

INTRODUCTION OF IMPROVED MONTHLY RETAIL TRADE STATISTICS

Introduction

The ABS has published monthly estimates of total Australian retail turnover since 1965. In 1982, the survey was expanded to include retail industry estimates at the State and Australian levels. The Northern Territory (by broad industry) was added in 1988.

Following each Retail Census (the last conducted for the period 1991–92), the Retail Trade survey undergoes a review. These reviews encompass statistical, technological, data collection and data release issues and take into account users' views on retail statistics. The results of the latest review will be introduced in the October 1994 issue of *Retail Trade, Australia (8501.0)*. The key change will be the introduction of a new survey design based on the Australian and New Zealand Standard Industrial Classification (ANZSIC).

Essentially the design remains similar to that of the former survey. The most obvious change is in the presentation of the data which will now focus on industry groups rather than individual retail industries. Seasonally adjusted data at the industry group level will be introduced to assist with more detailed analysis of period to period movements.

This paper outlines the differences between the new and former monthly retail trade series.

Survey objective

The survey's objective is unchanged. The principal objective is to show month to month movements in retail turnover. Consumer spending is an important indicator of economic change. Under the former series, month to month movements at the State and Australian total levels were considered reliable. However, industry level movements (particularly for smaller industries) tended to be volatile at times. Recognising an increased user requirement for reliable industry data, the ABS has moved to also ensure reliable month to month movements at the industry "group" level.

The seven industry groups to be introduced are:

- Food retailing;
- Department stores;
- Clothing and soft good retailing;
- Household good retailing;
- Recreational good retailing;
- Other retailing; and
- Hospitality and services.

INQUIRIES

- for more information about this publication and the availability of related unpublished statistics, contact Maurie Low on Canberra (06) 252 7442 or Chris Kervin on (06) 252 7085 or any ABS State office.
- for information about other ABS statistics and services please refer to the back page of this publication.

Sample design

The sample design of the new survey remains similar to that of the former survey. To reduce the volatility evident in some of the former industry series, steps have been taken to increase the minimum sample size for each selection cell in the survey and to modify the survey's rotation policy to reduce the impact of rotating units on the estimates. These steps are expected to generate stable small retailer (defined as less than 20 employment) estimates. The total monthly sample increases by 600 selections to approximately 7,000 with the introduction of the new survey design. The large retailer component remains stable, does not involve rotation and contributes in excess of 50 per cent of each month's estimate.

The October 1994 release will include estimates on the new survey design basis, from when the new sample was introduced in April 1994, through to October 1994. Data for the remaining months shown in this publication (August 1993 to March 1994) have been adjusted to the new survey basis to ensure that all the data is presented on a comparable basis.

Scope and coverage

The scope of the retail trade survey has changed slightly to reflect the introduction of ANZSIC. It covers all employing businesses with at least one retailing or in-scope service (defined below) establishment in Australia. Non-employing businesses, which account for approximately 6 per cent of total turnover, are excluded on the basis that they are known to have little impact on short term month to month movements in retail activity.

The Retail Trade survey population frame is drawn from the ABS Business Register. There are approximately 100,000 businesses involved in retailing and in-scope service activity on the frame at present. The Business Register is regularly updated to reflect businesses applying for group employer status through the Australian Taxation Office.

Lags in the identification of new businesses have the potential to distort month to month retail estimates. As the retail sector is one where a new business usually occupies a vacated store immediately, the Retail Trade survey employs methods to reduce such effects.

A new industry classification

The introduction of the new Australian and New Zealand Industrial Classification (ANZSIC) has resulted in some change to the industries included in the scope of the survey. All industries classified to ANZSIC subdivisions 51, Food Retailing, and 52, Personal and Household Good Retailing, are in scope of the collection, except Milk vendors (ANZSIC Class 5126), Marine equipment retailing (5245) and Household equipment repair services (5261,5269). Motor vehicle retailing and services (5311 to 5329) are excluded. Some service activity closely associated with retailing namely, Pubs, taverns, bars and clubs, cafes and restaurants, video hire and hairdressers are included within the survey's scope.

The major differences in the industry scope of the new survey are the inclusion of bread shops, and convenience stores attached to service stations (petrol sales will continue to be excluded), and the creation of a takeaway food sub-group. Domestic hardware will now include hardware stores selling predominately to the public. Some minor repair services have moved out of scope.

