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Retail Trade Survey: June 2010 quarter

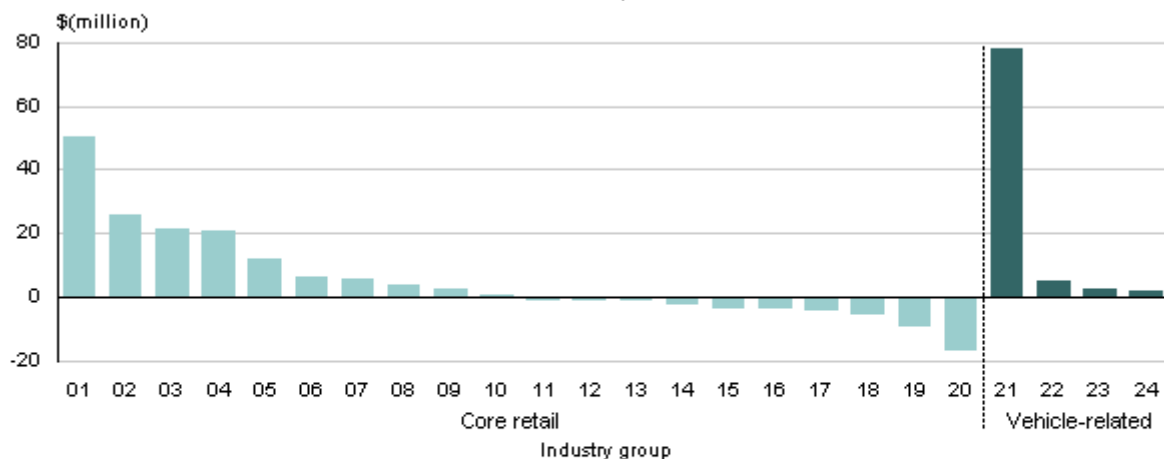
Highlights

For the June 2010 quarter compared with the March 2010 quarter (seasonally adjusted):

- Total retail sales volumes rose 1.3 percent.
- Total retail sales values rose 0.5 percent (\$83 million).
- Core retail sales volumes rose 0.9 percent.
- Core retail sales values rose 0.4 percent (\$51 million).
- Motor vehicle retailing had both the biggest volume increase (up 4.0 percent), and the biggest value increase (up 3.6 percent or \$62 million).

Retail industry contributions to the change in seasonally adjusted sales volumes⁽¹⁾

Change from previous quarter
June 2010 quarter



01 Appliance retailing
02 Accommodation
03 Clothing and softgoods retailing
04 Supermarket and grocery stores
05 Department stores
06 Personal and household goods hiring
07 Furniture and floor coverings
08 Footwear retailing

09 Bars and clubs
10 Fresh produce retailing
11 Other personal services
12 Other food retailing
13 Liquor retailing
14 Hardware retailing
15 Household equipment repair services
16 Chemist retailing

17 Other retailing
18 Takeaway retailing
19 Recreational goods retailing
20 Cafes and restaurants
21 Motor vehicle retailing
22 Automotive fuel retailing
23 Auto electrical, smash repair, tyres
24 Automotive repair and services nec

1. At September 1995 quarter prices.

Source: Statistics New Zealand

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Commentary

All references to sales movements are to seasonally adjusted series unless otherwise stated.

June 2010 quarter sales volume summary

All references to dollar values in this section are at September 1995 quarter prices.

The volume of total retail sales rose for the fifth consecutive quarter, up 1.3 percent (\$182 million) in the June 2010 quarter. This is the biggest increase in sales volumes since the March 2007 quarter. All four vehicle-related industries had increases in sales volumes. The 20 core retail industries (which excludes the four vehicle-related industries) accounted for just over half of the increase in sales volumes, up 0.9 percent (\$95 million). This followed a 0.5 percent fall in the March 2010 quarter.

The largest increase was in motor vehicle retailing (up 4.0 percent). Motor vehicle retailing has been the largest contributor to the increase in sales volumes in the December 2009, March 2010, and June 2010 quarters. This position had been held by appliance retailing in the June 2009 and September 2009 quarters.

The biggest contributors to the core retail increase this quarter were appliance retailing (up 3.4 percent), accommodation (up 5.4 percent), clothing and softgoods retailing (up 3.4 percent), and supermarkets and grocery stores (up 0.8 percent).

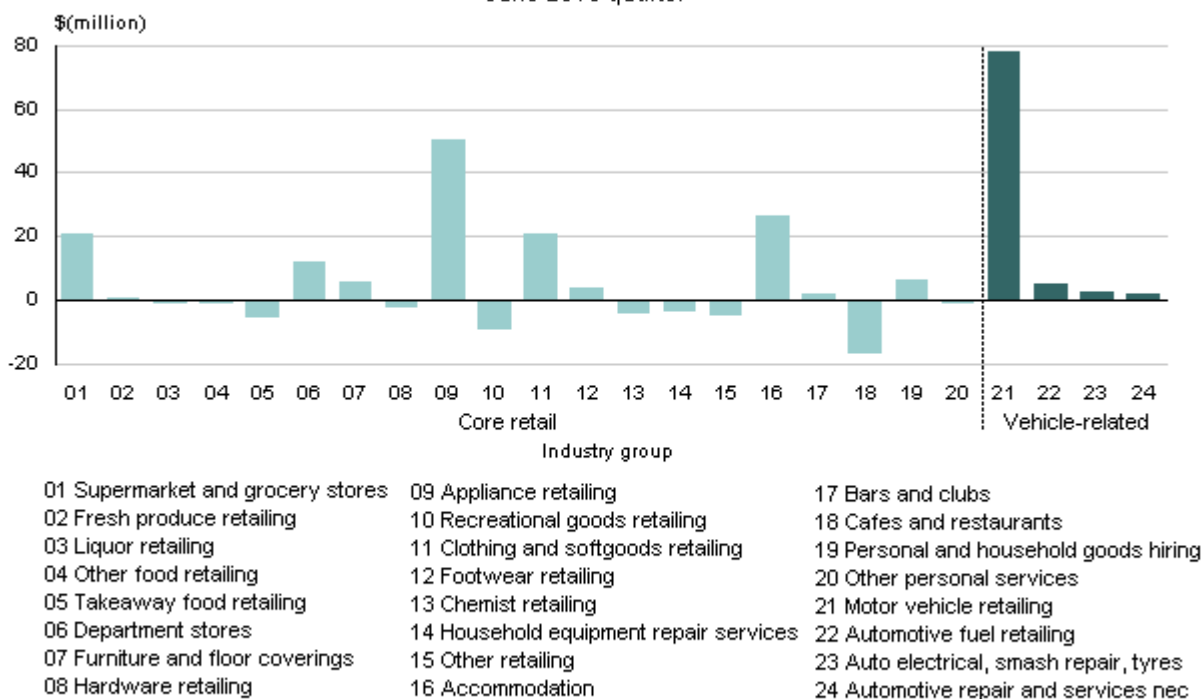
The biggest decreases were in cafes and restaurants (down 2.6 percent), and recreational goods retailing (down 2.0 percent).

