

BOOK RETAILERS AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) TUES 20 SEP 2005

C O N T E N T S

	<i>page</i>
Notes	2
List of tables	3

CHAPTERS

1 Introduction	4
2 Book retailers	6
3 Bookshops	14

ADDITIONAL INFORMATION

Explanatory Notes	23
Glossary	28

I N Q U I R I E S

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Tammie Smallacombe on Adelaide (08) 8237 7329.

NOTES

ABOUT THIS PUBLICATION

This publication presents the results from the 2003–04 Book Retailers Survey which collected information from businesses in four retail industries: *Newspaper, book and stationery retailing*, where all employing businesses were in scope; *Department stores*; *Supermarket and grocery stores*; and *Retailing n.e.c.*, where only businesses employing 200 or more people were in scope. Sales of books by these businesses is estimated to cover the vast majority of book sales by employing businesses to final consumers in Australia, with the most recent estimate being 97% in 1998–99.

The publication provides details on the number and value of books purchased and sold, as well as information on the book related operations of the four industries named above. In addition, information is provided on the detailed operations of bookshops, including their employment, expenses and income.

The survey was conducted by the Australian Bureau of Statistics (ABS) with funding provided by the Department of Communications, Information Technology and the Arts as part of the Book Industry Assistance Plan.

ROUNDING

Where figures have been rounded, minor discrepancies may occur between the sums of the component items and the totals. Published percentages are calculated prior to rounding of the figures and therefore some discrepancy may occur between these percentages and those which could be calculated from the rounded figures.



ABBREVIATIONS

\$m	million dollars
ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
ATO	Australian Taxation Office
EFTPOS	electronic funds transfer at point of sale
n.e.c.	not elsewhere classified
RSE	relative standard error
SE	standard error
TAU	type of activity unit

Dennis Trewin
Australian Statistician

LIST OF TABLES

page

BOOK RETAILERS

2.1 Key aggregates, by type of book retailer – 2001–02 to 2003–04 9
2.2 Key aggregates, by type of other bookseller 11
2.3 Components of income, by type of book retailer 11
2.4 Location of supplier, by type of book retailer 12
2.5 Use of technology, by type of book retailer 13

BOOKSHOPS

3.1 Summary of operations – 2001–02 to 2003–04 16
3.2 Summary of operations, by employment size 17
3.3 Components of income, by employment size 18
3.4 Operating expenses, by employment size 19
3.5 Value of inventories, by employment size 19
3.6 Capital expenditure, by employment size 20
3.7 Employment, at end of June 2004 20
3.8 Selected key aggregates, by state and territory 21
3.9 Use of technology, by employment size 22

SCOPE

This publication presents data in respect of the 2003–04 financial year from an Australian Bureau of Statistics survey of employing businesses involved in the retail sales of books. The survey is based on data collected from businesses classified to the following industries in the Australian and New Zealand Standard Industrial Classification (ANZSIC) (see paragraph 2 of the Explanatory Notes):

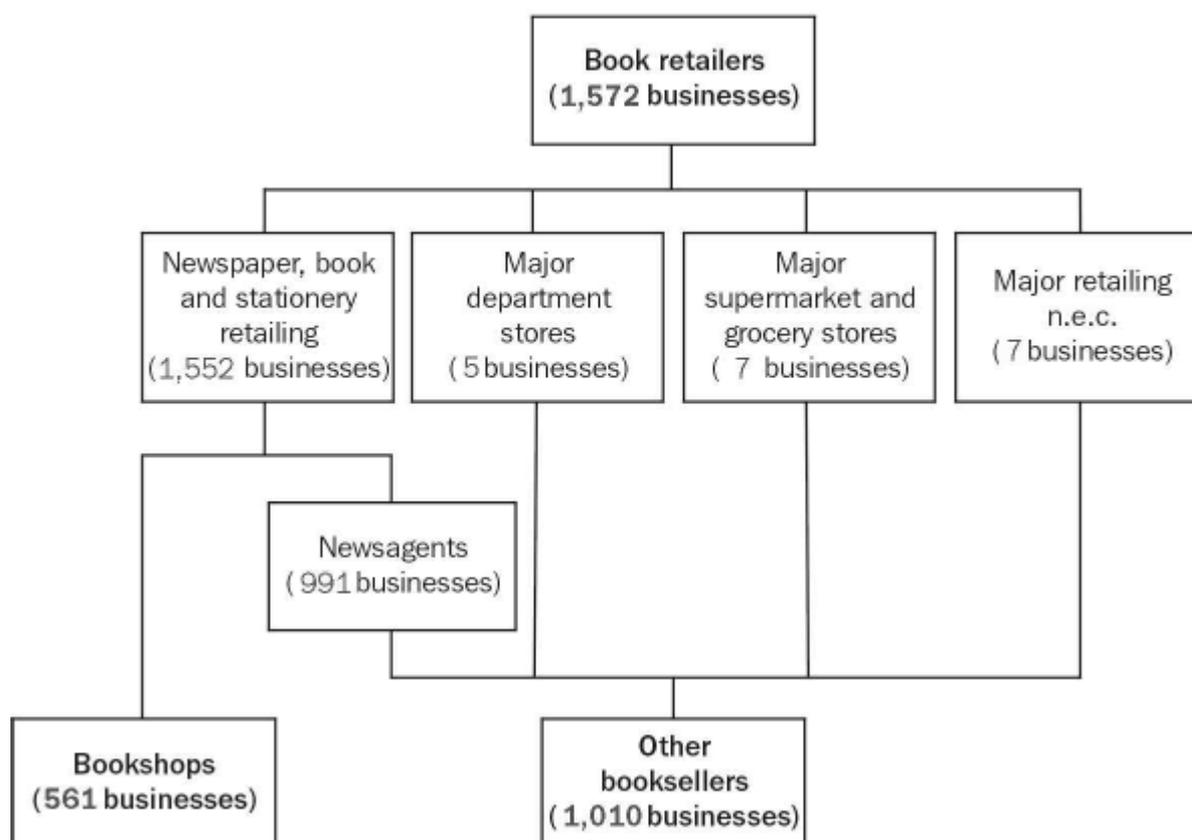
- *Supermarket and grocery stores* (ANZSIC 5110)
- *Department stores* (ANZSIC 5210)
- *Newspaper, book and stationery retailing* (ANZSIC 5243)
- *Retailing n.e.c.* (ANZSIC 5259).

Only the larger retailing businesses (those with 200 or more employees) classified as *Supermarkets and grocery stores*; *Department stores*; and *Retailers n.e.c.* have been included as the book retailing activity of smaller businesses in these industries is negligible.

Businesses classed as *Newspaper, book and stationery retailing* (ANZSIC 5243) have been further categorised as either ‘Bookshops’ or ‘Newsagents’ based on their level of bookselling activity. In this ANZSIC class, those businesses with new book sales comprising at least 50% of their total income have been categorised as ‘Bookshops’ while those with less than 50% have been categorised as ‘Newsagents’ (see paragraph 8 of the Explanatory Notes).

Many businesses operate from more than one location; however, only the activity of locations in Australia have been included in the collection. All book sales by overseas businesses selling directly to final consumers through the Internet or mail order have been excluded from the collection.

OVERVIEW OF BUSINESSES IN SCOPE OF THE BOOK RETAILING SURVEY



CONTENT

Chapter 2 of this publication summarises the book retailing activities of all book retailers indicated above. Apart from providing data on the number and value of books sold, the Chapter gives selected financial information on the book related operations of retailers. Information is also provided on the adoption of technology by these booksellers.