The retail group/ sub-group and ANZSIC classes included in the survey are as follows:

<i>Group</i>	<i>Sub-Group</i>
Food Retailing	<ol style="list-style-type: none"> 1. Supermarket and Grocery Stores (ANZSIC 5110) <i>Includes convenience store activities at service stations</i> 2. Takeaway Food Retailing (ANZSIC 5125) 3. Other Food Retailing comprising: <ol style="list-style-type: none"> (a) Fresh meat, fish and poultry retailing (ANZSIC 5121) (b) Fruit and vegetable retailing (ANZSIC 5122) (c) Liquor retailing (ANZSIC 5123) (d) Bread and cake retailing (ANZSIC 5124) (e) Specialised food retailing n.e.c. (ANZSIC 5129) <i>Includes stores mainly engaged in retailing confectionery, smallgoods, health foods and tobacco.</i>
Department Stores	<ol style="list-style-type: none"> 4. Department Stores (ANZSIC 5210)
Clothing and Soft Good Retailing	<ol style="list-style-type: none"> 5. Clothing Retailing (ANZSIC 5221) 6. Other Clothing Related Retailing comprising: <ol style="list-style-type: none"> (a) Footwear retailing (ANZSIC 5222) (b) Fabrics and other soft good retailing (ANZSIC 5223) <i>Includes fabric, drapery, manchester, household textiles and curtain stores.</i>
Household Good Retailing	<ol style="list-style-type: none"> 7. Furniture and Floorcovering stores comprising: <ol style="list-style-type: none"> (a) Furniture retailing (ANZSIC 5231) <i>Also includes retailers of blinds, mattresses and awnings.</i> (b) Floor covering retailing (ANZSIC 5232) <i>Excludes ceramic tiles retailing.</i> 8. Domestic Hardware and Houseware Retailing (ANZSIC 5233) <i>Includes retailers of household utensils, china, garden tools, glassware, lawn mowers and do-it-yourself materials. Excludes builders' hardware stores selling mainly to trade customers.</i> 9. Appliances and Recorded Music Retailing comprising: <ol style="list-style-type: none"> (a) Domestic appliance retailing (ANZSIC 5234) (b) Recorded music retailing (ANZSIC 5235)
Recreational Good Retailing	<ol style="list-style-type: none"> 10. Newspaper, Book and Stationery Retailing (ANZSIC 5243) <i>Also includes retailers of artists' supplies, greeting cards, magazines and religious goods.</i> 11. Other Recreational Good Retailing comprising: <ol style="list-style-type: none"> (a) Sport and camping equipment retailing (ANZSIC 5241) <i>Excludes units mainly engaged in retailing sports clothing or footwear.</i> (b) Toy and game retailing (ANZSIC 5242) (c) Photographic equipment retailing (ANZSIC 5244)

<i>Group</i>	<i>Sub-Group</i>
Other Household Good Retailing	
	12. Pharmaceutical, Cosmetic and Toiletry Retailing (ANZSIC 5251)
	13. Other Retailing comprising:
	(a) Antique and used good retailing (ANZSIC 5252)
	(b) Garden supplies retailing (ANZSIC 5253)
	(c) Flower retailing (ANZSIC 5254)
	(d) Watch and jewellery retailing (ANZSIC 5255)
	(e) Retailing n.e.c. (ANZSIC 5259)
	<i>Includes pet shops and retailers mainly selling leather goods, souvenirs, musical instruments and art works.</i>
Hospitality and Service Industries	
	14. Hotels and Licensed Clubs comprising:
	(a) Pubs, taverns and bars (ANZSIC 5720)
	(b) Clubs (hospitality) (ANZSIC 5740)
	15. Cafes and Restaurants (ANZSIC 5730)
	16. Selected Services comprising:
	(a) Video hire outlets (ANZSIC 9511)
	(b) Hairdressing and beauty salons (ANZSIC 9526)

Data items	Turnover remains as the data item collected. For large retailers, this is dissected by retail industry.
The publication	<p>The ABS conducted a study of retail users' needs as part of the redesign process. The new publication has been designed with users' needs in mind. The layout of the summary commentary and graphical presentation is unchanged but the focus of the industry analysis has changed to the seven industry groups. Seasonally adjusted data series at the State/ Australia industry group level are added to assist in analysing the driving forces behind industry trend movements. To assist the retailer user community, a table covering original data movements at a sub-industry level will also be introduced. Examples of industry tables 1, 2 and 3 are provided from page 6 of this information paper.</p> <p>Quarterly constant price data will be made available on the seven industry group and State/ Australia total levels. It will only be included in quarter months' publications (ie March, June, September and December issues).</p>
The October 1994 publication	<p>The October 1994 publication will contain estimates of turnover directly collected on the new survey basis for April to October 1994. The estimates published for earlier months (August 1993 through to March 1994) will reflect the former series adjusted to the new survey basis as discussed later under "Historical series". Quarterly constant price estimates will be released on the new survey design basis from the December 1994 publication, scheduled for release on 1 February 1995.</p>