Fourteen of the 24 retail industries had increased volumes in the June 2010 quarter, while 10 had decreases.

Retail industry contributions to the change in seasonally adjusted sales volumes⁽¹⁾

Change from previous quarter

June 2010 quarter



1. At September 1995 quarter prices.

Source: Statistics New Zealand

June 2010 quarter sales value summary

Total retail sales values for the June 2010 quarter rose 0.5 percent (\$83 million) compared with the March 2010 quarter. Retail sales values have increased every quarter since the March 2009 quarter. The value of core retail sales rose 0.4 percent (\$51 million), following a 0.6 percent (\$73 million) fall in the March 2010 quarter.

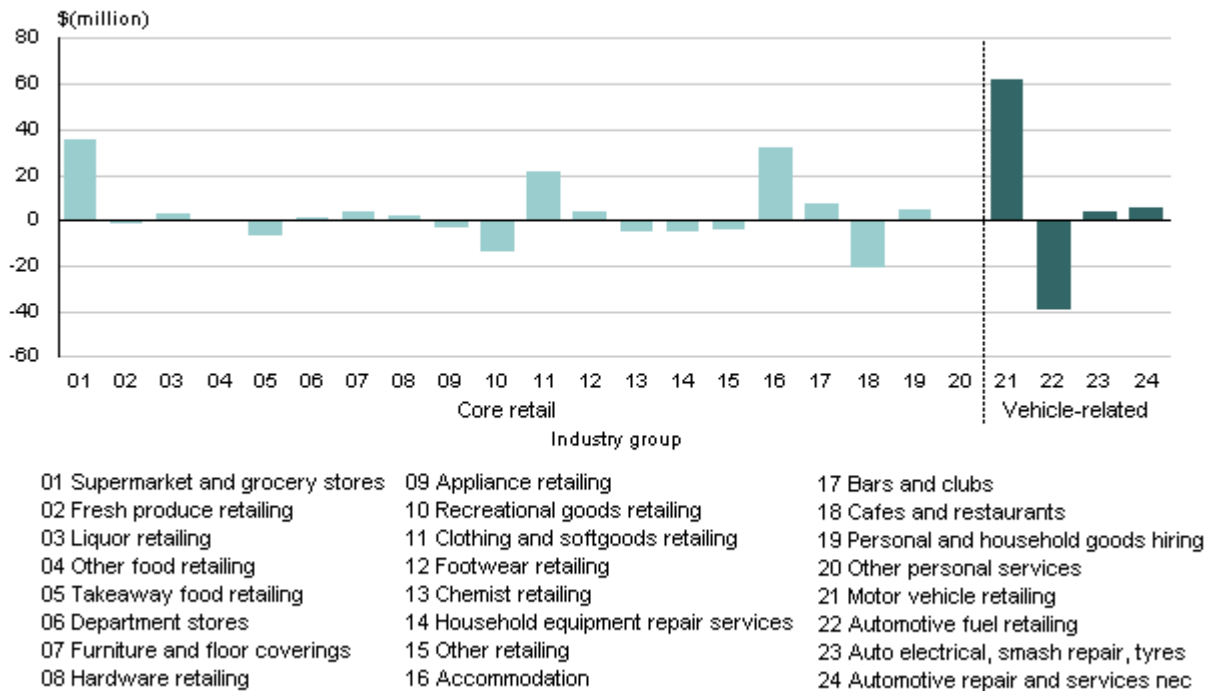
Thirteen of the 24 retail industries had increases, with the largest increase in motor vehicle retailing (up 3.6 percent or \$62 million). Motor vehicle retailing has been one of the top five contributors to the change in total retail sales values since the March 2009 quarter, and has been the largest contributor in both the March 2010 and June 2010 quarters. Because of their large size, the motor vehicle retailing and automotive fuel retailing industries often have a significant impact on total retail sales.

Increases in core retail included supermarket and grocery stores (up 0.9 percent or \$36 million), accommodation (up 4.8 percent or \$32 million), and clothing and softgoods retailing (up 3.2 percent or \$22 million).

The biggest decrease was in automotive fuel retailing, down 2.4 percent (\$40 million). Other significant decreases include cafes and restaurants (down 2.1 percent or \$21 million) and recreational goods retailing (down 2.3 percent or \$14 million).