Many of the book retailers included in the survey sell a variety of other goods often making it difficult to separate the costs involved and levels of employment associated with just the sale of books. Consequently, detailed information is only presented on the business operations of retailers with a predominant activity of selling books (i.e. bookshops). Chapter 3 focuses on these bookshops which were responsible for the majority (78%) of the value of new book sales in 2003–04.

INTRODUCTION

Sales of almost 80 million new books valued at \$1,406.5m were reported by the 1,572 employing businesses identified as having retail bookselling activity in 2003–04. The majority of businesses were newsagents (991 businesses), responsible for 6% (5.1 million) of the new books sold. Most new books (67% or 53.2 million) were sold by the 561 businesses classified as bookshops. The five major department stores sold a further 19% (15.4 million) of the new books while the remaining 8% (6.1 million) were sold by the seven major supermarkets and seven businesses classified as major retailers n.e.c. (tables 2.1 and 2.2).

Smaller department stores, supermarkets and retailing businesses n.e.c. (i.e. those employing less than 200 people) were previously found to have negligible book sales and were therefore excluded from the survey (see paragraph 4 of the Explanatory Notes).

Almost all new book sales (98%) were printed books, although \$27.1m of electronic and audio books were also sold. As the survey only covers Australian businesses (i.e. businesses operating within Australia), it is not possible to determine the overall level of consumption of books as these items are sometimes purchased directly from overseas businesses (table 2.3).

A comparison of the values reported in 2003–04 with those reported in 2002–03 indicates that there has been little change in the activities of book retailers overall between the two periods. While the surveys indicate slight increases in the numbers of new books sold and in the income derived from book sales, neither increase was found to be statistically significant.

However, different trends are apparent when analysing bookshops and other booksellers separately. While bookshops reported significant increases for both the number of new books sold and the value of retail sales of new books, there was a significant decrease in the number of new books sold by other booksellers. The decrease in the value of sales of new books by other booksellers was too small to be significant. One factor which is related to this is the change in the average sale price of books; which decreased for bookshops, but increased for other booksellers over this period.

VALUE OF NEW BOOKS SOLD

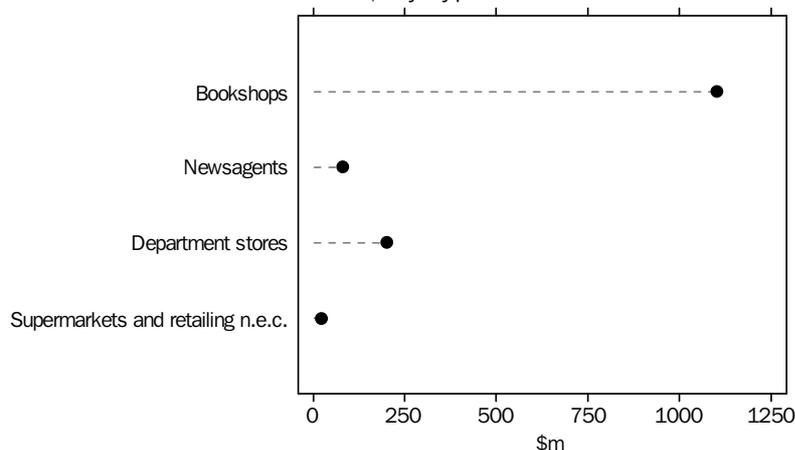
In total, book retailers earned \$1,406.5m in income from the sales of new books. More than three-quarters (78% or \$1,103.3m) of this income was attributable to bookshops. In comparison, department stores were responsible for 14% (\$200.2m) of the total income from the sales of new books; newsagents 6% (\$80.9m); and businesses classified as supermarkets and retailing n.e.c. a total of 2% (\$22.2m) (tables 2.1 and 2.2).

The average sale price of books varied across the different types of retailers. The price of a new book from a bookshop was \$21 compared with \$16 from a newsagent, \$13 from a department store and \$4 from the remaining booksellers (tables 2.1 and 2.2).

VALUE OF NEW BOOKS
SOLD *continued*

Final consumers also purchased books from other sources, including directly from book publishers. Estimates in the ABS publication, *Book Publishers, Australia, 2003–04* (cat. no. 1363.0), show sales of books from book publishers to final consumers generated \$305.9m in 2003–04.

VALUE OF NEW BOOK SALES, By type of retailer



INCOME

While book retailers reported a total income of \$61,134.4m, the majority of that amount (\$59,727.9m or 98%) was not from the sale of new books. The importance of new book sales to the overall operations of businesses varied substantially for the different types of book retailers. Bookshops generated 85% of their income from the sale of new books. In contrast, newsagents relied on new book sales for 7% of their income while for department stores and combined supermarkets and retailing businesses n.e.c., new book sales were 1% or less of the total income (tables 2.1 and 2.2).

On average, individual bookshops reported income of \$2.0m from the sale of new books and another \$0.3m from other sales and services. In comparison, each newsagent earned on average \$0.1m from book sales and \$1.1m from other activities. While the five larger department stores reported an average value of new book sales of \$40.0m, this was relatively small when compared to their overall average income of \$2,955.5m. The larger supermarkets reported an average value of new book sales of \$1.2m and the larger retailing businesses n.e.c. an average of \$1.9m – both also relatively small figures compared to their overall incomes of \$6,052.1m and \$216.8m respectively (tables 2.1 and 2.2).

In 2000–01, the Educational Textbook Subsidy Scheme was introduced to assist students at Australian educational institutions. Under the Scheme, book retailers gave discounts to students for textbooks on prescribed lists and then claimed back the value of the discount from the Australian Government. In 2003–04, book retailers claimed \$9.6m in return for discounts provided to students. Bookshops claimed \$9.3m of this amount, compared with \$0.4m by other booksellers (table 2.3).

EXPENSES

For most book retailers, it is not possible to separate expenditure on bookselling from expenditure on the sales of other products. This is particularly true for department stores and supermarkets which sell a wide range of products and for which new book sales are generally only a very small part of their total sales. Therefore, of the total expenditure of book retailers as a whole (\$59,035.6m), the sale of books is a very small component.

One distinguishable book related expense for book retailers is the purchase of books. In 2003–04, book retailers spent \$940.6m or 2% of their total expenditure on purchasing new books. In contrast, for bookshops, purchases of books was 53% of their total expenditure. On average, bookshops spent \$1.2m each, or a total of \$678.4m, on the purchase of new books, while the other book retailers spent an average of \$0.3m each or a total of \$262.1m (tables 2.1 and 2.2).

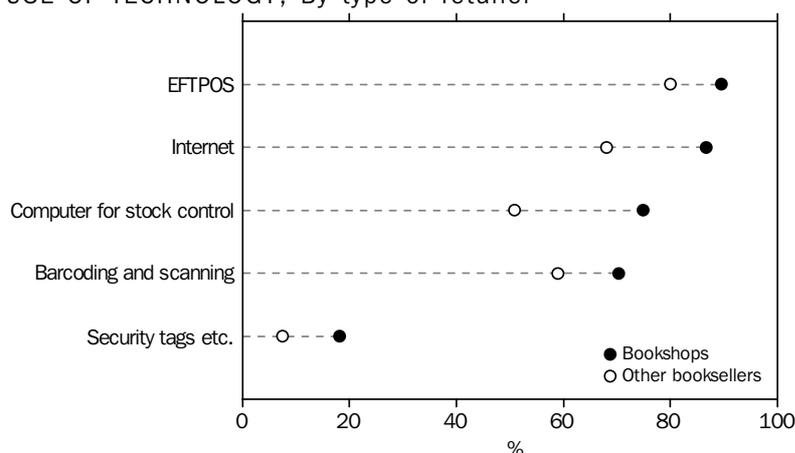
Bookshops purchased a total of 46.4 million new books at an average price of \$15. By comparison, other book retailers purchased 35.2 million books at an average price of \$7. Book retailers purchased most (89% or \$600.9m) of their new books from Australian suppliers (table 2.4).

