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# Openings & Expansions | October

Kermit Spade, Research Analyst

## Business Category

### Food & Entertainment

<table>
<thead>
<tr>
<th>Business Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holiday Inn Express</td>
<td>Alliance</td>
</tr>
<tr>
<td>Joyride Roller Rink</td>
<td>Norfolk</td>
</tr>
<tr>
<td>North Fork Bread Co.</td>
<td>Norfolk</td>
</tr>
<tr>
<td>Hardee’s</td>
<td>North Platte</td>
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### Retail/Sales

<table>
<thead>
<tr>
<th>Business Name</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Sahling Kenworth (Expansion)</td>
<td>Columbus</td>
</tr>
<tr>
<td>Ashley Furniture Home Store</td>
<td>North Platte</td>
</tr>
<tr>
<td>Charm Boutique</td>
<td>North Platte</td>
</tr>
<tr>
<td>Laughing Lamb Fibers</td>
<td>Sidney</td>
</tr>
<tr>
<td>Triple O’s Building Supply</td>
<td>Sidney</td>
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</table>

### Manufacturing

<table>
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<tbody>
<tr>
<td>Becton Dickinson (Expansion)</td>
<td>Columbus</td>
</tr>
<tr>
<td>Brehmer Manufacturing (Expansion)</td>
<td>Lyons</td>
</tr>
<tr>
<td>Weiland, Inc. (Expansion)</td>
<td>Norfolk</td>
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</table>

### Technology

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<thead>
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<th>Location</th>
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</thead>
<tbody>
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<td>Flywheel</td>
<td>Omaha</td>
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<tr>
<td>Xpanxion (Expansion)</td>
<td>Sidney</td>
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</table>

### Real Estate & Rental

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<tbody>
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<td>Omaha</td>
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### OTHER

<table>
<thead>
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<th>Location</th>
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<tbody>
<tr>
<td>Vic’s Engine Service</td>
<td>Norfolk</td>
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<tr>
<td>Express Collision</td>
<td>Omaha</td>
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<tr>
<td>Hugo LLC</td>
<td>Omaha</td>
</tr>
<tr>
<td>Konopik Couriers, LLC (Expansion)</td>
<td>Omaha</td>
</tr>
<tr>
<td>Mr. Move Metro</td>
<td>Omaha</td>
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</tbody>
</table>

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**Sources:**
Nebraska Department of Labor

Openings and expansions listed are a sampling of activity reported for that month. Some activity may have occurred outside the month. If you have an opening or expansion to report, contact us at LMI_NE@nebraska.gov.
Labor Market Information on NEworks: A Brief Synopsis

Phil Baker, Research Administrator

Just what is labor market information? Labor market information (LMI) is data that can be used to describe a local area’s economic picture. Moreover, labor market information is the science of collecting, analyzing, and reporting economic activities and describing the supply and demand relationships within an area. The information produced helps individuals make informed career choices; helps policymakers allocate funding; helps employers navigate their workforce requirements in the local, state, and national economies; and helps educators tailor programs to meet the ever-changing requirements for in-demand occupations.

As a reader of Nebraska Workforce Trends, you have likely already become familiar with many types of labor market information. One resource you may have not yet discovered is the Nebraska Department of Labor’s NEworks workforce information system.

Try it out for yourself! Go to neworks.nebraska.gov, click on “Labor Market Analysis” in the right-hand column, then click “My LMI Dashboard” from the menu column on the left side of the screen.
The NEworks LMI Dashboard is comprised of a variety of tiles, each containing a unique piece of labor market information, such as current unemployment rates, occupational wage data, employment totals by industry, and long-term industry and occupational projections, to name just a few. You can rearrange these tiles according to your preferences so that the information most useful to you displays at the top of the dashboard. You can also click the blue arrow buttons in each tile to see more in-depth information on the chosen topic and narrow the data to a specific location, occupation, industry, etc.

By default, the dashboard shows data for the state of Nebraska as a whole. If you create an NEworks Analyst account, however, you can configure and save a customized dashboard that will automatically display the most current available information about your preferred city, county, occupation, or industry each time you return to the page.