Retail industry contributions to the change in seasonally adjusted sales values

Change from previous quarter
June 2010 quarter



Source: Statistics New Zealand

June 2010 quarter trends

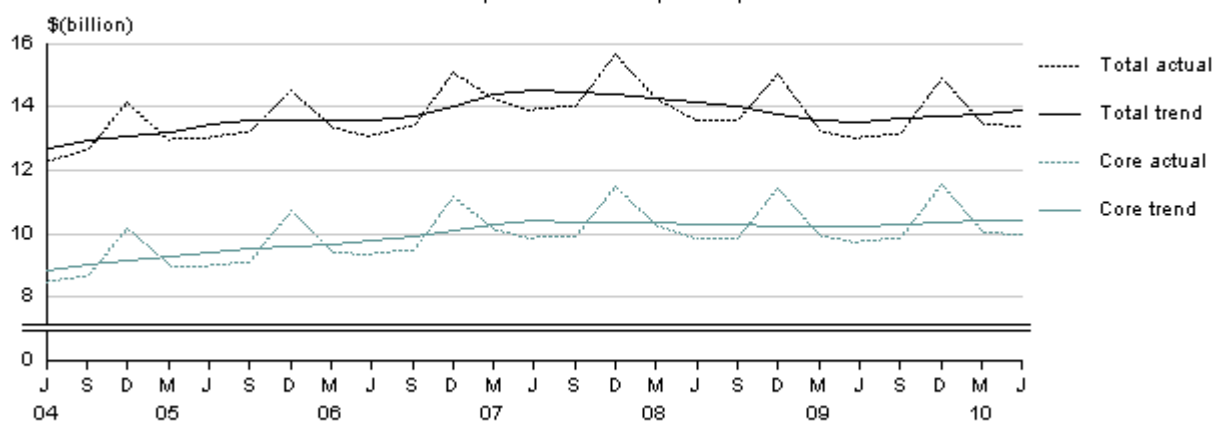
The total retail sales volume trend has been rising since the June 2009 quarter, up 2.9 percent. The core retail sales volume trend has also been rising, up 2.2 percent since the March 2009 quarter. Previously, both trends had been declining.

As illustrated in the following graph, while the total retail sales volume trend has been rising since reaching a turning point in the June 2009 quarter, it is still 4.1 percent down on the peak seen in June 2007.

The level of the core retail sales volume trend is at its highest, 0.4 percent above the level recorded before the period of decline experienced between the September 2007 and the March 2009 quarters.

Quarterly retail sales volumes

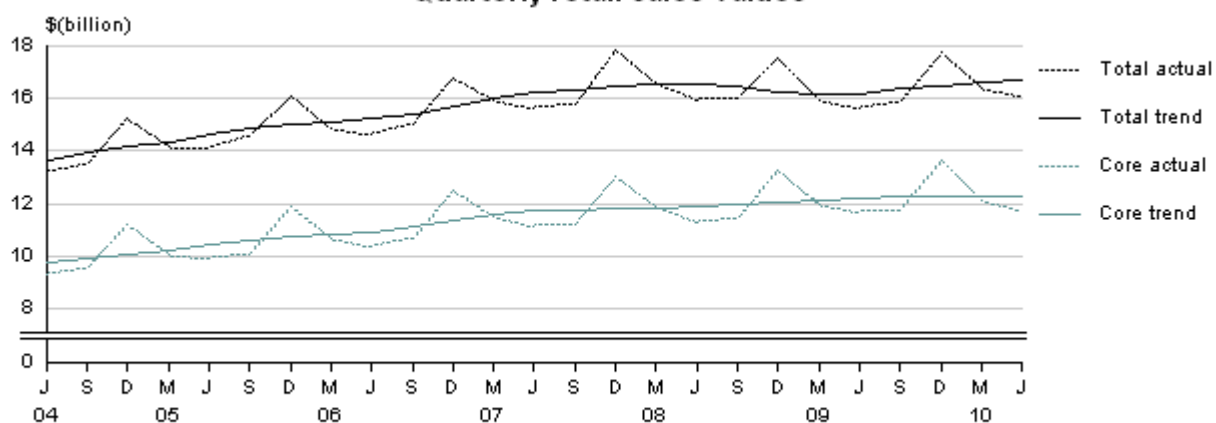
At September 1995 quarter prices



Source: Statistics New Zealand

The trend in total retail sales values has been rising since March 2009, up 3.3 percent. The trend fell 2.5 percent between the June 2008 and the March 2009 quarters. The trend in core retail sales values has flattened since the December 2009 quarter.

Quarterly retail sales values



Source: Statistics New Zealand

Actual sales June 2010 quarter

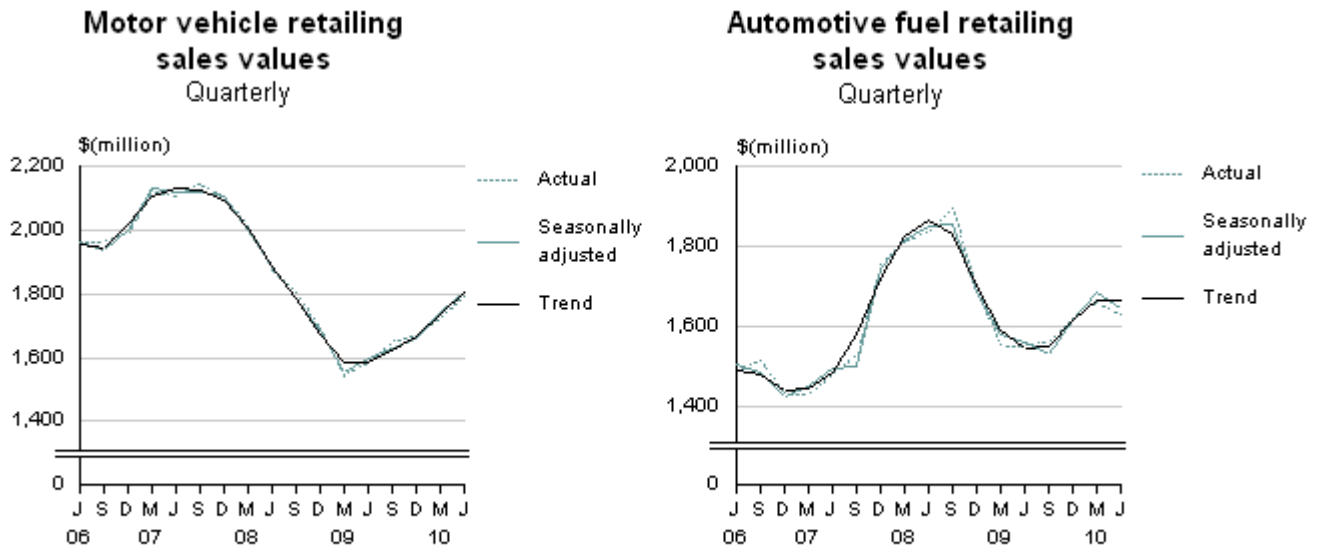
In the June 2010 quarter compared with the June 2009 quarter:

- the volume of actual retail sales, expressed in September 1995 quarter prices, was \$13.4 billion, up 2.8 percent
- the value of actual retail sales was \$16.1 billion, up 2.7 percent.