USE OF TECHNOLOGY

In 2003–04, 96% of book retailers used computers and a range of selected other technologies, including EFTPOS (Electronic funds transfer at point of sale), barcode scanning systems and electronic security systems, in the operation of their business. Almost all (98%) of the bookshops reported using at least one of the technologies, as did the majority (96%) of the other booksellers (table 2.5).

Over 83% of the book retailers had EFTPOS devices allowing consumers to purchase books using their credit or debit cards. Barcoding and scanning systems, used to record revenue and also for stock control, were used by 63% of businesses while electronic article surveillance or security tag systems were used by 11% of businesses (table 2.5).

USE OF TECHNOLOGY, By type of retailer



2.1 KEY AGGREGATES, By type of book retailer – 2001–02 to 2003–04

		BOOKSHOPS(a)			OTHER BOOKSELLERS(b)		
		2001–02	2002–03(c)	2003–04	2001–02	2002–03(c)	2003–04
Number of businesses	no.	581	522	561	1 022	889	1 010
Number of new books sold	million	41.8	42.8	53.2	29.4	31.9	26.7
Income							
Retail sales of new books(d)	\$m	957.4	941.7	1 103.3	289.3	316.7	303.2
Other retail sales	\$m	104.6	92.1	131.2	48 405.5	51 314.5	55 341.4
Other income	\$m	33.4	26.0	62.5	3 275.8	5 440.1	4 192.8
<i>Total</i>	\$m	<i>1 095.4</i>	<i>1 059.7</i>	<i>1 297.0</i>	<i>51 970.7</i>	<i>57 071.3</i>	<i>59 837.5</i>
Average income per business	\$m	1.9	2.0	2.3	50.9	64.2	59.2
Average sales of new books per business	\$m	1.6	1.8	2.0	0.3	0.4	0.3
Expenses							
Purchases of new books	\$m	604.6	587.3	678.4	217.3	259.0	262.1
Other expenses	\$m	471.8	457.9	609.2	50 325.9	54 911.2	57 485.9
<i>Total</i>	\$m	<i>1 076.4</i>	<i>1 045.2</i>	<i>1 287.6</i>	<i>50 543.2</i>	<i>55 170.2</i>	<i>57 748.0</i>
Average expenses per business	\$m	1.9	2.0	2.3	49.5	62.0	57.2
Average purchases of new books per business	\$m	1.0	1.1	1.2	0.2	0.3	0.3

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

(b) Includes those businesses which are classified according to the ANZSIC as Supermarket and grocery stores; Department stores; Retailing n.e.c.; or Newspaper, book and stationery retailing and for which the value of new book sales comprises less than 50% of all income.

(c) Data for 2002–03 have been revised (see paragraph 28 in the Explanatory Notes).

(d) Includes electronic and audio books.

2.1 KEY AGGREGATES, By type of book retailer – 2001–02 to 2003–04 *continued*

		TOTAL BUSINESSES		
		2001–02	2002–03(a)	2003–04
Number of businesses	no.	1 603	1 411	1 572
Number of new books sold	million	71.2	74.7	79.9
Income				
Retail sales of new books(b)	\$m	1 246.7	1 258.4	1 406.5
Other retail sales	\$m	48 510.2	51 406.6	55 472.6
Other income	\$m	3 309.2	5 466.0	4 255.3
<i>Total</i>	\$m	53 066.1	58 131.0	61 134.4
Average income per business	\$m	33.1	41.2	38.9
Average sales of new books per business	\$m	0.8	0.9	0.9
Expenses				
Purchases of new books	\$m	821.9	846.3	940.6
Other expenses	\$m	50 797.7	55 369.1	58 095.1
<i>Total</i>	\$m	51 619.6	56 215.4	59 035.6
Average expenses per business	\$m	32.2	39.8	37.6
Average purchases of new books per business	\$m	0.5	0.6	0.6

(a) Data for 2002–03 have been revised (see paragraph 28 in the Explanatory Notes).

(b) Includes electronic and audio books.

2.2 KEY AGGREGATES, By type of other bookseller

		<i>Newsagents(a)</i>	<i>Department stores</i>	<i>Supermarkets</i>	<i>Retailing n.e.c.</i>	<i>Total</i>
Number of businesses	no.	991	5	7	7	1 010
Number of new books sold	million	5.1	15.4	2.6	3.5	26.7
Income						
Retail sales of new books	\$m	80.9	200.2	8.7	13.5	303.2
Other retail sales	\$m	1 016.2	14 107.1	np	np	55 341.4
Other income	\$m	80.7	470.2	np	np	4 192.8
<i>Total</i>	\$m	<i>1 177.8</i>	<i>14 777.4</i>	<i>42 364.8</i>	<i>1 517.4</i>	<i>59 837.5</i>
Average income per business	\$m	1.2	2 955.5	6 052.1	216.8	59.2
Average sales of new books per business	\$m	0.1	40.0	1.2	1.9	0.3
Expenses						
Purchases of new books	\$m	60.5	187.0	np	np	262.1
Other expenses	\$m	914.8	14 287.6	np	np	57 485.9
<i>Total</i>	\$m	<i>975.3</i>	<i>14 474.6</i>	<i>40 783.5</i>	<i>1 514.6</i>	<i>57 748.0</i>
Average expenses per business	\$m	1.0	2 894.9	5 826.2	216.4	57.2
Average purchases of new books per business	\$m	0.1	37.4	0.9	1.2	0.3

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises less than 50% of all income.

2.3 COMPONENTS OF INCOME, By type of book retailer

	<i>Bookshops(a)</i>	<i>Other booksellers(b)</i>	<i>Total businesses</i>
	\$m	\$m	\$m
Retail sales			
New books(c)	1 103.3	303.2	1 406.5
Second-hand books	*3.9	**9.6	*13.5
Other goods	127.2	55 331.8	55 459.1
<i>Total</i>	<i>1 234.5</i>	<i>55 644.7</i>	<i>56 879.1</i>
Educational Textbook Subsidy Scheme	9.3	0.4	9.6
Other income	53.2	4 192.4	4 245.7
Total income	1 297.0	59 837.5	61 134.4

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

(b) Includes those businesses which are classified according to the ANZSIC as Supermarket and grocery stores; Department stores; Retailing n.e.c.; or Newspaper, book and stationery retailing and for which the value of new book sales comprises less than 50% of all income.

(c) Total businesses includes \$27.1m for electronic and audio books.