**Don't miss out on Nebraska's most up-to-date labor market information— sign up for an NEworks analyst account today!**

To create an account, click the “Register/Sign In” button at the top of the page. Next, scroll down to “Option 3- Create a User Account” and select the “Analyst” option, then set up a username and password.

Coming in early 2019 is an enhanced dashboard for analysts, which will allow users to pin LMI data to their dashboard from many pages or sessions within NEworks. This new feature will also add a dashboard carousel, to which analysts can move their most important pinned items.
Each December, Santa Claus makes his annual journey around the world, including many stops right here in Nebraska. This month’s Map Facts estimates Santa’s number of stops in each Nebraska county, based on Census Bureau data on households with children under nine.

As of 2016, there were more than 700,000 households throughout Nebraska, 217,155 of which contained children under 18 years of age. Approximately 51,700 (23.8%) of those households included children under the age of six.

Statewide, there were a total of 465,487 children under 18 living in households in Nebraska. Children under six made up 33.7% of all children in Nebraska, while children six to 11 years old made up 34%.

Most children in Nebraska were white (83.0%), while 16.6% were Hispanic or Latino, 5.8% were black or African American, 2.1% were Asian, and 1.2% were American Indian or Alaska Native. Most children (91.8%) lived with their parents (biological, step, or adoptive), while 4.6% lived with grandparents, 1.7% with other relatives, and 1.9% with foster parents or other non-relatives.

Among children enrolled in school, 85.7% attended public schools, while 14.3% were enrolled in private schools.
About 4% of Nebraska children had a disability, 20.3% lived in households that received public assistance, and 16.3% lived in households with income below the poverty line during the past 12 months.

Regardless of children’s race, ethnicity, disability, or poverty status, Santa is sure to make lots of stops in Nebraska this holiday season.

Source:
Shopping, Then and Now: How Changing Consumer Behaviors Affect Nebraska's Retail Sector

Nancy Ritchie, Research Analyst

Many people remember doing holiday shopping with their parents as children, spending hours browsing the shops downtown or at the mall, searching for gifts for everyone on their lists. If the perfect item wasn't in stock, many stores also had catalog departments, where you could stop by or call in and have items ordered. When the delivery arrived, you would usually have to go back to the store to pick it up.

Today, technology has advanced, and we can now use the internet to order almost anything. Clothes, household goods, gadgets, car parts— you name it, and it can probably be ordered online and shipped directly to your house.

While the rise of online shopping may have taken some stress out of the process for many shoppers, how has this technological progress affected brick and mortar stores? In this article, we will take a look at the last 10 years of data on general merchandise stores (e.g., department stores, supercenters, etc.) and miscellaneous store retailers (a category that includes gift shops, pet shops, florists, etc.) in Nebraska's retail sector in order to consider the economic effects of the increasing popularity of nonstore retail options such as online shopping.¹

Over the past 10 years of available data, the total number of brick and mortar retail establishments in Nebraska has declined fairly steadily. In the fourth quarter of 2008, there were 1,253 general merchandise and miscellaneous retail stores in Nebraska. By fourth quarter 2017, there were 1,093.²

Employment in these industries has followed similar trends, with a high of 27,686 employees in 2008, followed by a low of 25,863 in 2013, then rebounding slightly to 25,972 for 2017.²

Nebraska's Brick and Mortar Retail Stores

Source: Nebraska Department of Labor, Quarterly Census of Employment and Wages (QCEW).
However, while brick and mortar retailers may be experiencing some decline, there is another side to the story. This is where nonstore retail comes into play. Nonstore retail is a category defined by the North American Industry Classification System (NAICS) as “establishments primarily engaged in retailing all types of merchandise using nonstore means,” such as the internet.¹

All of those websites and apps where you can shop 24/7/365 have been increasing in popularity. Nationally, since the first quarter of 2008, e-commerce has increased from 3.6% of all U.S. retail sales, to 9.6% as of the second quarter of 2018.³