Motor vehicle and automotive fuel retailing

Motor vehicle retailing had both the biggest sales volume increase (up 4.0 percent), and the biggest sales value increase (up 3.6 percent or \$62 million) in the June 2010 quarter. Motor vehicle retailing has been the largest contributor to the increase in sales volume since the September 2009 quarter, and has also been one of the top five ranking contributors to the total retail sales value increases since the March 2009 quarter. Furthermore, it has been the largest contributor in both the March 2010 and June 2010 quarters.

The motor vehicle retailing sales volume trend has risen 10.6 percent since the September 2009 quarter, after falling 28.7 percent between the September 2007 and the September 2009 quarters. Similarly, the sales value trend has been rising since the June 2009 quarter, and has risen 14.1 percent since then. The current level of the sales value trend is, however, still 15.4 percent below its peak of \$2,134 million in the June 2007 quarter.



Source: Statistics New Zealand

In the June 2010 quarter, the automotive fuel retailing sales volume had its first increase (up 0.6 percent) since the June 2009 quarter. This industry had the largest sales value decrease (down 2.4 percent or \$40 million) for this quarter.

The trend in the volume of automotive fuel retailing sales has fallen 3.6 percent since the June 2009 quarter, but has flattened in the latest quarter. The trend in the value of automotive fuel retailing sales has risen 8.0 percent since the June 2009 quarter. This trend showed a decrease between the September 2008 and the June 2009 quarters, at a rate stronger than the rate of increase since the June 2009 quarter. At the June 2010 quarter, the level of the trend is still 10.6 percent below the peak reached in the June 2008 quarter.

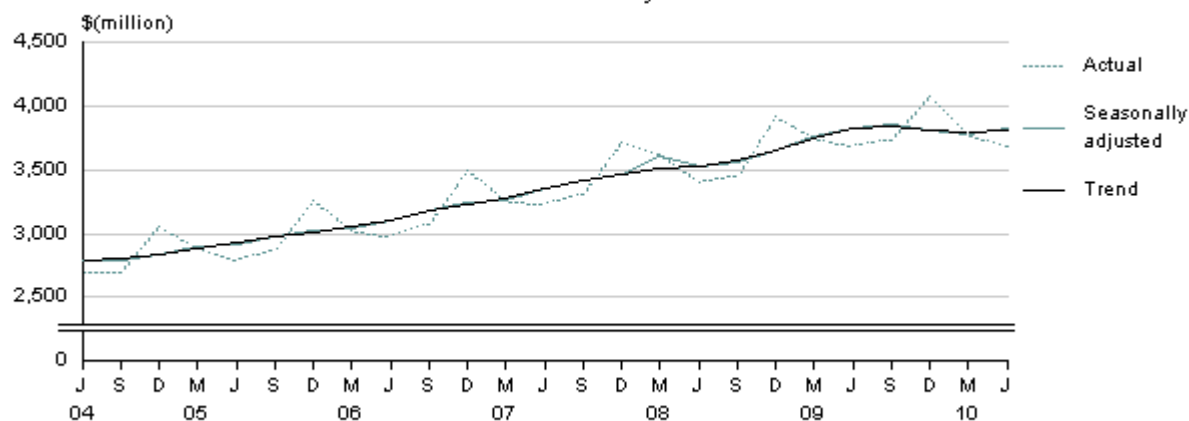
Supermarkets and grocery stores

Both sales volume and sales value in supermarkets and grocery stores have increased in the June 2010 quarter, up 0.8 percent and 0.9 percent, respectively. This follows two quarters of falls. This industry is one of the main contributors to the increase in volumes, and the second largest sales value increase (\$36 million) in the June 2010 quarter.

The trend in the volume of supermarkets and grocery stores sales has fallen 0.8 percent since the September 2009 quarter, although it appears to have flattened in the latest quarter. The sales value trend has fallen 0.9 percent since September 2009, the first time it has done so since the series began in the September 1995 quarter.

Supermarket and grocery store sales values

Quarterly



Source: Statistics New Zealand

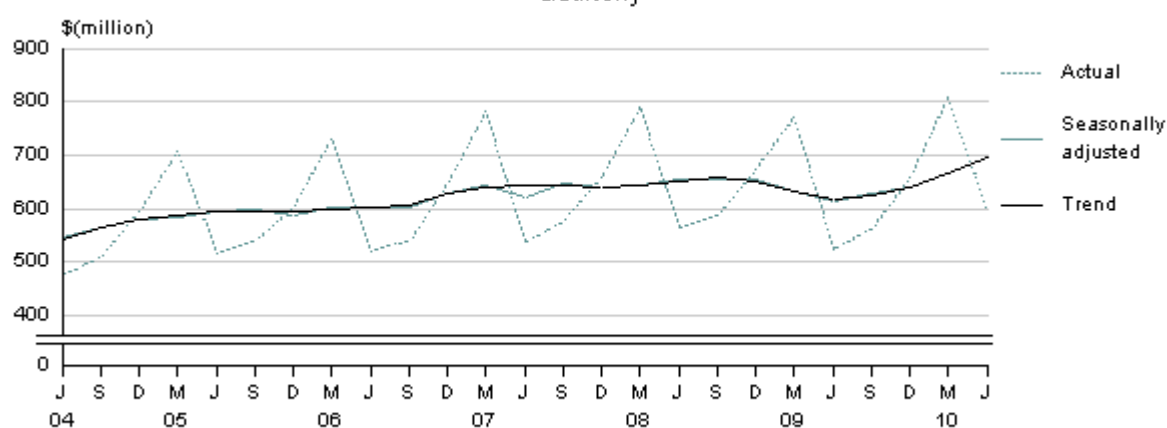
Accommodation

Accommodation recorded the third largest increase in both sales volumes (up 5.4 percent) and sales values (up 4.8 percent or \$32 million) in the June 2010 quarter.