Sample error

The monthly Retail Trade survey has been designed with a sample error constraint of 0.9 per cent at the Australian total estimate level. Such a constraint results in reliable Australian monthly movement estimates with a sample error of approximately 0.3 per cent. As a guide, an estimate of \$10 billion will have a sample error of 0.9 per cent or about \$90 million. The ABS is about 67 per cent confident that the real estimate (ie if every retailer in Australia was included) would be between \$9.910 million and \$10.090 million, and 95 per cent confident that the real turnover figure (if every retailer was included) would be between \$9.820 million and \$10.180 million.

Understanding the standard error of an estimate is particularly important when analysing movements in the series. To assist in easy interpretation of standard errors, a new matrix table is being introduced from the October publication. It will classify data reliability using easy ratings of A to D where:

- A represents a standard error on level of less than 2 per cent. The published estimates are highly reliable for movement analysis;
- B represents a standard error on level between 2 and 5 per cent, meaning the estimate is reliable for movement analysis purposes;
- C represents a standard error on level between 5 and 10 per cent, meaning users are advised to exercise some caution in interpreting movements for such series;
- D represents a standard error on level greater than 10 per cent.

Historical series

The ABS has maintained the historical retail time series. This was achieved by conducting a parallel survey for the months of April, May and June 1994 on the former and the new survey basis. Link factors based on the relationship between the former and new survey estimates during the May to June period were derived and applied (along with other adjustments) to form a comparable time series. The adjusted time series has also undergone a seasonal factor reanalysis.

The new time series will be made available on PCAUSSTATS and to publication subscribers on request. Contact Bill Powell on (06) 252 6132 for more information.

Special Data Services

The ABS provides Special Data Services in respect of the monthly Retail Trade survey. This includes State sub-industry data and information about the large retail sector. For more information about this service please contact Peter Batum on telephone (06) 252 5220.

RICHARD MADDEN
Acting Australian Statistician

MONTHLY TURNOVER, By Broad Industry¹: All series

Month	Food retailing	Department stores	Clothing and soft good retailing	Household good retailing	Recreational good retailing	Other retailing	Hospitality and services	Total
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ORIGINAL (\$ million)

SEASONALLY ADJUSTED (\$ million)

TREND ESTIMATES (\$ million)

MONTHLY TURNOVER PERCENTAGE CHANGE, By Broad Industry¹: All Series

Month	Food retailing	Department stores	Clothing and soft good retailing	Household good retailing	Recreational good retailing	Other retailing	Hospitality and services	Total
ORIGINAL (% change from preceding month)								

SEASONALLY ADJUSTED (% change from preceding month)								
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TREND ESTIMATES (% change from preceding month)								
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MONTHLY TURNOVER, By Industry¹: Original

Month	FOOD RETAILING.....				Department stores	CLOTHING AND SOFT GOOD RETAILING.....			Total	HOUSEHOLD GOOD RETAILING...				Total
	Super- markets and groceries	Takeaway food retailing	Other food retailing	Total		Clothing retailing	Other clothing related retailing	Total		Furniture and floor covering stores	Domestic hardware retailing	Domestic appliances retailing		
2017	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2018	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2019	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2020	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2021	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2022	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2023	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2024	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2025	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2026	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2027	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2028	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2029	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	
2030	1,100	1,100	1,100	3,300	1,100	1,100	3,300	1,100	1,100	1,100	1,100	3,300	1,100	

(\$ million)

(% change from preceding month)

(% change from corresponding month of previous year)

MONTHLY TURNOVER, By Industry¹: **Original** *continued*

Month	RECREATIONAL GOOD RETAILING.....			OTHER RETAILING.....			HOSPITALITY AND SERVICES.....			Total all industries
	News- paper, book and stationery retailing	Other recreational goods retailing	Total	Pharma- ceutical and cosmetics retailing	Other retailing	Total	Hotels and licensed clubs	Cafes and restau- rants	Selected services	Total

(\$ million)

(% change from preceding month)

(% change from corresponding month of previous year)

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