In keeping with this national trend, Nebraska has seen a gradual increase in total nonstore retail establishments over the past decade, from a low of 250 in 2007 to the high of 325 in 2017. However, during this same time period, nonstore retail industry employment has actually decreased.²

This may be because technological advancements are enabling more sales to be handled by fewer employees, resulting in establishment growth, but employment decline. Over the last ten years of Bureau of Labor Statistics (BLS) industry productivity data, electronic shopping and mail-order houses have seen an increase in labor productivity (output per hour of labor) that has significantly outpaced the labor productivity of the retail trade sector as a whole (see chart on the next page).
Labor Productivity: Electronic Shopping vs. Retail Trade Sector (Overall)

![Graph showing labor productivity comparison between electronic shopping and retail trade]


As is evident in the chart below, Nebraska's employment numbers for both brick and mortar (general merchandise and miscellaneous stores) and nonstore retailers have been in decline throughout the past decade. In the fourth quarter of 2017, both industries employed nearly 2,000 fewer workers than they had during the fourth quarter of 2007. Despite adding new establishments during this period, employment in nonstore retailers fell more rapidly, with a greater than one-third drop in nonstore retail employment since 2007, in comparison to brick and mortar’s losses of 6.2%.

For general merchandise stores, according to the Nebraska Department of Labor’s long-term industry employment projections, this trend is expected to continue, with a predicted 0.9% decrease in statewide employment by 2026. This doesn’t mean shoppers are turning away from brick and mortar stores entirely, however; nationally, employment in general merchandise stores is expected to increase by 2.7% during the same timeframe.

Nebraska Retail Employment: Brick and Mortar vs. Nonstore

![Graph showing retail employment comparison between brick and mortar and nonstore]

Source: Nebraska Department of Labor, Quarterly Census of Employment and Wages (QCEW).
Nebraska Employment in Selected Retail Industries 2016 -2026

<table>
<thead>
<tr>
<th>Industry</th>
<th>2016 Annual Employment</th>
<th>2026 Projected Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Merchandise Stores</td>
<td>21,368</td>
<td>21,173</td>
</tr>
<tr>
<td>Miscellaneous Store Retailers</td>
<td>5,028</td>
<td>5,094</td>
</tr>
<tr>
<td>Nonstore Retailers</td>
<td>3,814</td>
<td>3,919</td>
</tr>
</tbody>
</table>

Source: Nebraska Department of Labor, Workforce Information Grant Unit. Long-term Industry Employment Projections (2016-2026) - Nebraska Statewide.

Nebraska's long-term projections also predict that miscellaneous store retailers in Nebraska will see a modest 1.3% bump in statewide employment through 2026, which translates to about 66 new jobs in this industry. Some types of shops included in this category, such as pet stores and florists, sell products that consumers either often need immediately or prefer to pick out in person, which may make them fairly resistant to competition from online retailers. Similarly, employment is projected to grow in Nebraska's retail industry stores in categories like building material and garden equipment and supplies dealers (6.5%), food and beverage stores (7.1%), gasoline stations (8.3%), and motor vehicle and parts dealers (9.3%).

Nebraska's nonstore retail employment is projected to increase by 2.8% through 2026, adding about 105 new jobs. Even with this higher rate of growth, however, nonstore retailers are still expected to employ fewer overall Nebraskans than either miscellaneous store retailers or general merchandise stores (see table above). With e-commerce continuing to grow in popularity, other states may see greater employment growth in the nonstore retailer industry over the next decade, particularly those that are home to large, national online shopping providers. For example, New York's long-term employment projections suggest that employment in that state's nonstore retailers will increase by 10.3% from 2016-2026.

Over time, the experience of shopping has changed substantially. This year, as holiday shoppers seek out the perfect gift, more may turn to their computers or smartphones, rather than head out to their local brick and mortar stores. Items that once would have been ordered from a department store's catalog department and anxiously awaited for weeks can now be purchased with a click and show up at your doorstep within days. These changes to the customer's experience have likewise corresponded to significant changes to the retail trade sector and its employment patterns. With such trends predicted to continue, it seems likely that the retail industry landscape statewide and around the country will continue to change shape.