After falling 9.7 percent between the June 2007 and the June 2009 quarters, the sales volume trend has since risen 12.4 percent. The rate of increase is strong, averaging 3.0 percent since the June 2009 quarter. The level of the sales value trend is at its highest since the beginning of the series, and has risen 12.3 percent since the June 2009 quarter.

Accommodation sales values

Quarterly

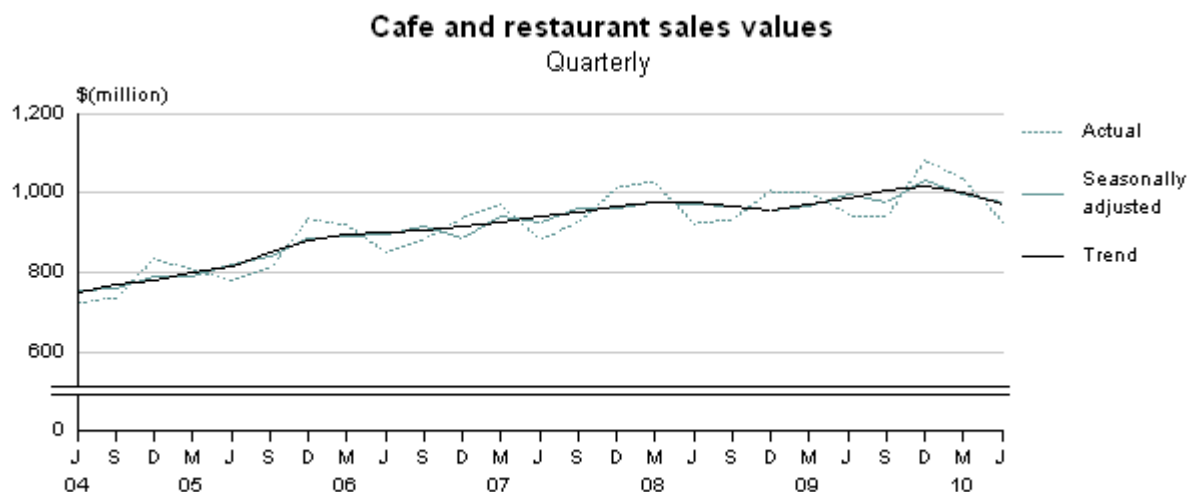


Source: Statistics New Zealand

Cafes and restaurants

Cafes and restaurants had the largest decrease in sales volumes in the total retail industries, down 2.6 percent; and the largest decrease in sales values in the core retailing industries, down 2.1 percent (\$21 million) in the June 2010 quarter. Despite a 0.5 percent sales value increase in April 2010, cafes and restaurants have had two consecutive sales decreases, resulting in an overall decrease for the quarter.

Both sales volume and sales value trends seem to have reached turning points in the December 2009 quarter, and have been falling since then, down 5.2 percent and 4.3 percent, respectively.



Source: Statistics New Zealand

Stock

All references to stocks are in actual dollars.

The actual value of stocks held at the end of the June 2010 quarter was 3.2 percent (\$171 million) higher than at the end of the June 2009 quarter. This is the second quarter to show an increase in the value of stocks held compared with the same period of the previous year, since the four consecutive periods of falls between the March 2009 and December 2009 quarters.

Compared with a year earlier, 14 of the 24 retail industries showed increases in stock values. The biggest increases were in:

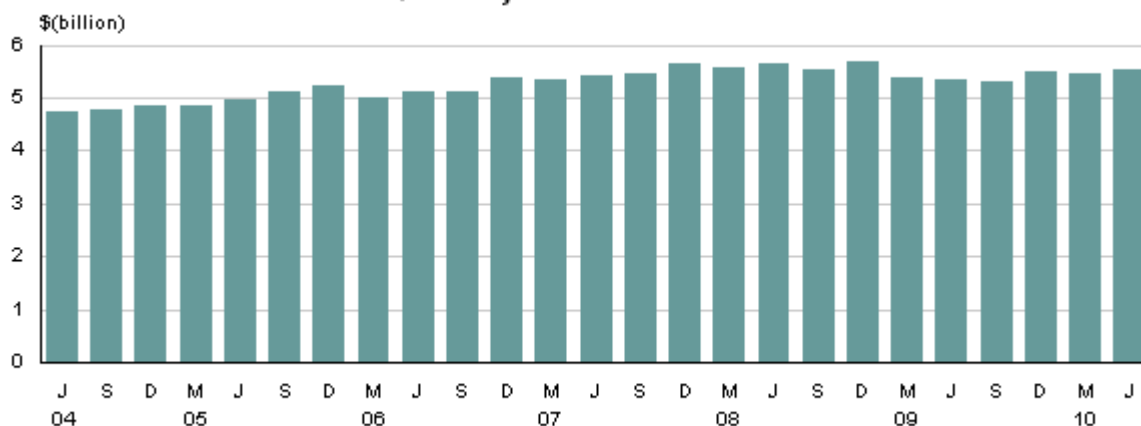
- other retailing, up 13.5 percent (\$74 million)
- motor vehicle retailing, up 7.4 percent (\$68 million)
- recreational goods retailing, up 8.3 percent (\$35 million)
- supermarket and grocery stores, up 6.8 percent (\$35 million)
- automotive electrical, smash repair, tyres, up 27.6 percent (\$25 million)
- automotive repair and services nec (not elsewhere classified), up 13.1 percent (\$12 million).