2.4 LOCATION OF SUPPLIER, By type of book retailer

		<i>Bookshops(a)</i>	<i>Other booksellers(b)</i>	<i>Total businesses</i>
Books purchased	million	46.4	35.2	81.6
Cost of purchases from				
Australian suppliers	\$m	600.9	257.6	858.5
Overseas suppliers	\$m	77.5	4.5	82.1
<i>Total</i>	\$m	678.4	262.1	940.6

- (a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.
- (b) Includes those businesses which are classified according to the ANZSIC as Supermarket and grocery stores; Department stores; Retailing n.e.c.; or Newspaper, book and stationery retailing and for which the value of new book sales comprises less than 50% of all income.

2.5 USE OF TECHNOLOGY, By type of book retailer

	<i>Bookshops(a)</i>	<i>Other booksellers(b)</i>	<i>Total businesses</i>
	%	%	%
Businesses using a computer for stock control	75.0	50.9	59.5
Businesses using the Internet for			
Selling goods and services			
Receiving orders for goods and services	48.7	25.2	33.6
Sending invoices to customers	*15.6	*6.1	9.5
Receiving payments and/or authorisations	42.2	30.1	34.4
Delivering products electronically	**2.9	*0.5	*1.4
Providing after sales service	25.0	*7.7	13.9
Purchasing goods and services			
Researching the availability or cost of goods or services	72.3	29.6	44.8
Ordering goods or services	58.5	32.8	42.0
Receiving invoices	37.7	39.2	38.7
Making payments and/or authorisations	45.5	39.3	41.5
Receiving products electronically	*9.8	5.3	6.9
Seeking after sales service	30.3	18.8	22.9
General			
Email	85.9	63.2	71.3
Bibliographic and other information	68.2	16.6	35.0
Advertising or promotion	48.6	11.0	24.4
Banking and financial services	71.4	50.2	57.8
Other	*0.7	*1.1	*0.9
None of the above	13.3	31.9	25.2
Businesses having a web site, home page or other web presence (including a presence on another entity's web site)	56.7	19.3	32.7
Businesses using the following technologies			
Barcoding and scanning systems	70.4	59.0	63.1
EFTPOS	89.6	80.0	83.5
Electronic article surveillance or security tags	18.2	*7.5	11.3
None of the above	*6.3	*11.3	9.5
Businesses not counted in at least one of the above technologies	**1.9	*4.5	*3.6
Businesses using one or more of the above technologies	98.1	95.5	96.4

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and which the value of new book sales comprises at least 50% of all income.

(b) Includes those businesses which are classified according to the ANZSIC as Supermarket and grocery stores; Department stores; Retailing n.e.c.; or Newspaper, book and stationery retailing and for which the value of new book sales comprises less than 50% of all income.

INTRODUCTION

This Chapter provides detailed information on the operation of bookshops including their income, expenditure, profitability and employment.

OVERVIEW

In 2003–04, there were 561 employing businesses classified as bookshops because they reported that their new book sales were at least 50% of their total income. These businesses operated from 896 retail locations around Australia (table 3.8). The larger businesses (those with 20 or more people in employment), while representing only 7% (38 businesses) of the total number of bookshops, had 57% (\$627.5m) of the total income from new book sales and sold 50% (26.7 million) of the books. They also incurred 62% (\$795.9m) of the expenses (table 3.2).

For 2003–04, bookshops recorded an operating profit before tax of \$16.6m and a profit margin of 1.3%, which was not statistically significant from the previous year, when the profit margin was 1.9%. Despite their higher proportion of total income, larger businesses did not generate a higher profit margin than the smaller businesses (those with 0–19 persons employed). The profit margin for smaller businesses was 2.5%, while the larger businesses reported a profit margin of 0.5% (table 3.2).

Bookshops recorded changes for most data items between 2002–03 and 2003–04, although not all were statistically significant (see paragraph 27 of the Explanatory Notes). Two changes that were significant were the increase in the number of new books sold (from 42.8m in 2003–03 to 53.5m in 2003–04) and associated with that, the increase in the value of retail sales of new books (up by 17% over the same period, from \$941.7m to \$1,103.3m). Total income and expenditure also increased significantly, by 22% and 23% respectively.

INCOME

Bookshops reported a total income of \$1,297.0m of which 85% (\$1,103.3m) was from retail sales of new books. New book sales were supplemented by retail sales of other goods (including second-hand books) (\$131.1m); the sale of services (\$23.5m); the Educational Textbook Subsidy Scheme (\$9.3m); and other sources such as wholesale sales and income from royalties (\$29.6m) (table 3.3).

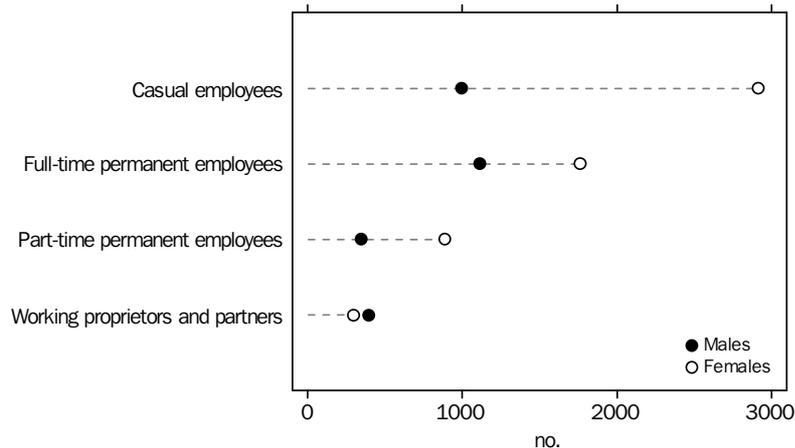
EXPENSES

The total expenses for bookshops were \$1,287.6m in 2003–04. The purchase of goods for resale represented 59% (\$757.2m) of total expenses, which included \$678.4m for the purchase of new books. Wages and salaries were 14% (\$180.3m) of total expenses. A further 2% (\$29.3m) was spent on other labour costs. There was a range of items covering the remaining 25% of costs, including: \$90.8m for rent, leasing and hiring; \$34.3m for advertising and \$18.7m for depreciation and amortisation (tables 3.2 and 3.4).

EMPLOYMENT

At the last pay period ending June 2004, bookshops had a total employment of 8,717 people. This comprised 697 working proprietors and partners and 8,020 employees. Of the employees, the highest proportion were casual (49% or 3,908 employees), followed by those employed as permanent full-time (36% or 2,876 employees) and those employed as part-time permanent employees (15% or 1,236 employees). Of the total employed, over two-thirds (5,862) were female, with half (2,913) of those being casually employed (table 3.7).

PERSONS EMPLOYED, By sex



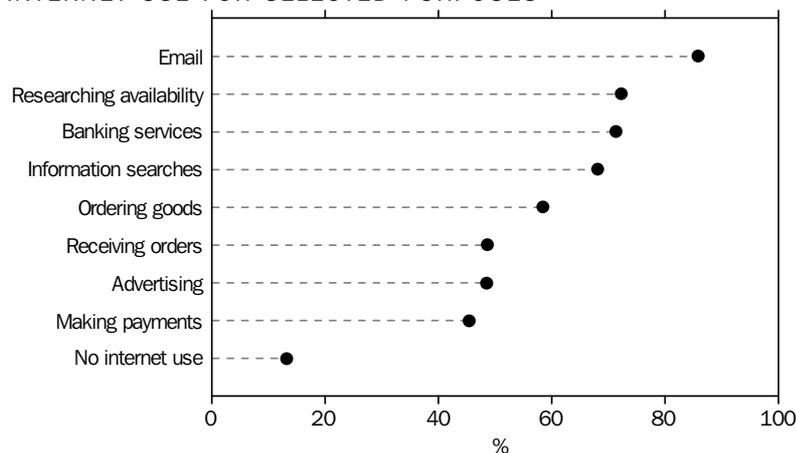
STATE AND TERRITORY DATA

Data were collected for the Australia-wide operations of each business. Businesses operating in more than one state or territory were asked to provide a state and territory breakdown for several key data items. Victoria reported the highest number of business head offices (235) and the largest number of retail locations (307). New South Wales reported the largest employment figures (3,526 people) (table 3.8).