Sources:
90%
The percentage of Americans who said they celebrate Christmas, according to a 2017 Pew Research Center poll. The figure is even higher, 95%, among respondents who identified themselves as Christians.¹

95%
The percentage of employers nationwide who close on December 25 to allow employees to enjoy the holiday, according to a 2016 survey conducted by the Society for Human Resource Management. About 62% also close on December 24.²

79%
The share of U.S. adults who said they planned to put up a Christmas tree, as of a 2013 Pew Research Center poll. This includes 81% of Protestants, 84% of Catholics, 73% of religiously unaffiliated Americans, and 32% of Jews.³

92%
The percentage of total U.S. imports of Christmas ornaments that came from China in 2016. The value of these imported ornaments was approximately $1.5 billion.⁴

$401.4 million
The total value of U.S. imports of tapered candles, the kind often used in Hanukkah and Kwanzaa celebrations, during 2016. More than 41% of these were imported from Vietnam, and another 21% came from Canada.⁴

$30,000
The Downtown Lincoln Association's annual holiday decorating budget, which is spent putting up Lincoln's famous “12 Days of Downtown” decorations and other holiday favorites.⁵
9.8%
The percentage of all 2016 U.S. retail and food services sales that took place during the month of December. Holiday shopping accounted for an even larger portion of annual sales totals for America’s hobby, toy, and game stores (18.9%) and jewelry stores (19.7%).

6,969
The number of retail trade establishments in Nebraska as of first quarter 2018. They employed about 107,000 workers statewide.

24,043
The estimated number of Nebraska workers employed as retail salespersons, cashiers, or their first-line supervisors in clothing stores; electronics and appliance stores; sporting goods, hobby, book, and music stores; general merchandise stores; and other miscellaneous store retailers statewide, as of 2016 estimates.

3-4%
The typical nationwide growth in retail payrolls between October and December, as stores ramp up hiring to handle the holiday shopping rush. Payrolls then often drop by around 5-6% between December and February, as seasonal employment ends and retailers with poor holiday sales choose to downsize and close unprofitable stores.

Sources:
Employment Data | October

Byron Lefler, Research Analyst

October Unemployment Rates by County
Not seasonally adjusted

County Rates

- 1.9 - 2.3
- 2.4 - 2.5
- 2.6 - 2.9
- 3.0 - 3.9
- 3.7 - 4.8
NEBRASKA
October Non-farm Total Employment: 1,039,493
Manufacturing: 102,754

Nebraska (smoothed seasonally adjusted)
October Unemployment Rate: 2.8%
Change (OTM): 0.0
Change (OPY): -0.1

Economic Regions (not seasonally adjusted)
Central: 2.4%
Mid Plains: 2.6%
Northeast: 2.5%
Panhandle: 2.8%
Sandhills: 2.5%
Southeast: 2.9%

OMAHA MSA
(not seasonally adjusted)
October Unemployment Rate: 2.6%
October Total Non-Farm: 513,296
Manufacturing: 36,086

Largest OTM Increases (Private)
Trade, Transportation & Utilities: 1,585 (1.7%)
Professional & Business Services: 836 (1.2%)

LINCOLN MSA
(not seasonally adjusted)
October Unemployment Rate: 2.5%
October Total Non-Farm: 192,976
Manufacturing: 13,308

Largest OTM Increases (Private)
Education and Health Services: 458 (1.6%)
Professional and Business Services: 244 (1.3%)

GRAND ISLAND MSA
(not seasonally adjusted)
October Unemployment Rate: 2.7%
October Total Non-Farm: 42,933
Change (OTM): -547 (-1.3%)
Change (OPY): 385 (0.9%)

Sources:
In each new issue of Trends, the Economic Indicators section features a chart or graph focused on one of the economic indicators listed in the table on the next page. This month, we are focusing on the Consumer Price Index.

According to the Bureau of Labor Statistics, “The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. The CPI is the most widely-used measure of inflation and is sometimes viewed as an indicator of the effectiveness of government economic policy. It provides information about price changes in the nation’s economy to government, business, labor, and private citizens and is used by them as a guide to making economic decisions. In addition, the President, Congress, and the Federal Reserve Board use trends in the CPI to aid in formulating fiscal and monetary policies.