The other eight industries had increases of \$8 million or less.

Of the ten industries that held decreased stock values, the biggest decreases were in:

- appliance retailing, down 7.1 percent (\$27 million)
- liquor retailing, down 12.5 percent (\$20 million)
- hardware retailing, down 5.2 percent (\$16 million).

Quarterly retail stock levels



Source: Statistics New Zealand

Regional estimates

In the June 2010 quarter, the value of seasonally adjusted retail sales in both the North Island and the South Island increased, up 0.3 percent (\$33 million) and 1.1 percent (\$47 million), respectively. Changes in regional sales were as follows:

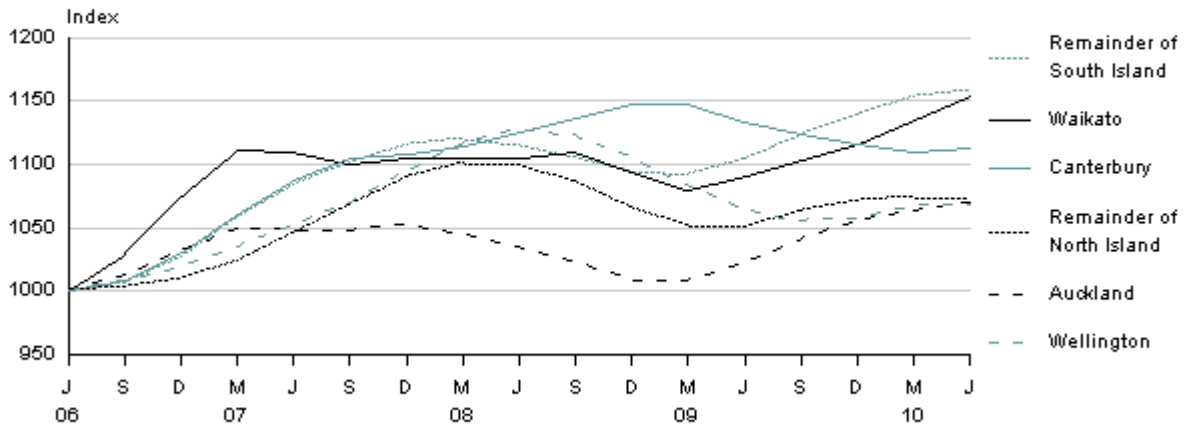
- Auckland, up just 0.2 percent (\$12 million)
- Waikato, up 1.4 percent (\$21 million)
- Wellington, down 0.5 percent (\$9 million)
- Remainder of the North Island, up just 0.2 percent (\$9 million)
- Canterbury, up 1.8 percent (\$38 million)
- Remainder of the South Island, up 0.4 percent (\$9 million).

Illustrated in the graph below, regional sales trends are as follows:

- Auckland – the trend has been rising (up 6.2 percent since the March 2009 quarter). The trend fell 4.2 percent in the five quarters from March 2008 to March 2009.
- Waikato – the trend has been rising (up 6.9 percent since the March 2009 quarter). The trend fell 2.8 percent between December 2008 and March 2009.
- Wellington – the trend has been rising since the September 2009 quarter (up 1.1 percent). It is however still 5.3 percent lower than the peak reached in the June 2008 quarter.
- Remainder of the North Island – the trend has been rising (up 2.2 percent since June 2009), but has flattened in recent quarters. The level of the trend is 2.5 percent below the level reached in the March 2008 quarter, when it reached a turning point and fell for five quarters.
- Canterbury – the trend reached a turning point in the March 2009 quarter and its current level is 3.1 percent lower than this. The trend has flattened in the latest quarter.
- Remainder of the South Island – the trend has been rising (up 6.2 percent since the March 2009 quarter), after falling 2.5 percent between the June 2008 and March 2009 quarters.

Quarterly index numbers

Retail sales values trend by geographical region
Base: June 2006 quarter (=1000)



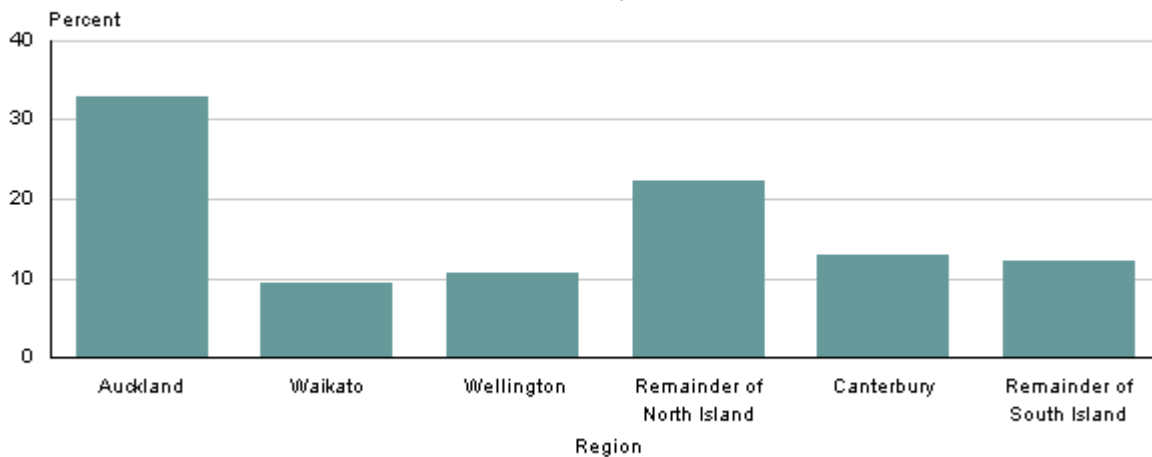
Source: Statistics New Zealand

Contributions to total actual retail sales in the June 2010 quarter were:

- Auckland, 32.8 percent
- Waikato, 9.4 percent
- Wellington, 10.6 percent
- Remainder of the North Island, 22.2 percent
- Canterbury, 12.8 percent
- Remainder of the South Island, 12.2 percent.

Regional contribution to actual retail sales values

June 2010 quarter



Source: Statistics New Zealand

June 2010 month

In the June 2010 month, seasonally adjusted total retail sales increased 0.9 percent (\$52 million) compared with May 2010. This month's increase was driven by core retail (which excludes vehicle-related industries), up 1.5 percent (\$61 million). Fourteen of the 20 core retail industries recorded increases.

The largest increases in core retail were in recreational goods retailing (up 9.5 percent or \$18 million), other retailing (up 6.7 percent or \$17 million), and liquor retailing (up 11.9 percent or \$11 million). Automotive repair and services nec was the only vehicle-related industry to increase significantly in June, up 5.6 percent (\$10 million).

The largest decreases were in automotive fuel retailing, down 2.8 percent (\$16 million), followed by appliance retailing (down 3.7 percent or \$8 million), and cafes and restaurants (down 2.4 percent or \$8 million).

The total retail sales trend has been rising since February 2009 (up 3.6 percent), although the rate of growth has flattened in recent months. The core retail trend has also been rising, up 0.7 percent since February 2010.

Seasonally adjusted total retail sales increased in all regions except Remainder of the North Island.

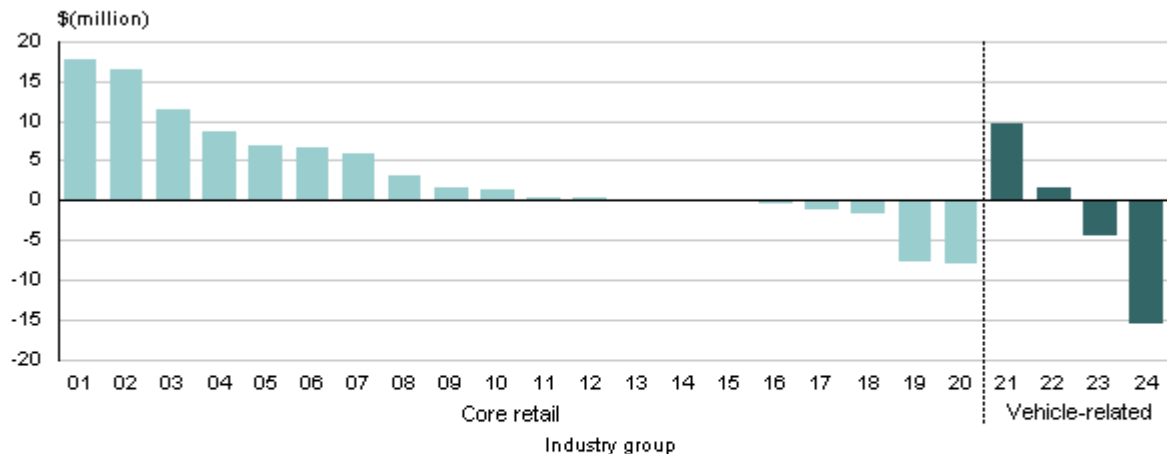
Regional sales trends were as follows:

- Auckland – the sales trend has been rising since January 2009, up 6.6 percent, but has recently flattened.
- Waikato – the sales trend has risen 6.7 percent since January 2009; the rate of increase has been strong, averaging 0.6 percent a month since September 2009.
- Wellington – the sales trend has fallen 5.9 percent since March 2008; but has flattened since January 2010.
- Remainder of the North Island – the sales trend has been flat since November 2009, falling less than 0.1 percent since then.
- Canterbury – the sales trend has been rising since February 2010, up 2.1 percent. The level of the trend is 2.9 percent below the peak reached in January 2009.
- Remainder of the South Island – the sales trend has been rising since January 2009, up 6.7 percent; the rate of increase has eased since January 2010.

Retail industry contributions to the change in seasonally adjusted sales values

Change from previous month

June 2010



01 Recreational goods retailing	09 Hardware retailing	17 Other food retailing
02 Other retailing	10 Other personal services	18 Fresh produce retailing
03 Liquor retailing	11 Chemist retailing	19 Cafes and restaurants
04 Accommodation	12 Furniture and floor coverings	20 Appliance retailing
05 Supermarket and grocery stores	13 Footwear retailing	21 Automotive repair and services nec
06 Clothing and softgoods retailing	14 Personal and household goods hiring	22 Auto electrical, smash repair, tyres
07 Department stores	15 Takeaway food retailing	23 Motor vehicle retailing
08 Household equipment repair services	16 Bars and clubs	24 Automotive fuel retailing

Source: Statistics New Zealand

Revisions

There were no revisions in the June 2010 quarter.

Related information

For the June 2010 quarter compared with the March 2010 quarter:

- The consumers price index rose 0.3 percent.
- New Zealand Transport Agency figures, which are not seasonally adjusted, showed new registrations of cars and station wagons (including cars previously registered overseas) were up 0.4 percent.

Long-term comparisons:

- Credit card billings in New Zealand, including spending using New Zealand and overseas issued cards, rose 2.6 percent in the month of June 2010 and rose 3.1 percent in the June 2010 quarter (each compared with the same period of the previous year).

Other:

- The Reserve Bank of New Zealand's Official Cash Rate (OCR) was increased once during the June 2010 quarter. The OCR began the quarter at 2.50 percent and was increased to 2.75 percent on 10 June.

Measurement errors

All statistical estimates are subject to measurement errors. These include both sample errors and non-sample errors. In addition, the survey applies imputation methodologies to cope with small firms and non-response. These measurement errors should be considered when analysing the results from the survey. For more information on measurement errors, please refer to the 'Technical notes' section of this release.

Sample errors

The postal survey was designed to give statistics at the following levels of accuracy (at the 95 percent confidence interval limit):

- 2 percent for sales at the total national retail trade level
- 10 percent for sales at the published national retail industry level.