USE OF TECHNOLOGY

Bookshops reported using the Internet for a variety of activities, with the most common use being emailing (86% of bookshops); for researching the availability or cost of goods and services (72%); for banking and financial services (71%); and for bibliographic or other information searches (68%). Over half (58%) of bookshops indicated that they had their own web site, home page or some other type of presence on the Internet (table 3.9).

INTERNET USE FOR SELECTED PURPOSES



3.1 SUMMARY OF OPERATIONS (a)—2001–02 to 2003–04

		2001–02	2002–03(b)	2003–04
Number of businesses	no.	581	522	561
Number of new books sold	million	41.8	42.8	53.2
Income				
Retail sales of new books	\$m	957.4	941.7	1 103.3
Other retail sales	\$m	104.6	92.1	131.2
Other income	\$m	33.4	26.0	62.5
Total	\$m	1 095.4	1 059.7	1 297.0
Average income per business	\$m	1.9	2.0	2.3
Average sales of new books per business	\$m	1.6	1.8	2.0
Expenses				
Wages and salaries	\$m	149.0	145.9	180.3
Purchases of new books	\$m	604.6	587.3	678.4
Other purchases	\$m	72.4	78.3	89.5
Royalties and fees	\$m	5.9	*3.5	9.3
Other expenses	\$m	244.5	230.1	330.1
Total	\$m	1 076.4	1 045.2	1 287.6
Average expenses per business	\$m	1.9	2.0	2.3
Average purchases of new books per business	\$m	1.0	1.1	1.2
Inventories				
Change in inventory	\$m	*20.0	**5.2	*7.3
Ratio of inventory to sales of new books	%	18.2	20.5	19.7
Employment				
Males	no.	2 398	2 383	2 855
Females	no.	4 685	4 953	5 862
Persons	no.	7 083	7 336	8 717
Average employment per business	no.	12.2	14.1	15.5
Other key aggregates				
Operating profit before tax	\$m	39.0	19.7	16.6
Profit margin	%	3.6	1.9	1.3
Industry value added	\$m	221.9	206.6	255.1
Wages and salaries per employee	\$'000	22.9	21.6	22.5
Floor space	'000 m ²	257.4	257.5	293.6
Retail sales per square metre	\$'000	4.1	4.0	4.2
Average number of retail locations per business	no.	1.5	1.6	1.6

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

(b) Data for 2002–03 have been revised (see paragraph 28 in the Explanatory Notes).

3.2

SUMMARY OF OPERATIONS (a), By employment size

		0-19 persons	20 or more persons	Total
Number of businesses	no.	524	38	561
Number of new books sold	million	26.5	26.7	53.2
Income				
Retail sales of new books	\$m	475.8	627.5	1 103.3
Other retail sales	\$m	21.6	109.6	131.2
Other income	\$m	11.5	51.0	62.5
<i>Total</i>	\$m	508.8	788.2	1 297.0
Average income per business	\$m	1.0	20.9	2.3
Average sales of new books per business	\$m	0.9	16.6	2.0
Expenses				
Wages and salaries	\$m	65.4	114.9	180.3
Purchases of new books	\$m	293.0	385.4	678.4
Other purchases	\$m	18.3	71.2	89.5
Royalties and fees	\$m	*6.8	2.5	9.3
Other expenses	\$m	108.1	222.0	330.1
<i>Total</i>	\$m	491.7	795.9	1 287.6
Average expenses per business	\$m	0.9	21.1	2.3
Average purchases of new books per business	\$m	0.6	10.2	1.2
Inventories				
Change in inventory	\$m	** -4.1	11.5	*7.3
Ratio of inventory to sales of all books	%	17.8	21.2	19.7
Employment				
Males	no.	953	1 902	2 855
Females	no.	2 333	3 528	5 862
Persons	no.	3 286	5 431	8 717
Average employment per business	no.	6.3	143.9	15.5
Other key aggregates				
Operating profit before tax	\$m	*13.0	*3.7	16.6
Profit margin	%	*2.5	*0.5	1.3
Industry value added	\$m	95.7	159.4	255.1
Wages and salaries per employee	\$'000	24.9	21.3	22.5
Floor space	'000 m ²	111.3	182.2	293.6
Retail sales per square metre	\$'000	4.5	4.0	4.2
Average number of retail locations per business	no.	1.1	8.4	1.6

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

3.3 COMPONENTS OF INCOME(a), By employment size

	0-19 persons	20 or more persons	Total
	\$m	\$m	\$m
.....			
Retail sales			
New books	*475.8	627.5	1 103.3
Second-hand books	*3.5	0.5	*3.9
Other goods	18.1	109.1	127.2
Total	497.3	737.2	1 234.5
Other sources of income			
Wholesale sales	*4.2	0.9	*5.0
Income from services	*1.6	22.0	23.5
Educational Textbook Subsidy Scheme	*2.4	6.8	9.3
Other income(b)	**3.3	21.4	24.6
Total	11.5	51.0	62.5
Total income	508.8	788.2	1 297.0

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

(b) Includes funding from Australian, state and territory and/or local government.

3.4 OPERATING EXPENSES(a), By employment size

	0–19 persons	20 or more persons	Total
	\$m	\$m	\$m
Purchases			
Finished goods for resale	309.5	447.8	757.2
Materials, components etc.	np	np	10.5
Fuels	np	np	**0.2
Total	311.3	456.6	767.9
Labour costs			
Wages and salaries	65.4	114.9	180.3
Other labour costs	8.5	20.8	29.3
Total	73.9	135.7	209.6
Advertising expenses	7.1	27.3	34.3
Electricity, gas and water charges	1.7	3.1	4.9
Freight and cartage expenses	5.1	12.6	17.7
Rent, leasing and hiring expenses	31.7	59.1	90.8
Insurance premiums	2.2	2.2	4.5
Interest expenses	3.6	7.2	10.8
Depreciation and amortisation	4.8	13.9	18.7
Telecommunication services	3.6	4.6	8.2
Computer software expensed	0.8	1.4	2.2
Royalties expenses	*6.8	2.5	9.3
Land taxes and land rates	*0.6	1.4	2.0
Bad and doubtful debts	*0.2	3.6	3.8
Other operating expenses	38.2	64.8	102.9
Total	491.7	795.9	1 287.6

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

3.5 VALUE OF INVENTORIES(a), By employment size

	0–19 persons	20 or more persons	Total
<i>Inventories</i>	\$m	\$m	\$m
Opening	84.5	133.1	217.5
Closing	80.3	144.6	224.9

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

3.6 CAPITAL EXPENDITURE(a), By employment size

	0–19 persons	20 or more persons	Total
<i>Capital expenditure</i>	\$m	\$m	\$m
Computer equipment and software	1.6	4.7	6.3
Other assets	*10.0	9.5	19.5
Total	*11.7	14.2	25.8

* estimate has a relative standard error of 25% to 50% and should be used with caution