The CPI is often used to adjust consumers’ income payments (for example, Social Security), to adjust income eligibility levels for government assistance, and to automatically provide cost-of-living wage adjustments to millions of American workers. As a result of statutory action the CPI affects the income of millions of Americans. Over 50 million Social Security beneficiaries, and military and Federal Civil Service retirees, have cost-of-living adjustments tied to the CPI…In addition, eligibility criteria for millions of food stamp recipients, and children who eat lunch at school, are affected by changes in the CPI. Many collective bargaining agreements also tie wage increases to the CPI.”¹

¹“The Consumer Price Index for Urban Wage Earners and Clerical Workers is based on the expenditures of households in which more than one-half of the household’s income comes from clerical or wage occupations, and at least one of the household’s earners has been employed for at least 37 weeks during the previous 12 months.”²

This month, the CPI for All Urban Consumers reached its highest ever, rising 0.2% over the month and 2.5% over the year. The CPI for Urban Wage Earners and Clerical Workers also reached its highest point ever this month, rising 0.2% over the month and 2.7% over the year.

Sources:
## Change Over Last Quarter/Month

<table>
<thead>
<tr>
<th>Metric</th>
<th>Current Time Period</th>
<th>United States</th>
<th>Midwest Region</th>
<th>Nebraska</th>
</tr>
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<tbody>
<tr>
<td>Average Weekly Manufacturing Hours</td>
<td>October, 2018</td>
<td>+/-0.0</td>
<td></td>
<td>+0.5*</td>
</tr>
<tr>
<td>Initial Unemployment Claims</td>
<td>October, 2018</td>
<td>+2.1%</td>
<td>+29.3%</td>
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<tr>
<td>Value of Manufacturers’ New Orders for Consumer Goods</td>
<td>September, 2018</td>
<td>-6.9%</td>
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<tr>
<td>ISM Manufacturing: New Orders Index©</td>
<td>October, 2018</td>
<td>-7.1%</td>
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<tr>
<td>Value of Manufacturers’ New Orders: Nondefense Capital Goods Excluding Aircraft</td>
<td>September, 2018</td>
<td>-0.1%</td>
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<tr>
<td>S&amp;P 500©</td>
<td>October, 2018</td>
<td>-4.0%</td>
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<tr>
<td>10-Year Treasury Constant Maturity Minus Federal Funds Rate</td>
<td>October, 2018</td>
<td>1.0%</td>
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<tr>
<td>University of Michigan, Consumer Sentiment Index</td>
<td>November, 2018</td>
<td>-0.3%</td>
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<tr>
<td>Consumer Price Index, not seasonally adjusted</td>
<td>October, 2018</td>
<td>+0.2%</td>
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<tr>
<td>Employment Cost Index</td>
<td>3rd Quarter, 2018</td>
<td>+0.8%</td>
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<tr>
<td>Producer Price Index: All Commodities</td>
<td>October, 2018</td>
<td>+0.5%</td>
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<tr>
<td>Unemployment Rate, seasonally adjusted</td>
<td>September, 2018</td>
<td>+/-0.0%</td>
<td>-0.1%*</td>
<td>+/-0.0%*</td>
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<tr>
<td>Real GDP, billions of chained 2009 dollars</td>
<td>3rd Quarter, 2018</td>
<td>+3.5%</td>
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<td>Net Taxable Sales</td>
<td>August, 2018</td>
<td>+1.4%</td>
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<td>Barrel of Crude Oil, WTI-Cushing, Spot Price</td>
<td>October, 2018</td>
<td>+$0.52</td>
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<tr>
<td>Current Account Balance (millions of dollars)</td>
<td>2nd Quarter, 2018</td>
<td>+6.9%</td>
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<td>Leading Economic Index</td>
<td>August, 2018</td>
<td>-4.5%</td>
<td>-12.3%</td>
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*Data lagged one month

### Sources:
