in the county, followed by Douglas County were the top two counties for graduates working in the counties.

There were 641 graduates in 24 degree/fields of study that had 80% or more of the graduates working in the state. Within this group, the 42 Registered Nursing Associate Degree graduates had the highest estimated average annual earnings of \$42,692 followed by Electrical, Electronic and Communications Engineering Technology Associate Degree graduates with \$33,695. Business Administration Associate Degree graduates had the highest number of graduates within this group at 166, with 135 working in the state.

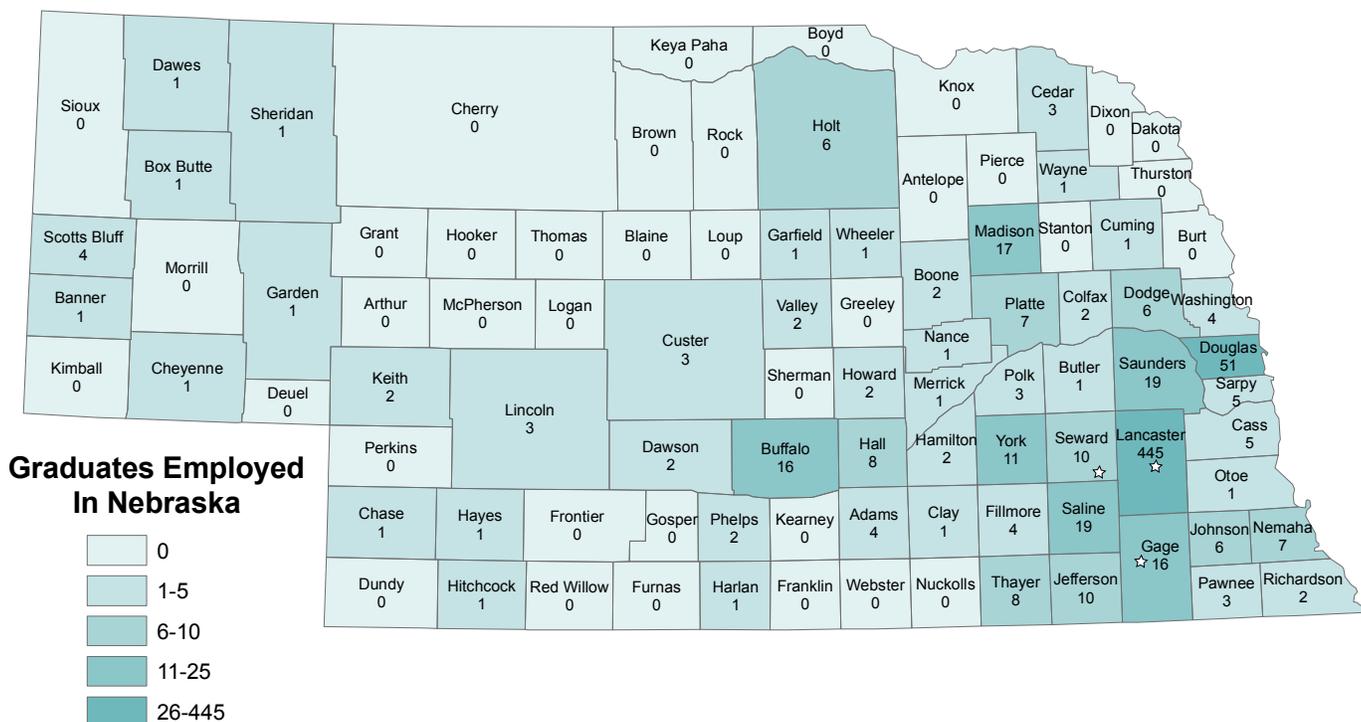
Majors in technical and medical fields of study produced graduates with the highest wages. Associate Degree graduates in Registered Nursing had the highest estimated average annual wages of all fields of study with \$42,692. There were

seven fields of study/degrees with 165 graduates working in the state that had estimated wages above \$30,000 per year.

The eight graduates employed in the Utilities industry had the highest estimated average annual earnings of \$46,843, followed by the 108 graduates employed in Manufacturing with \$31,394. The Health Care industry had the highest number (316) of graduates working in the state with estimated average annual wages of \$26,376.

For more outcomes information on Southeast Community College, Central Community College, Metropolitan Community College, Mid-Plains Community College, Northeast Community College, Western Nebraska Community College, Chadron State College, Peru State College, Wayne State College and the University of Nebraska – Kearney, contact the Nebraska Department of Labor's Office of Labor Market Information.

2008-2009 Southeast Community College Graduates Working in Nebraska in First Quarter 2010





Nebraska's Workers *Young and Old*

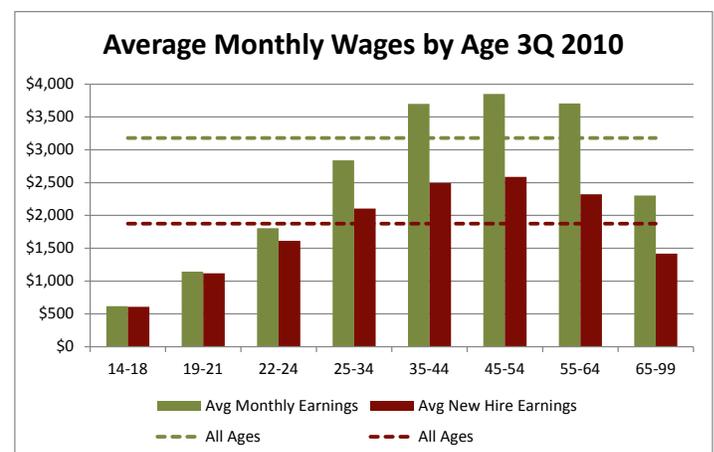
JODIE MEYER, RESEARCH ANALYST

The population of Nebraska is experiencing a shift. Between 2000 and 2010 the population of individuals 14-24 years old increased by 0.3%, whereas the population of individuals 55-99 years old increased by 23.1%, according to 2010 Census figures. These age groups are also from different generations, with the younger group being part of the Millennial Generation, also known as Generation Y, characterized by their use of technology, especially via the Internet and social media. The older age group spans two generations, the Silent Generation and Baby Boomers, who have seen rapid social and technological changes throughout their lifetime. The younger population is more diverse than the older population. Individuals age 15-24 are 82.2% white and 17.8% minority. In comparison, the population age 55 and over is 94.5% white and 5.5% minority. More of the younger population is Hispanic or Latino, comprising 11.7% of the population 15-24 and 2.6% of the population 55 and over.

It is important to examine these populations as these differences between the older and younger populations can translate into differences in the workplace. Understanding the current makeup of the workforce can help in identifying and addressing potential conflicts and challenges, as well as benefits, of these two groups working side-by-side. The older generation is also nearing retirement and the end of their professional lives, while the younger generation is just starting their careers.

Between 2000 and 2010, employment of workers age 55-99 increased in Nebraska by 57.6%, where the number of workers age 14-24 decreased by 19.0%. In 2010, 877,394

workers were employed in Nebraska. Fifteen percent were in the younger 14-24 age grouping (131,807) and 20.4% were in the older 55-99 age grouping (178,688). The map on the bottom of the opposite page shows how many 14-24 year old workers are in the workforce per 100 workers age 55-99. Statewide, there are 74 younger workers per 100 older workers. This general trend of the older workers outnumbering the younger is to be expected as the population distribution follows this same pattern. There are no counties in Nebraska where younger workers outnumber older workers, but in Buffalo County the split is almost even with 99 younger workers per 100 older. Other counties with a higher proportion of younger workers include Dawes, Sarpy, Lancaster, Douglas, Lincoln, and Wayne. Several of these counties contain colleges. This suggests that many college students may be working while attending college, adding to the area's workforce. Older workers greatly outnumber



younger workers in Loup County, where there were 13 workers 14-24 years old for every 100 workers age 55-99. Other counties where older workers greatly outnumber younger ones include Arthur, Banner, McPherson, Blaine, and Sioux.

A little over half, 50.3%, of all workers in the state are female. A greater percentage of young and older workers are female, at 53.0% and 51.2%, respectively. Blaine County has the highest percentage of younger female workers at 71.4%, though the sample size is very small, skewing the results. Boyd County has the second highest percentage of female workers at 68.3%. Five counties, Arthur, Banner, Logan, Loup, and McPherson, do not have any females in the younger workers category; however, there are only 41 younger workers in these five counties combined. Garden County has the highest percentage of older female workers at 65.9%. Washington County has the lowest percentage of older female workers at 40.8%.

The average monthly earnings for all workers for the third quarter of 2010 was \$3,180. When looking at the three youngest age categories, the older the subgroup, the more money was made. This was true for both males and females. This trend could be attributed to younger workers in lower-paying entry level positions and= younger workers possibly working part-time while in school. For the two oldest age categories, the opposite story is true-the older of the two categories made less for both genders. For the older categories, this trend can be attributed to older workers entering retirement from their main career and picking up a part-time job or working less hours and going into a phased retirement by reducing hours to part-time.

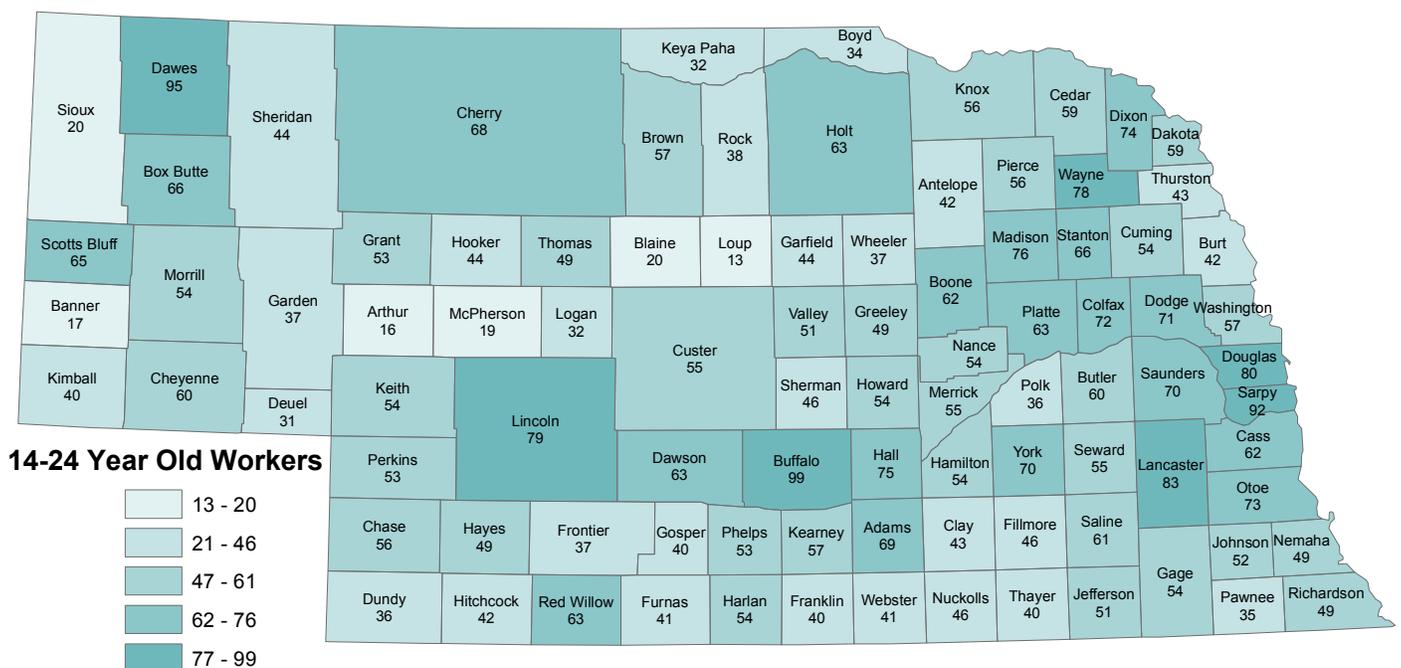
New hire earnings were lower than the average monthly earnings at all age groups. However, the gap between the two wage categories increases with age, with the exception of the 65-99 grouping, where the gap narrows. In the 14-18 age grouping, new hires only earned \$9 less than average, whereas in the 55-64 age grouping new hires earned \$1,386 less, the largest gap. In the 65-99 grouping, the new hires earned \$833 less. For all ages, new hires earned \$1,305 less than average.

Seasonal patterns vary with younger and older workers. Younger worker employment tends to spike in the summer months while older employment tends to stay steadier throughout the year or show less pronounced seasonal trends. Younger employment hits its peak in third quarter, while older employment spikes in thesecond and fourth quarters.

Seasonality is more pronounced in certain industries, such as the Agricultural, Forestry, Fishing and Hunting industry, which showed similar seasonal trends for younger and older workers. Employment in Utilities and Health Care and Social Assistance stays fairly steady throughout the year for older workers, but display a seasonal spike in third quarter for the younger workers. The third quarter spike in younger workers is attributed to students out of school for summer and the presence of more available work in the summer.

All data, unless otherwise noted, comes from the Quarterly Workforce Indicators data, part of Local Employment Dynamics partnership program between state Labor Market Information agencies and the U.S. Census Bureau.

Ratio of 14-24 Year Old Workers Per One Hundred 55-99 Year Old Workers



Nebraska's Unemployment Insurance Combined Tax Rates **2012**



For 2012, there will be a reduction in Nebraska's Unemployment Insurance (UI) combined tax rates from 2011. The Nebraska Trust Fund has increased while benefit payouts have decreased to \$168,086,251.

The Array System, prescribed by Nebraska law, is designed to stabilize the Unemployment Trust Fund, to ensure the balance is sufficient to cover benefits based upon wages paid, and to insure a solvent trust fund in the event of unexpected increases in unemployment. An explanation of all factors that establish the tax rates is provided in this guide.

Experience Rating

Nebraska uses an Experience Rating system which considers the individual employer's actual experience and a comparison of the employer's experience to an array of all other employers.

To be eligible for experience rating, an employer must have reported taxable wages in at least two consecutive preceding tax rating periods. A tax rating period is a four quarter period ending September 30th. The employer's experience rating is determined by the following formula:

$$\frac{[\text{Reserve Balance as of October 31}]}{[\text{Average Taxable Payroll}]} = [\text{Reserve Ratio}]$$

•Reserve Balance as of October 31: Includes previous tax payments and all allocated combined taxes paid through October 31 minus any benefit charges.

•Average Taxable Payroll: Is the average of the employer's taxable payroll for the two, three or four preceding tax rating periods.

Array System

In 2006, Nebraska began using the Array System for setting the UI Combined Tax Rate for experience rated employers.

The following three-step process takes place during October and November of each year and is based upon a tax rating period ending September 30.

STEP ONE determines the UI Trust Fund revenue target for the coming year. The revenue target is the amount of unemployment benefits paid during the twelve months ending September 30 as adjusted by a yield factor. From October 1, 2009 to September 30, 2010, the amount of unemployment benefits paid was \$198,754,440 representing a slight increase over the prior year. The yield factor is designed to maintain a target balance in the Trust Fund by increasing revenue when the Trust Fund is lower than the target amount and decreasing revenue when the Trust Fund exceeds the target amount. The yield factor is determined by the State's Reserve Ratio.

$$\frac{[\text{UI Trust Fund Balance}]}{[\text{State's total wages}]} = \frac{[\text{State's Reserve Ratio}]}{[\text{for Yield Factor}]}$$

The State's Reserve Ratio is the balance in the Trust Fund as of September 30 divided by the estimated amount of total wages paid in covered employment during the most recent tax rating period ending on September 30.

State statute provides that the Unemployment Trust Fund balance should be between 0.85% and 1.00% of all wages paid in covered employment. For 2011, the state's reserve ratio of 0.810% required a yield factor of 1.10%.

STEP TWO determines the state's average tax rate required to generate the revenue target from Step One. The revenue target is divided by the state's estimated taxable wages to give the state's average tax rate.

$$\frac{[\text{Revenue Target}]}{[\text{State's Taxable Wages}]} = [\text{State's Average Tax Rate}]$$

The state's average tax rate is assigned to category 12 in a 20-category rate schedule. The 2012 average tax rate is 2.49%. The other 19 tax rates are calculated as a percent of the category 12 rate determined by multiplying the category 12 rate by an experience factor statutorily assigned to each category.

STEP THREE takes individual employer accounts, which are eligible for experience rating, and arrays, or ranks, them by experience ratios from best to worst. Once ranked, the accounts are divided into the 20 rate categories. The employers with the highest (best) reserve ratios are assigned to category 1 and the worst to category 20. Each category is limited to five percent of the state's total taxable wages for the four quarters ending September 30. Categories do not have an equal number of tax-rated employers but do have approximately equal amounts of taxable wages.

2012 Rates

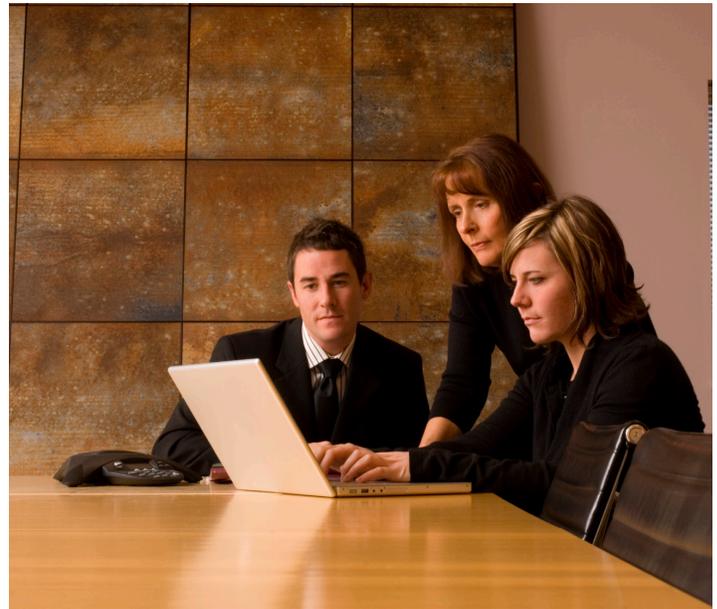
The 2012 UI Combined Tax Rates have remained the 2011 UI Combined Tax Rates. Category 1 will continue to have a tax rate of 0.00%, Category 12 will drop to 2.49%, and Category 20 will drop to 6.49%. The 2012 taxable wage base is \$9,000 per employee per year.

Tax Rate Notices

The UI Combined Tax Rate notices for 2012 will be mailed December 5, 2011 and are available online at UICONNECT.NE.GOV. The Rate Notice includes the information used in calculating the reserve ratio for the employer's account.

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Voluntary Payments

Eligible employers are also informed of the amount of a voluntary contribution they may make to lower their tax rate by one category. Payment of the voluntary contribution must be made on or before January 10, 2012 to reduce the assigned 2012 UI Combined Tax Rate. The Voluntary Payment Notice will be mailed with the UI Combined Tax Rate Notice, on December 5, 2011 and is also available on line at UICONNECT.NE.GOV.

Employers Without Experience Rating

New employers that do not have reported taxable wages in each of the two preceding four-quarter periods ending September 30 are not eligible for experience rating and are assigned the new employer rate. The new employer rate for a non-construction employer is the lesser of the category 12 rate or 2.5% but not lower than 1.25%. The new employer rate for a construction employer is the category 20 rate. For 2012, the new employer rate for a non-construction employer is 2.49%; and, the new employer rate for a construction employer is 6.49%.

Employers With Delinquent or Missing Reports

Any employer who has not submitted all quarterly tax reports when rates are calculated in November is assigned the category 20 tax rate. However, an employer may submit any delinquent or missing report by mail or on UICONNECT.NE.GOV to the Department on or before December 31. A revised rate notice will be issued to the employer. The Nebraska Department of Labor, Unemployment Insurance Field Representatives work with employers across the state to assure the timely filing of each quarterly report. Employers are notified if there are any delinquent reports for their account.

Sources of Additional Information

Questions or concerns regarding your 2012 UI Combined Tax Rate may be answered by visiting: UICONNECT.NE.GOV or dol.nebraska.gov.

Map Facts

Holiday Cheer



the nation with the most delivery business establishments, totaling 10,050 and 8,122 businesses, respectively. North Dakota and Wyoming had the most delivery establishments per capita with South Dakota and Nebraska rounding out the top four. These state's central locations make them ideal for shipping items anywhere in the U.S.

Another interesting aspect to look at is the number of truck delivery services vs. air delivery services. While truck delivery establishments are more common in every state, Iowa and Nebraska have the largest percentages with 98.69% and 98.39% of their delivery business's being run by trucks. Since Alaska and Hawaii are detached from the contiguous 48 states, they require more air delivery services, with 46.94% and 23.94% of their delivery establishments run by plane, respectively.

According to the county business patterns from the Census, Nebraska had 29 air transportation and delivery establishments in 2009, with 602 employees making an average of \$34,317 annually. In truck transportation and delivery, Nebraska was home to 1,775 establishments with a total of 26,789 employees making an average annual wage of \$34,751.

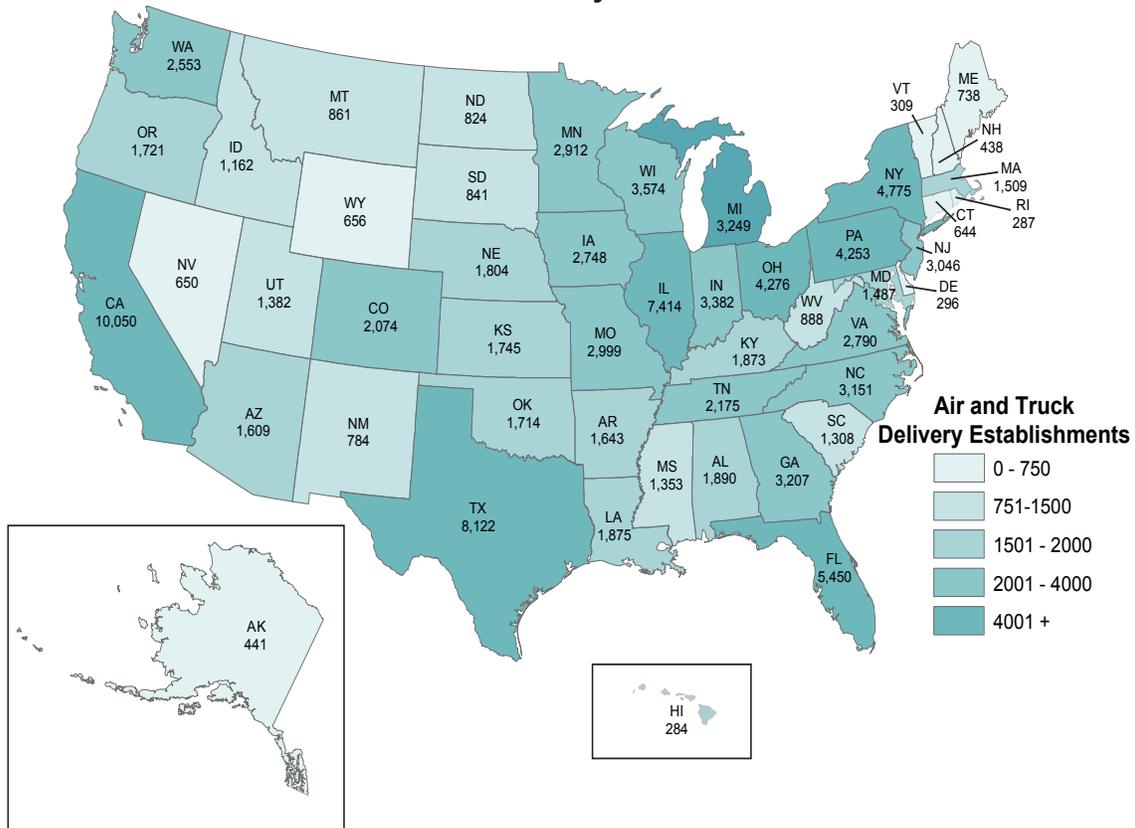
It is likely that at least one of the gifts you send or receive this year will be delivered by one of these businesses, so be thankful this holiday season for all the different establishments across the nation that helped deliver a part of your holiday cheer.

RYAN CALDWELL, RESEARCH ANALYST

The holiday season is upon us and time is running out to find the right gifts for everyone on your list. Not only do we buy gifts for those we spend the holidays with, but also friends and family who can't be present. While hand delivering a gift is always a nice gesture, it is also nice to feel remembered by those who are far away and exchange gifts with them, no matter where they are at.

In the United States, there were over 115,000 delivery service establishments nationwide in 2009, including both truck and air transportation methods. California and Texas lead

Air and Truck Delivery Establishments





Economic Retail Therapy

JAKE LIUDAHL, RESEARCH ANALYST

It is no secret that December is the month of the year that retailers look forward to most. The holiday season brings a consumer spending binge that helps businesses thrive and provides jobs to seasonal holiday workers. Oftentimes, employers and employees alike depend on this holiday spending to get them through the rest of the year.

A CareerBuilder.com nationwide forecast reported that **29%** of retailers plan to employ extra help during this holiday season, down from 33% of retailers last year. On the plus side, hiring employers plan to pay their seasonal workers higher wages on average than last year.

The two retail factions that received the biggest boost from holiday shopping in 2010 were jewelry stores and hobby, toy and game stores. **Jewelry stores** had a **169%** increase in December sales over the rest of 2010, while **hobby, toy and game stores** had a **161%** boost in December sales versus the rest of the year.

The value of retail sales by **electronic shopping and mail-order houses** in December 2010 totaled **\$34 billion**, the highest total for any month last year.

The Net Taxable Sales in Nebraska in December 2010 came to **\$2.43 billion**. The average for Decembers in the previous 4 years was slightly lower at \$2.38 billion. This compares to the \$1.90 billion monthly average for any of the other months of the year during the same period.

In December 2010, there were **108,756 Nebraska** individuals employed in the Retail Trade industry.

In Nebraska, **holiday retail hiring** begins showing up in **October** and typically declines rapidly after the new year.

For the last 4 years, the peak retail employment in Nebraska has come in December. During those years, the December retail employment was between **2.8% and 5.5%** higher than the January-September average.

Flash Forward



Panhandle Economic Region

Future Industry and Occupation Employment Trends

JODIE MEYER,
RESEARCH ANALYST

Continuing in the series of highlighting industry and occupational projections for Nebraska's regions, this month focuses on the Panhandle Economic Region. The Panhandle Economic Region includes the Nebraska counties of Banner, Box Butte, Cheyenne, Dawes, Deuel, Garden, Kimball, Morrill, Scotts Bluff, Sheridan, and Sioux. One Micropolitan area, Scottsbluff, is included in this region.

Industry Projections

Projected industry growth of 2,009 jobs is expected in the Panhandle by 2018 according to Industry Employment Projections, an increase of 4.1%. Most industry employment in 2008 was in Trade, Transportation, and Utilities which employed 11,589 workers, accounting for 23.8% of employment in this region. The Education and Health Services industry sector is expected to experience the highest projected net change in employment by 2018 adding 1,385 jobs, a 13.9% increase. The fastest growing sector by percent change is expected to be Financial Activities adding 470 jobs, a change of 23.0%. The Information industry employed the least number of workers in 2008, only accounting for 1.0% (476 jobs) of the employment in this region, while it is expected to decline by 8.4% (40 jobs) by

2018. In addition to the projected decline in the Information industry, three other industry sectors are projected to decline. The Natural Resources and Mining industry is expected to decline the most, losing 695 jobs or 11.5%. Minor declines are expected in Manufacturing (98 jobs, -4.2%) and Leisure and Hospitality (29 jobs, -0.9%).

The top sub-sector growth industry from 2008-2018 by numeric change is Hospital Employment (Private, State, and Local), expecting to add 599 jobs, a 21.2% increase. The Credit Intermediation and Related Activities Industry is expected to add the second highest amount of jobs, increasing by 33.7% and adding 461 jobs. Educational Services (Private, State, Local) come in third, expecting to add 448 jobs, a 10.1% increase. Rounding out the top five are Rail Transportation and Specialty Trade Contractors.

When examining the five industries expected to experience the greatest amount of decline (by numeric change in jobs) the agriculture-related industries of Crop Production and Livestock Production are expected to lose the most jobs in the ten-year period, a combined loss of 672 jobs. Other food-related industries of Food and Beverage Stores, Food

Industries with the Greatest Numeric Changes in Employment 2008-2018

| | Industry Title | 2008 Estimated Employment | 2018 Projected Employment | Numeric Change | % Change |
|-----------|--|---------------------------|---------------------------|----------------|----------|
| Growing | Hospital Employment (private + state + local) | 2,820 | 3,419 | 599 | 21.2% |
| | Credit Intermediation and Related Activities | 1,368 | 1,829 | 461 | 33.7% |
| | Educational Services (private + state + local) | 4,445 | 4,893 | 448 | 10.1% |
| | Rail Transportation | 2,116 | 2,458 | 342 | 16.2% |
| | Specialty Trade Contractors | 862 | 1,151 | 289 | 33.5% |
| Declining | Crop Production | 3,250 | 2,874 | -376 | -11.6% |
| | Livestock Production | 2,554 | 2,258 | -296 | -11.6% |
| | Food and Beverage Stores | 827 | 608 | -219 | -26.5% |
| | Food Manufacturing | 476 | 341 | -135 | -28.4% |
| | Food Services and Drinking Places | 2,654 | 2,554 | -100 | -3.8% |

Occupations with the Greatest Numeric Changes in Employment 2008-2018

| | SOC Title | 2008 | 2018 | Growth Openings | Replacement Openings | Total Openings | Numeric Change | % |
|-----------|--|-------------------------|-------------------------|--------------------|-------------------------|-------------------|-------------------|--------|
| | | Estimated Employment | Projected Employment | | | | | |
| Growing | Registered Nurses | 1,024 | 1,288 | 264 | 179 | 443 | 264 | 25.8% |
| | Customer Service Representatives | 456 | 592 | 136 | 144 | 280 | 136 | 29.8% |
| | Retail Salespersons | 1,441 | 1,558 | 117 | 402 | 519 | 117 | 8.1% |
| | Office Clerks, General | 1,088 | 1,185 | 97 | 148 | 245 | 97 | 8.9% |
| | Locomotive Engineers | 355 | 433 | 78 | 115 | 193 | 78 | 22.0% |
| Declining | Farmworkers and Laborers, Crop, Nursery, and Greenhouse | 2,891 | 2,532 | 0 | 780 | 780 | -359 | -12.4% |
| | Laborers and Freight, Stock, and Material Movers, Hand | 1,286 | 1,186 | 0 | 414 | 414 | -100 | -7.8% |
| | Farm, Ranch, and Other Agricultural Managers | 1,242 | 1,184 | 0 | 252 | 252 | -58 | -4.7% |
| | Carpenters | 509 | 457 | 0 | 63 | 63 | -52 | -10.2% |
| | Order Clerks | 134 | 101 | 0 | 38 | 38 | -33 | -24.6% |

Manufacturing, and Food Services and Drinking Places round out the bottom five.

Occupational Projections

Industry employment is an important component of the employment picture in a region. It is also important to examine the types of occupations that will experience growth and decline as a result of changes in industry employment throughout the state.

There is expected to be occupational growth in the Panhandle according to the 2008-2018 Occupational Projections. The total projected numeric employment change over the ten-year period is 2,009, a 4.1% increase. A total of 14,827 job openings are expected in the Panhandle from 2008-2018, with 3,350 jobs expected from growth and 11,477 from replacements. Replacement openings account for 77.4% of all job openings. This mirrors the statewide trend and can in part be attributed to the high number of Nebraska workers reaching retirement age within the next 10 years.

In 2008, Office and Administrative Support occupations employed 7,272 people, making it the largest occupational category in the Panhandle, accounting for 14.9% of the region's occupational employment. The largest net change in employment is expected to occur in Office and Administrative Support occupations, where 488 jobs are projected to be added by 2018, an increase of 6.7%. Community and Social Services occupations are the fastest growing occupational category by percent change, adding 108 jobs, an 18.3% increase. Legal occupations employed the least amount of workers in 2008, only employing 121 or 0.2% of the region's occupational employment. This occupational category is expected to stay small with only nine jobs expected to be added in the ten-year period, a 7.4% increase. Farming, Fishing and Forestry occupations are expected to decline by 466 jobs, a decrease of 11.7%. Management Occupations are also expected to experience a slight decline of 15 jobs, a 0.5% decrease.

The highest number of total job openings is expected in Office and Administrative Support occupations with 2,095 total openings-638 from job growth and 1,457 from replacements. The lowest number of openings is projected for Legal occupations, with only 30 openings expected-nine from growth and 21 from replacements.

Sales and Related occupations are projected to have the most replacement openings with 1,475, or 87.6%, of the 1,684 total job openings expected to come from replacements. Farming, Fishing, and Forestry occupations are projected to have no growth openings with all 1,072 of its total openings expected to be from replacements. The largest percentage of total openings attributed to growth is projected in Healthcare Support occupations, where 149 (49.2%) of the 303 total openings projected are to be from growth.

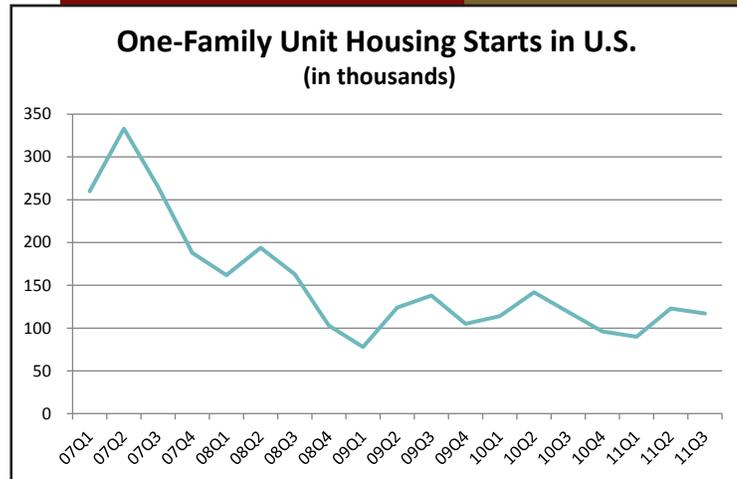
Ranking occupations by numeric change from 2008 to 2018, Registered Nurses top the list with an expected 264 jobs added. Customer Service Representatives come in second with 136 jobs expected to be added. General Office Clerks, another Office and Administrative Support occupation, also make the list with an expected increase of 8.9% or 97 jobs.

The five occupations expected to experience the greatest amount of decline by numeric change over the ten-year period are: Farmworkers and Laborers: Crop, Nursery, and Greenhouse; Laborers and Freight, Stock, and Material Movers, Hand; Farm, Ranch, and Other Agricultural Managers; Carpenters; and Order Clerks. Many of these occupations are related to Agriculture, which as an industry is projected to decline due to a combination of factors, including advances in technology reducing the need for workers and the consolidation of small farms.

A publication with more detail on both occupational and industry projections is published online at <http://networks.nebraska.gov/analyzer/>. Look for additional articles spotlighting projections in upcoming issues of Nebraska Workforce Trends.

Facts Sheet

Note: Retail Sales figures are in billions of dollars. Median Employment Wages are OES 50th percentile Annual Wage for All Occupations. ECI is Employment Cost Index. PPI is Producer Price Index. CPI is Consumer Price Index.



| National Indicators | Date | Value |
|-------------------------|--------|------------------|
| GDP Growth | 11Q3 | 2.5% |
| Unemployment Rate | Oct-11 | 9.0% |
| Fed Interest Rate | Oct-11 | 0.25% |
| Current Account Balance | 11Q2 | -\$118.0 Billion |

| Nebraska Indicators | Date | Value |
|------------------------------------|--------|---------------|
| Unemployment Rate | Oct-11 | 4.2% |
| House Value Appreciation | 11Q2 | -1.05% |
| Average Weekly Manufacturing Hours | Oct-11 | 40.4 |
| Net Taxable Retail Sales | Aug-11 | \$2.1 Billion |
| Median Employment Wages | 11Q3 | \$30,710 |

| Pricing Indicators | Date | Value |
|---------------------|--------|---------|
| Barrel of Crude Oil | Nov-11 | \$98.63 |
| ECI Change | 11Q3 | 0.30% |
| PPI Change | Oct-11 | -0.30% |

| October 2011 | Indexes | | | % Change From | |
|---------------------------|---------|---------|---------|---------------|--------|
| | Oct-11 | Sep-11 | Oct-10 | Sep-11 | Oct-10 |
| U.S. All Items | 226.421 | 226.889 | 218.711 | -0.2% | 3.5% |
| Midwest Urban All Items | 215.653 | 216.968 | 208.689 | -0.6% | 3.3% |
| Northeast Urban All Items | 243.014 | 243.323 | 234.671 | -0.1% | 3.6% |
| South Urban All Items | 219.969 | 220.371 | 212.026 | -0.2% | 3.7% |
| West Urban All Items | 229.195 | 229.147 | 221.708 | 0.0% | 3.4% |

Sources: tradingeconomics.com, bls.gov, fhfa.gov, revenue.state.ne.us, oil-price.net

INDUSTRY DEVELOPMENTS



Responsibilities for the Current Employment Statistics (CES) estimates of monthly industry employment for the state and metropolitan areas (Lincoln & Omaha) transferred from the Nebraska Department of Labor to the Bureau of Labor Statistics (BLS) in April 2011. This transition happened in all states. Concurrent with this transition, BLS implemented several methodological changes to the estimation approach across states. The new estimation process reduces local economic knowledge in the process and may result in more month to month variability of the estimates, particularly in the smaller states. More detailed information on the changes to procedures for producing CES estimates is available on the BLS Web site at <http://www.bls.gov/sae/cesprocs.htm>

TOTAL NONFARM

JANET DENBRING, RESEARCH ANALYST

Nationally, over-the-month non-seasonally adjusted employment grew (0.7% or 883,000 jobs), a normal occurrence in October, due to Educational Services (612,100 jobs) in State and Local Government. Of the ten major industries, four industries rose, one fell, and five were flat. Over-the-year non-seasonally adjusted employment gained 1,501,000 jobs (1.1%). Since December 2010, it has trended up 0.7% to 1.2% each month. During the majority of the past twelve

months, the highest over-the-year growth industry has been Professional and Business Services (540,000 jobs), followed by Education and Health Services (432,000 jobs).

Since last month, Nebraska total nonfarm employment rose (0.7% or 6,458 jobs), common for October. Four industries increased, five were unchanged, and one decreased. The seasonal increase in Local Government Educational Services helped drive the growth this month. Over the year, total nonfarm employment expanded by 18,974 to 967,258 jobs (2.0%). Since January 2011, over-the-year employment has consistently improved the most in Professional and Business Services and Trade, Transportation, and Utilities. Since last October, those industries added 11,084 jobs and 4,686 jobs, respectively. Together, they have made up 61% to 83% of the annual growth for each month of 2011.

Over the month, the Lincoln MSA employment increased (1.2% or 2,052 jobs) to 177,854 jobs. Since October 2010, employment has grown by 5,876 jobs (3.4%) with the majority of gains in Professional and Business Services (3,269 jobs) and Trade, Transportation, and Utilities (1,803 jobs). In the Omaha MSA, over-the-month employment was up at 466,824 (3,156 jobs or 0.7%). Over the year, an overall gain of 7,078 jobs (1.5%) has come mostly from Professional and Business Services (3,883 jobs) and Trade, Transportation, and Utilities (2,409 jobs).

MINING AND CONSTRUCTION

Over the month, statewide employment in Mining and Construction held steady at 44,189 jobs. Over the year, employment was also relatively unchanged.

In the Lincoln MSA, over-the-month employment had an unusually large drop in September (-4.5%), then it abnormally increased by 0.8% in October to 6,506 workers. Over the year, Mining and Construction cut 395 workers (-5.7%). In the Omaha MSA, from September to October employment dropped by 269 to 20,757 jobs (-1.3%). Since October 2010, employment has fallen by 578 jobs with the decrease occurring mainly in Specialty Trade Contractors (-963 jobs).

MANUFACTURING

From September to October this year, statewide Manufacturing was unchanged at 94,529. October's over-the-year increase of 2.9% (2,662 jobs) adds to the consecutive growth of 1.4% to 3.7% since December 2010. Over-the-year employment in Durable Goods rose by 2,115 jobs (5.1%) and Non-Durable Goods gained 547 jobs (1.1%).