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

3.7 EMPLOYMENT(a)—At end of June 2004

	Males	Females	Persons
	no.	no.	no.
Working proprietors and partners	398	299	697
Employees			
Permanent			
Full-time	1 115	1 761	2 876
Part-time	347	888	1 236
Casual	995	2 913	3 908
<i>Total</i>	2 457	5 562	8 020
Total employment	2 855	5 862	8 717

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

3.8 SELECTED KEY AGGREGATES (a), By state and territory

	<i>Business head office</i>	<i>Employment(b)</i>	<i>Wages and salaries</i>	<i>Total income</i>	<i>Retail locations</i>	<i>Floor space</i>
	no.	no.	\$m	\$m	no.	'000 m ²
New South Wales	198	3 526	70.4	476.7	301	149.1
Victoria	235	2 656	61.7	453.1	307	74.1
Queensland	*52	1 034	18.1	134.4	141	28.3
South Australia	**18	*406	8.4	70.1	*45	13.2
Western Australia	*27	486	10.9	88.5	*39	14.0
Australian Capital Territory	**16	*419	*6.2	*46.6	*41	*9.0
Other states(c)	**16	*191	*4.5	*26.8	**22	*5.7
Australia	561	8 717	180.3	1 296.3	896	293.6

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

(b) At 30 June 2004.

(c) Comprises Tasmania and Northern Territory.

3.9 USE OF TECHNOLOGY(a), By employment size

	0-19 persons	20 or more persons	Total
	%	%	%
Businesses using a computer for stock control	73.2	100.0	75.0
Businesses using the Internet for			
Selling goods and services			
Receiving orders for goods and services	47.0	72.4	48.7
Sending invoices to customers	*15.4	*18.5	*15.6
Receiving payments and/or authorisations	40.8	61.5	42.2
Delivering products electronically	**2.5	8.7	**2.9
Providing after sales service	23.9	40.4	25.0
Purchasing goods and services			
Researching the availability or cost of goods or services	72.5	69.0	72.3
Ordering goods or services	58.7	56.1	58.5
Receiving invoices	37.7	36.6	37.7
Making payments and/or authorisations	45.4	46.4	45.5
Receiving products electronically	*10.1	5.3	*9.8
Seeking after sales service	30.1	33.6	30.3
General			
Email	84.8	100.0	85.9
Bibliographic and other information searches	67.2	81.9	68.2
Advertising or promotion	46.1	83.4	48.6
Banking and financial services	70.2	87.9	71.4
Other	**0.5	3.4	**0.7
None of the above	14.2	—	13.3
Businesses having a web site, home page or other web presence (including a presence on another entity's web site)	54.1	93.5	56.7
Businesses using the following technologies			
Barcoding and scanning systems	68.8	92.0	70.4
EFTPOS	89.0	97.3	89.6
Electronic article surveillance or security tags	15.3	59.2	18.2
None of the above	**6.6	2.7	*6.3
Businesses not counted in at least one of the above technologies	**2.1	—	**1.9
Businesses using one or more of the above technologies	97.9	100.0	98.1

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

(a) Includes only those businesses which are classified according to the ANZSIC as Newspaper, book and stationery retailing and for which the value of new book sales comprises at least 50% of all income.

EXPLANATORY NOTES

SCOPE AND COVERAGE

- 1** This publication presents results, in respect of the 2003–04 financial year, from a survey conducted by the Australian Bureau of Statistics (ABS) of employing businesses with book retailing activity.
- 2** Book retailing activity is not confined to any one industry. Information from the 1998–99 Retail Industry Survey estimated that businesses (as classified on the ABS Australian Business Register) in four retail industries were responsible for nearly all book sales by employing businesses to final consumers in Australia. Those industries, and their Australian and New Zealand Standard Industrial Classification (ANZSIC) classes, are as follows:
 - *Supermarket and grocery stores* (ANZSIC 5110) which consists of businesses mainly engaged in retailing groceries or non-specialised food lines, whether or not the selling is organised on a self-service basis.
 - *Department stores* (ANZSIC 5210) which consists of businesses mainly engaged in retailing a variety of goods (clothing; china, glassware and houseware; furniture; household appliances; etc.) normally sold by separate departments or sections within the store with accounting and other records maintained on a departmentalised basis.
 - *Newspaper, book and stationery retailing* (ANZSIC 5243) which consists of businesses mainly engaged in retailing books, periodicals, newspapers, stationery and religious goods.
 - *Retailing n.e.c.* (ANZSIC 5259) which consists of businesses mainly engaged in retailing goods not classified to the other retailing categories of ANZSIC.
- 3** The Book Retailers Survey is based on businesses classified to these four industries.
- 4** The 1998–99 Retail Industry Survey also found that in three of the four industries (namely, ANZSIC 5110, 5210 and 5259) businesses with less than 200 employees had negligible book sales (1% of total book sales). These businesses were excluded from the population frame for this survey.
- 5** Thus the population frame for the Book Retailers Survey consists of businesses with ANZSIC classes of 5110, 5210 or 5259 with 200 or more employees, and all employing businesses with an ANZSIC class of 5243. These businesses cover an estimated 97% of book sales to final consumers.
- 6** All businesses with an ANZSIC class of 5110, 5210 or 5259 and with 200 or more employees were contacted in relation to the survey. Similarly, all businesses with an ANZSIC class of 5243 and with 20 or more employees were contacted to determine their retail book sales. Data were obtained from a sample of businesses with an ANZSIC class of 5243 and less than 20 employees. Data from this sample were weighted to represent all businesses in Australia with an ANZSIC class of 5243 and less than 20 employees.
- 7** Data for the entire operations of businesses with an ANZSIC class of 5243 and with book sales comprising at least 50% of all their income were included in the survey results. For all other businesses, only data in respect of their book retailing activity were included. Please note that this is the same as in previous editions, in which this was incorrectly labelled as at least 50% of retail sales.

INTERPRETATION OF DATA

8 Estimates in this publication are presented at a sub-industry level for businesses with an ANZSIC class of 5243. Businesses with an ANZSIC class of 5243 and with book sales comprising at least 50% of their income have been categorised as 'Bookshops'. Tables 3.1 to 3.9 in this publication relate only to the operations of these bookshops. Businesses with an ANZSIC class of 5243 and with book sales comprising less than 50% of their income have been categorised as 'Newsagents'. Unless identified separately, newsagents are included with 'Other booksellers' for tables 2.1 to 2.5 presented in this publication. Please note that this is the same as in previous editions, in which this was incorrectly labelled being based on retail sales, rather than total income.

STATISTICAL UNITS DEFINED
ON THE ABS BUSINESS
REGISTER

9 The ABS uses an economic statistics units model on the ABS Business Register to describe the characteristics of businesses, and the structural relationships between related businesses. The units model is also used to break groups of related businesses into relatively homogeneous components that can provide data to the ABS.

10 In mid-2002, to better use the information available as a result of The New Tax System, the ABS changed its economic statistics units model. The new units model allocates businesses to one of two sub-populations. The vast majority of businesses are in what is called the Australian Taxation Office (ATO) Maintained Population, while the remaining businesses are in the ABS Maintained Population. Together, these two sub-populations make up the ABS Business Register population.

ATO Maintained Population

11 Most businesses and organisations in Australia need to obtain an Australian Business Number (ABN), and are then included on the ATO Australian Business Register. Most of these businesses have simple structures; therefore the unit registered for an ABN will satisfy ABS statistical requirements. For these businesses, the ABS is aligning its statistical units structure with the ABN unit. The businesses with simple structures constitute the ATO Maintained Population, and the ABN unit will be used as the economic statistics unit for all economic collections.

ABS Maintained Population

12 For the population of businesses where the ABN unit is not suitable for ABS statistical requirements, the ABS will maintain its own units structure through direct contact with the business. These businesses constitute the ABS Maintained Population. This population consists typically of large, complex and diverse businesses. The new statistical units model described below has been introduced to cover such businesses.

13 *Enterprise Group*: This is a unit covering all the operations in Australia of one or more legal entities under common ownership and/or control. It covers all the operations in Australia of legal entities which are related in terms of the current Corporations Law (as amended by the *Corporations Legislation Amendment Act 1991*), including legal entities such as companies, trusts, and partnerships. Majority ownership is not required for control to be exercised.

14 *Enterprise*: The enterprise is an institutional unit comprising (i) a single legal entity or business entity, or (ii) more than one legal entity or business entity within the same Enterprise Group and in the same institutional subsector (i.e. they are all classified to a single Standard Institutional Sector Classification of Australia subsector).

15 *Type of Activity Unit (TAU)*: The TAU is comprised of one or more business entities, sub-entities or branches of a business entity within an Enterprise Group that can report production and employment data for similar economic activities. When a minimum set of data items are available, a TAU will be created which covers all the operations within an industry subdivision (and the TAU will be classified to the relevant subdivision of the Australian and New Zealand Standard Industrial Classification). Where a business cannot supply adequate data for each industry, a TAU will be formed which contains activity in more than one industry subdivision.

ABS Maintained Population
continued

16 For more information on the impacts of the introduction of the new economic statistics units model, refer to *Information Paper: Improvements in ABS Economic Statistics [Arising from The New Tax System]* (cat. no. 1372.0).

17 Data in this publication have been adjusted to allow for lags in processing new businesses to the ABS Business Register, and the omission of some businesses from the register.

18 Prior to 2001–02, the Book Retailers Survey used the management unit as the statistical unit. For issues of this publication relating to 2001–02 onwards, the statistical unit in the Book Retailers Survey is the ABN unit for businesses with simple structures, and the TAU for businesses with complex structures. In most cases, ABN/TAU units will concord with the management units used prior to 2001–02.

RELIABILITY OF DATA

19 Some of the estimates in this publication are based on information obtained from a sample of businesses (those with an ANZSIC class of 5243 and less than 20 employees). The estimates based on these sampled businesses are subject to sampling variability. That is, they may differ from the figures that would have been obtained if the survey had included all in-scope businesses. One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because information was collected from only a sample of businesses.

20 There are about 2 chances in 3 that a sample estimate will differ by less than one SE from the figure that would have been obtained if all businesses in the population had been included in the survey, and approximately 19 chances in 20 that the difference will be less than two SEs.

21 Sampling variability can be measured by using the relative standard error (RSE) which is obtained by expressing the SE as a percentage of the estimate to which it refers. The RSE is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred due to sampling and hence does not require reference to the size of the estimate.

22 The following tables show the RSEs for some of the statistics presented in this publication.

RELATIVE STANDARD ERRORS, Table 2.1 Book retailers

	BOOKSHOPS			OTHER BOOKSELLERS			TOTAL BUSINESSES		
	2001-02	2002-03	2003-04	2001-02	2002-03	2003-04	2001-02	2002-03	2003-04
	%	%	%	%	%	%	%	%	%
Number of businesses	9.2	10.9	11.0	6.6	8.0	7.9	4.9	6.0	5.9
Number of books sold	5.7	5.8	8.3	1.5	1.5	2.0	3.4	3.4	5.6
Income									
Retail sales of new books	4.9	5.2	5.0	2.8	3.0	3.6	3.8	4.0	4.0
Other retail sales	6.4	5.2	3.7	0.1	0.1	0.1	0.1	0.1	0.1
Other income	8.1	9.7	5.1	0.5	0.3	0.4	0.5	0.3	0.4
Total	4.7	5.0	4.5	0.1	0.1	0.1	0.2	0.1	0.2
Average income per business	7.8	8.4	8.2	7.0	7.6	7.4	5.1	5.7	5.5
Average sales of new books per business	7.7	8.3	8.1	6.6	7.3	7.4	5.3	5.6	5.5
Expenses									
Purchases of new books	5.1	5.7	5.4	4.9	4.1	5.5	3.9	4.1	4.1
Other expenses	4.7	4.3	3.7	0.1	0.1	0.1	0.1	0.1	0.1
Total	4.6	5.0	4.4	0.1	0.1	0.1	0.2	0.1	0.1
Average expenses per business	7.9	8.3	8.3	7.0	7.6	7.4	5.1	5.7	5.5
Average purchases of new books per business	7.9	8.4	8.2	7.7	7.7	8.3	5.4	5.6	5.6

	2001-02	2002-03	2003-04
	%	%	%
Number of businesses	9.2	10.9	11.0
Number of books sold	5.7	5.8	8.3
Income			
Retail sales of new books	4.9	5.2	5.0
Other retail sales	6.4	5.2	3.7
Other income	8.1	9.7	5.1
Total	4.7	5.0	4.5
Average income per business	7.8	8.4	8.2
Average sales of new books per business	7.7	8.3	8.1
Expenses			
Wages and salaries	4.4	4.7	4.2
Purchases of new books	5.1	5.7	5.4
Other purchases	10.2	4.3	4.2
Royalties and fees	17.7	26.3	21.0
Other expenses	5.1	4.9	3.8
Total	4.6	5.0	4.4
Average expenses per business	7.9	8.3	8.3
Average purchases of new books per business	7.9	8.4	8.2
Inventories			
Change in inventory	26.3	58.2	41.8
Ratio of inventories to sales of books	3.1	2.8	2.6
Employment			
Males	5.7	5.0	4.5
Females	5.4	5.1	5.0
Persons	4.9	4.7	4.6
Average per business	6.8	7.7	7.7
Other key aggregates			
Operating profit before tax	13.3	21.6	25.0
Profit margin	11.9	19.7	23.6
Industry value added	5.3	5.3	4.5
Wages and salaries per employee	2.6	2.7	2.4
Floor space	6.7	6.0	8.0
Retail sales per square metre	6.6	5.3	7.6
Retail locations per business	3.5	4.5	4.3

23 As an example, the estimate of total income for bookshops for 2003–04 is \$1,297.0m and the RSE is 4.5%, giving a SE of \$58.4m. Therefore, there are 2 chances in 3 that, if all businesses in the population had been included in the survey, a figure in the range of \$1,238.6m to \$1,355.4m would have been obtained, and 19 chances in 20 (i.e. a confidence interval of 95%) that the figure would have been within the range of \$1,180.2m to \$1,413.8m.

24 Although the table above shows the RSEs for only a selection of the statistics presented in this publication, they have been calculated for all of the statistics which rely on data from a sample of businesses and are available on request. Estimates with high RSEs have been marked with asterisks in the tables in which they occur. If an estimate has an RSE between 25% and 50%, it is marked with one asterisk and should be used with caution. If it has an RSE greater than 50%, it is marked with two asterisks and is considered too unreliable for general use.

GLOSSARY

Advertising expenses	Includes expenses associated with the promotion and publicity of the business and its products. It includes expenses paid to advertising agencies and direct payments to radio, television and print media businesses.
Audio book	A book which is made available in the form of a recording of someone reading the text.
Barcoding and scanning systems	Devices designed to read a barcode (an identifier unique to a book or other product). The device is primarily used for revenue recording and stock control.
Book	A book can be printed on paper, be available in an electronic format such as on a computer file (an electronic book) or be a recording of someone reading text (an audio book). A book will usually have an International Standard Book Number.
Bookshops	Businesses categorised as being part of the 'Newspaper, book and stationery retailing' industry and with new book sales comprising at least 50% of their total income.
Business	A management unit within scope of the collection. An individual business may operate at a number of physical sites from which goods and services are provided. Only the activity of locations in Australia has been included in the collection.
Capital expenditure	Outlays on capital equipment and other capital assets, including all costs capitalised in the account books of a business, e.g. legal fees, real estate transfer costs and assets acquired under finance leases.
Casual employees	Employees who are not entitled to paid holidays or paid sick leave days.
Change in inventories	Closing inventories minus opening inventories.
Closing inventories	Inventories of materials, finished goods and work-in-progress held at the end of the reference period.
Department stores	Businesses mainly engaged in retailing a variety of goods (clothing; china, glassware and houseware; furniture; household appliances; etc.) normally sold by separate departments or sections within the store with accounting and other records maintained on a departmentalised basis. Only the major department stores, those with 200 or more employees, were included in the survey.
Depreciation and amortisation	The financial charges made to the accounts to reflect that part of the value of the asset which may be regarded as having been used up in producing revenue in a particular accounting period. These items represent the accounting process of systematically allocating the cost of a non-current asset over its expected useful life.
Educational Textbook Subsidy Scheme	Payments made to booksellers from a Commonwealth Government program which assists students studying at Australian educational institutions by subsidising the cost of educational textbooks included on prescribed textbook lists or recommended reading lists at Australian educational institutions. Under the Scheme booksellers give the discount subsidy to the student (or their parents/guardians) at the point of sale and then claim the subsidy back from the Commonwealth Government.
EFTPOS	Electronic fund transfer at point of sale.
Electronic article surveillance or security tags	Devices designed to detect the illegal removal of products from retail premises.

Electronic book	A book which is made available in an electronic format. This may be in the form of a computer file delivered via the Internet or as a CD-ROM, floppy disk or other data medium. The text of these books must be read from a computer screen or special hand-held electronic device.
Employment	Includes working proprietors and working partners of unincorporated businesses, working directors of incorporated companies and trusts, and all employees working for businesses during the last pay period ending in June 2004.
Final consumer	Individuals or organisations which are the end users of books. That is, they do not purchase books for the primary purpose of selling to other consumers.
Floorspace	Includes selling space, office space, storage space, basements and non-residential upper floor areas.
Full-time employees	Employees who work 35 hours per week or more.
Industry value added	The value added to the economy by the industry. It is equal to the sales of goods and services plus government subsidies and changes in the levels of trading inventories, minus purchases and other selected expenses.
Interest expenses	Includes interest on bank loans, on loans made from related and unrelated businesses or organisations, and interest in respect of finance leases, interest paid to loans from partners, interest equivalents (such as hedging costs) and expenses associated with discounted bills. It excludes bank charges and capital repayments.
Internet	A worldwide collection of computers which are linked together to form a repository of stored information and to provide a range of communication services. The services include, but are not limited to, the World Wide Web, File Transfer Protocol and Simple Mail Transport Protocol.
Newsagents	Businesses categorised as being part of the 'Newspaper, book and stationery retailing' industry and with new book sales comprising less than 50% of their total income.
New book	A book which has not previously been sold by a retail establishment.
Opening inventories	Inventories of materials, finished goods and work-in-progress held at the beginning of the reference period.
Operating profit before tax	A measure of profit (or loss) before extraordinary items are brought to account and prior to the deduction of income tax and appropriation to owners. It is derived as total income minus total expenses plus closing inventories minus opening inventories (see separate entries in the Glossary for these components).
Part-time employees	Employees who work less than 35 hours per week.
Permanent employees	Employees who are entitled to paid holidays and paid sick leave days.
Profit margin	Operating profit before tax as a percentage of total income.
Purchases	Consists mainly of goods purchased for resale. Also included are electricity, gas and water charges, petroleum products and other fuel purchases of container and packaging materials, materials and components used in repair and manufacturing activity.
Rent, leasing and hiring expenses	Costs for renting, leasing (except finance leases) and hiring of land, buildings and other structures, hiring of vehicles, plant, machinery, equipment and other rent, leasing and hiring expenses from other businesses or individuals.
Retail locations	The physical sites from which the business provides goods and services on a relatively regular basis.
Retail sales	Sales of goods to final consumers, i.e. sales of goods to the public (including delivery charges not separately invoiced to customers), and export sales.

Retailing n.e.c.	Businesses mainly engaged in retailing goods not classified to any other retailing category of the Australian and New Zealand Standard Industrial Classification. Only the major businesses classified as Retailing n.e.c., those with 200 or more employees, were included in the survey.
Supermarkets	Businesses mainly engaged in retailing groceries or non specialised food lines, whether or not the selling is organised on a self service basis. Supermarkets includes grocery stores. Only the major supermarkets and grocery stores, those with 200 or more employees, were included in the survey.
Total expenses	Sum of expense items including wages and salaries, other labour costs, cost of purchased goods for resale, royalties, advertising expenses, telecommunication services, freight and cartage expenses, land taxes and land rates, insurance premiums, interest expenses, depreciation and amortisation, bad and doubtful debts, computer software expensed and all other expenses not excluded. Expenses excluded are extraordinary items, excise duty, dividends, income and other direct tax, costs associated with the transfer of real estate, unrealised gains/losses from revaluation of assets, change in inventories, donations, capital repayments and Goods and Services Tax where this is recoverable as an input tax credit.
Total income	Sum of all income items, i.e. retail and wholesale sales of books and other products, income from services, funding from the Educational Textbook Subsidy Scheme, royalties income, and any other sources of income, with the exception of extraordinary items which are excluded.

FOR MORE INFORMATION . . .

- INTERNET* **www.abs.gov.au** the ABS web site is the best place to start for access to summary data from our latest publications, information about the ABS, advice about upcoming releases, our catalogue, and Australia Now—a statistical profile.
- LIBRARY* A range of ABS publications is available from public and tertiary libraries Australia-wide. Contact your nearest library to determine whether it has the ABS statistics you require, or visit our web site for a list of libraries.
- CPI INFOLINE* For current and historical Consumer Price Index data, call 1902 981 074 (call cost 77c per minute).
- DIAL-A-STATISTIC* This service now provides only current Consumer Price Index statistics call 1900 986 400 (call cost 77c per minute).

INFORMATION SERVICE

Data already published that can be provided within five minutes will be free of charge. Our information consultants can also help you to access the full range of ABS information—ABS user pays services can be tailored to your needs, time frame and budget. Publications may be purchased. Specialists are on hand to help you with analytical or methodological advice.

- PHONE* 1300 135 070
- EMAIL* client.services@abs.gov.au
- FAX* 1300 135 211
- POST* Client Services, ABS, GPO Box 796, Sydney NSW 2001

FREE ACCESS TO PUBLICATIONS

All ABS publications can be downloaded free of charge from the ABS web site.

- WEB ADDRESS* www.abs.gov.au



2137100007030

ISSN 1832 7303

RRP \$22.00