Since last month, Lincoln MSA employment increased by 220 to 12,660 jobs; however, over-the-year employment held steady. Employment in the Omaha MSA remained flat in October. Over-the-year Manufacturing employment in the Omaha MSA has grown every month in 2011 (0.5% to 3.0%).



TRADE, TRANSPORTATION, AND UTILITIES

Since last month, statewide employment grew by 2,332 to 201,224 jobs (1.2%). Since October 2010, employment improved by 4,686 jobs (2.4%). Over half of the year's gains have been due to Retail Trade increasing by 2,498 jobs (2.4%).

In the Lincoln MSA, over-the-month employment surged by 855 to 33,703 jobs (2.6%) with Retail Trade accountable for half of the jobs (432). Over-the-year employment rose by 1,803 jobs (5.7%). Over the past year, Omaha MSA employment advanced by 2,409 to 96,558 jobs (2.6%). Since last October, Retail Trade improved by 1,341 jobs; Wholesale Trade rose by 542 jobs; and Transportation, Warehousing, and Utilities delivered an increase of 526 jobs.

INFORMATION

Statewide over-the-month employment remained steady at 17,155 jobs. Since October 2010, employment increased by 2.3% (388 jobs). This is the fourth month in a row it has posted over-the-year growth between 1.9% and 2.7%.

Since October 2010, employment in the Lincoln MSA declined by 2.6% to 2,177 jobs. In the Omaha MSA, over-the-year employment is down 3.9% to 10,437 jobs.

FINANCIAL ACTIVITIES

Over the month, statewide employment held steady at 68,198 jobs after falling last month by 1,142 jobs. Last month's unusual drop was mostly attributable to Finance and Insurance (-962 jobs). Over the year, employment declined by 411 jobs (-0.6%) this month due to losses in Finance and Insurance (-381 or -0.6%).

Since last year, employment in the Lincoln MSA expanded by 145 to 13,365 jobs (1.1%). In the Omaha MSA, over-the-year employment edged down by 192 to 39,990 jobs (-0.5).

PROFESSIONAL AND BUSINESS SERVICES

Since March 2011, Nebraska monthly employment has consistently grown to reach 113,882 workers. After posting many large gains in previous months, over-the-month employment in October held steady. Over-the-year employment grew the most numerically (11,084 jobs) and posted the highest percentage growth (10.8%) of any month since July 2002. The majority of the yearly employment growth came from Administrative and Waste Services, gaining 16.1% since October 2010 (7,069 jobs).

The Lincoln MSA Professional and Business Services employment grew between 142 to 755 jobs per month during a majority of the months in the past year. Over the year, Lincoln MSA employment has risen by 3,269 to 21,020 jobs (18.4%). Administrative and Waste Services made up the majority of the job gains (2,100) in the past year. In the Omaha



| | Number of Workers | | | Over the Month | | Over the Year | |
|---|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Oct-11 | Sep-11 | Oct-10 | Numeric Change | Percent Change | Numeric Change | Percent Change |
| Total Nonfarm | 967,258 | 960,800 | 948,284 | 6,458 | 0.7% | 18,974 | 2.0% |
| Mining, Logging & Construction | 44,189 | 44,334 | 44,106 | -145 | -0.3% | 83 | 0.2% |
| Construction | 8,362 | 8,588 | 8,609 | -226 | -2.6% | -247 | -2.9% |
| Heavy and Civil Engineering Construction | 6,484 | 6,501 | 6,678 | -17 | -0.3% | -194 | -2.9% |
| Specialty Trade Contractors | 28,393 | 28,472 | 27,874 | -79 | -0.3% | 519 | 1.9% |
| Manufacturing | 94,529 | 94,578 | 91,867 | -49 | -0.1% | 2,662 | 2.9% |
| Durable Goods | 43,311 | 43,159 | 41,196 | 152 | 0.4% | 2,115 | 5.1% |
| Non-Durable Goods | 51,218 | 51,419 | 50,671 | -201 | -0.4% | 547 | 1.1% |
| Trade, Transportation, & Utilities | 201,224 | 198,892 | 196,538 | 2,332 | 1.2% | 4,686 | 2.4% |
| Wholesale Trade | 41,171 | 40,361 | 40,426 | 810 | 2.0% | 745 | 1.8% |
| Retail Trade | 105,976 | 105,062 | 103,478 | 914 | 0.9% | 2,498 | 2.4% |
| Transportation, Warehousing, and Utilities | 54,077 | 53,469 | 52,634 | 608 | 1.1% | 1,443 | 2.7% |
| Information | 17,155 | 17,196 | 16,767 | -41 | -0.2% | 388 | 2.3% |
| Financial Activities | 68,198 | 67,874 | 68,609 | 324 | 0.5% | -411 | -0.6% |
| Finance and Insurance | 59,300 | 58,967 | 59,681 | 333 | 0.6% | -381 | -0.6% |
| Real Estate and Rental and Leasing | 8,898 | 8,907 | 8,928 | -9 | -0.1% | -30 | -0.3% |
| Professional & Business Services | 113,882 | 113,666 | 102,798 | 216 | 0.2% | 11,084 | 10.8% |
| Professional, Scientific, and Technical Services | 44,871 | 44,174 | 42,234 | 697 | 1.6% | 2,637 | 6.2% |
| Management of Companies and Enterprises | 18,154 | 18,054 | 16,776 | 100 | 0.6% | 1,378 | 8.2% |
| Admin & Support & Waste Mngmt & Remdtn Svcs | 50,857 | 51,438 | 43,788 | -581 | -1.1% | 7,069 | 16.1% |
| Education & Health Services | 137,587 | 136,659 | 137,284 | 928 | 0.7% | 303 | 0.2% |
| Educational Services | 18,345 | 18,012 | 18,498 | 333 | 1.9% | -153 | -0.8% |
| Health Care and Social Assistance | 119,242 | 118,647 | 118,786 | 595 | 0.5% | 456 | 0.4% |
| Leisure and Hospitality | 82,422 | 84,232 | 80,715 | -1,810 | -2.2% | 1,707 | 2.1% |
| Arts, Entertainment, and Recreation | 12,009 | 12,817 | 11,939 | -808 | -6.3% | 70 | 0.6% |
| Accommodation and Food Services | 70,413 | 71,415 | 68,776 | -1,002 | -1.4% | 1,637 | 2.4% |
| Other Services | 37,052 | 36,577 | 38,030 | 475 | 1.3% | -978 | -2.6% |
| Repair and Maintenance | 9,737 | 9,477 | 10,159 | 260 | 2.7% | -422 | -4.2% |
| Personal and Laundry Services | 7,624 | 7,540 | 7,889 | 84 | 1.1% | -265 | -3.4% |
| Religious, Grantmaking, Civic, Profssnl, & Sim Orgs | 19,691 | 19,560 | 19,982 | 131 | 0.7% | -291 | -1.5% |
| Government | 171,020 | 166,792 | 171,570 | 4,228 | 2.5% | -550 | -0.3% |
| Federal Government | 16,479 | 16,358 | 16,560 | 121 | 0.7% | -81 | -0.5% |
| State Government | 42,195 | 42,118 | 42,266 | 77 | 0.2% | -71 | -0.2% |
| Local Government | 112,346 | 108,316 | 112,744 | 4,030 | 3.7% | -398 | -0.4% |

MSA, employment reached its peak last month at 67,957; however, it remained stable this month at 67,885. Over-the-year employment has expanded by 3,883 jobs (6.1%) with the largest increase in Professional, Scientific, and Technical Services (2,389 jobs).

EDUCATION AND HEALTH SERVICES

As usual in October, over-the-month employment in Nebraska increased by 928 jobs (0.7%) to 137,587 jobs. Over-the-year employment was level for October.

Employment in the Lincoln MSA has grown by 1.5% since October 2010. Since September, Omaha MSA employment rose by 750 to 72,384 jobs (1.0%). Over-the-year employment expanded 2.4%.

LEISURE AND HOSPITALITY

From September to October, statewide employment declined by 1,810 to 82,422 jobs (-2.2%), with over half of the losses occurring in Accommodation and Food Services (-1,002 jobs or -1.4%). Over-the-year employment expanded by 1,707 jobs with the majority of the yearly growth due to Food Services

and Drinking Places gaining 1,637 jobs.

In the Lincoln MSA, over-the-year employment has gained between 2.4% and 4.3% since November 2010; however, this month it grew by 6.6%. Over-the-year employment increased 1.2% in the Omaha MSA.

OTHER SERVICES

Since last month, statewide employment increased by 475 to 37,052 jobs due mostly to gains in Repair and Maintenance Services (260 jobs). Over-the-year employment decreased by 978 jobs (-2.6%) which is the largest drop since September 2006 (-2.5%). Losses were seen in each subsector.

Over-the-year employment expansion in the Lincoln has ranged from 0.7% to 1.1% during the past four months; however, employment remained steady this month. After peaking at 17,973 jobs in June, employment in the Omaha MSA has dropped each month since to 17,104 jobs. Over-the-year employment has declined by 802 jobs (-4.5%), which is unusually large when combined with last month's significant drop (-1.7%).

Openings and Expansions

JACOB LIUDAHL, RESEARCH ANALYST

Note: The following information is obtained through a monthly survey of Nebraska's Career Centers. Openings and expansions that were not publicly reported or reported to Career Center Managers in confidence are not listed. If you own or know of a business which is opening or expanding, please email Jacob. Liudahl@nebraska.gov with you information.

Lincoln

- Staybridge Suites at Fletcher Avenue held an open house to introduce their updated and remodeled facility.
- KD Designs jewelry opened a display/retail section in conjunction with Hallow Candle at 3302 O Street.
- Tomorrow's Online Marketing (website development, marketing, etc.) is expanding, with plans to hire at least six more staff by end of the year.
- Mortenson Construction and Hampton Enterprises have conducted hiring events for construction and other personnel for the Haymarket Arena project. This hiring will be ongoing over the next couple of years.
- Business openings or expansions in Lincoln reported by the Lincoln Chamber of Commerce include: Computer Hardware Inc.; Right at Home, an in-home care and assistance business; LilyPads, Inc. a children's clothing store opened at 4747 Old Cheney Road; Eclipse Screen Printing and Embroidery opened a new location at 1501 N Cotner; Pathways to Compassion Hospice Lincoln facility opened.
- Other new business openings or expansions include: Curio Collective, toy and gift shop in Rathbone Village, South Street and Winthrop Road; Dozo Sushi Grill, 8th and Q; Babylon, a Mediterranean restaurant at Briarhurst Center, 48th and Old Cheney; Misty's new location, 40th and Old Cheney; Mix Barcade, 1427 O Street – bar and arcade; Bridal Boutique at the Falls, 70th and Van Dorn.

Omaha

- Easyway International, a trucking company, is adding four to five new employees.
- Soggy Paws, a dog grooming store, opened a new store in October with five new employees.
- LA Marketing, a direct marketing firm, opened a new location with five employees.
- Trucking company Midwest Motor Express moved to a new location at the end of October.
- Evonik Industries, a lysine production company, added ten employees.
- Companies that have opened or expanded their businesses include: The Mix shoe store, five employees; Freddy's Frozen Custard and Steakhburgers, ten employees; The Dolce Café, restaurant and bakery, 15 employees; Silo Extreme Outdoor Adventures, a rock climbing store, two employees; Jimmy's

Egg restaurant, 20 employees; Charming Charlie accessory store, ten employees; Merck Animal Health, a vaccine manufacturer, 11 employees; Citi Trends retail clothing store, five employees; Zachland Real Estate, Inc., five employees; Walmart, 225 employees; Beardmore Chevrolet Subaru, ten employees; Things Remembered gift store, five employees; Simple Pleasures restaurant, ten employees; Lockton Inc. insurance broker, 20 employees; The Curious Child Montessori Preschool, five employees; Esprit Memory Care and Assisted Living, 50 employees;

- Other new business openings or expansions in Omaha include: Distefano, Hearthstone Homes, Women's Boutique in Papillion, Energy Systems, Petrel Industries LLC

Southeast

Nebraska City

- Three Oaks Steakhouse reopened after temporary closure due to decreased traffic because of flooding.

Northeast

Norfolk

- Central Plains Satellite and Plumbing in Neligh added three employees.
- Douglas Street Coffee Company in Neligh hired four employees.
- Sweet Thangs, a bakery and breakfast store, hired three employees at their Neligh location.
- Sunny Meadows Medical Clinic added eight employees.
- Zombie's Realm, a seasonal Halloween costumes business, hired four employees in October.
- D Styles, a thrift store that will buy and sell items, added an employee in Norfolk.
- Red Hat Designs, a custom design shirts and signs company, hired on an employee in Neligh.

Columbus

- Katana, ADM, and Apogee all continue to hire, along with other local businesses.

Mid-Plains

North Platte

- Raeman Industries in Cozad opened shop a number of months ago but just started their selection process.

Panhandle Region

Alliance

- The BNSF Railway and Parker, two major employers in the area, continue to have hiring activity.

Scottsbluff

- Bridgeport Crossroads Coop opened a new grain elevator holding 1.3 million bushels, compared to the original elevator's 280,000 bushels.
- Scottsbluff will have a new business called KYS Foods and Cayenne, LLC. It will be built on land near Scottsbluff Airport Industrial Park and will create 22 new jobs.
- A new sporting goods store called Hibbert Sports is planning to open in the near future.

Nebraska Workforce Trends is published by the Nebraska Department of Labor - Labor Market Information Center in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

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