This means, for example, that there is a 95 percent chance that the true value of total retail trade sales lies within 2 percent of the published estimate.

Retail trade survey: June 2010 month sample errors by industry At the 95 percent confidence interval limit		
Retail industry	Level (relative percent)	Movement (absolute percent)
Supermarket and grocery stores	3.7	1.2
Fresh meat, fish, poultry, fruit, and vegetables	8.8	6.1
Liquor retailing	10.1	6.7
Other food retailing	9.1	5.6
Takeaway food retailing	5.6	2.7
Department stores	0.0	0.0
Furniture and floor coverings	8.4	5.2
Hardware	6.6	2.1
Appliance retailing	9.1	2.3
Recreational goods	5.9	3.7
Clothing and softgoods	6.1	4.8
Footwear	9.3	0.9
Chemist	5.7	3.9
Household equipment repair services	16.9	17.7
Other retailing	7.1	4.6
Motor vehicle retailing	9.1	3.2
Automotive fuel retailing	6.0	2.7
Automotive electrical services, smash repairing, tyre retailing	6.8	4.8
Automotive repair and services, nec	8.3	6.1
Accommodation	6.8	2.3

Bars and clubs	8.2	3.7
Cafes and restaurants	4.8	3.0
Personal and household goods hiring	11.7	5.9
Other personal services	6.0	3.3
Total retail trade	1.7	1.5
<p>Note: nec = not elsewhere classified. Industries with zero sample error are full-coverage industries. In these industries, all large firms are surveyed and all small to medium-sized firms are modelled using administrative data sourced from Inland Revenue.</p>		

Retail trade survey: June 2010 month sample errors by region		
At the 95 percent confidence interval limit		
Region	Level (relative percent)	Movement (absolute percent)
Auckland	3.4	1.5
Waikato	11.9	4.1
Wellington	5.5	2.7
Remainder of the North Island	5.9	1.7
Canterbury	6.3	2.3
Remainder of the South Island	9.0	2.9

Imputation

Small firms

Small to medium-sized firms are generally not surveyed. Their variables are instead modelled from administrative data (GST) sourced from Inland Revenue. Ratios calculated from the postal sample units are applied to the administrative data to provide an estimate of their variables.

Non-response imputation

Although every attempt is made to achieve a 100 percent response rate, in practice this does not occur. Values for non-responding businesses are estimated by a number of methods, including:

- regression imputation
- historic imputation
- mean imputation.

Regression imputation involves estimating sales from the unit's administrative data (GST sales) based on the relationship shown by similar businesses. Historic imputation involves multiplying their response in the previous period by a non-response factor. The non-response factor is the average movement of similar businesses over the month. Mean imputation involves estimating a value for a unit by using the average value for a set of similar businesses.

Sales imputed in the June 2010 month		
Retail industry	Tax modelled	Non-response
	Percentage of sales	
Supermarket and grocery stores	5.7	6.2
Fresh meat, fish, poultry, fruit, and vegetables	8.8	17.5
Liquor retailing	11.8	15.0
Other food retailing	11.2	14.1
Takeaway food retailing	8.0	16.4
Department stores	0.0	0.0
Furniture and floor coverings	13.0	16.9
Hardware	6.0	9.5
Appliance retailing	8.0	9.6
Recreational goods	8.9	15.1
Clothing and softgoods	8.7	10.1
Footwear	7.9	8.8
Chemist	5.6	15.2
Household equipment repair services	9.4	12.1
Other retailing	16.4	13.7
Motor vehicle retailing	10.4	8.9
Automotive fuel retailing	2.1	6.6
Automotive electrical services, smash repairing, tyre retailing	10.7	14.2
Automotive repair and services, nec	11.2	12.9
Accommodation	8.6	16.8
Bars and clubs	10.3	14.0
Cafes and restaurants	10.1	17.3
Personal and household goods hiring	11.8	14.1
Other personal services	13.3	15.6
Total retail trade	7.8	10.2
Note: nec = not elsewhere classified		

Postal response rate

The response rate describes the proportion of geographic units that provided survey responses. Note that the calculation of this response rate relates only to data for the postal sample. The Retail Trade Survey has a target response rate of 85 percent. The response rate achieved for the June 2010 month was 89 percent.

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Next release ...

Retail Trade Survey: July 2010 will be released on 14 September 2010.

Technical notes

Background to the survey

The Retail Trade Survey (RTS) is designed to provide short-term economic indicators of the retail trade sector. In addition, the data is used for the compilation of the retail trade sector component of quarterly national accounts (on the production side) and in the compilation of household consumption expenditure (on the expenditure side). The survey was last redesigned for the September 2003 quarter. For more details about the redesign refer to [Retail Trade Survey – Redesign: September 2003](#) and the [Retail Trade Survey – Survey design information paper](#).

Population

The target population for this survey is all geographic units (GEOs) operating in New Zealand that are classified on Statistics New Zealand's Business Frame to the Australian and New Zealand Standard Industrial Classification (ANZSIC96) below:

- retail trade (ANZSIC division G)
- accommodation, cafes and restaurants (ANZSIC division H)
- personal services (ANZSIC subdivision 95 of division Q).

Only enterprises with a turnover of \$30,000 or more are eligible for selection.

Industry descriptions

A geographic unit is included in an industry based on its predominant activity in terms of sales. For example, a footwear store will sell shoes and boots, but it may also sell bags and other accessories. The store will be classified to the footwear industry if most of its sales income comes from the sale of shoes and boots. The 24 industries are defined as follows:

Retail trade survey industry descriptions	
Industry	ANZSIC96 code
G0111 Supermarket and grocery stores	G511010 Supermarkets
	G511020 Groceries and dairies
G0121 Fresh meat, fish, poultry, fruit, and vegetable retailing	G512100 Fresh meat, fish, and poultry retailing
	G512200 Fruit and vegetable retailing
G0122 Liquor retailing	G512300 Liquor retailing
G0123 Other food retailing	G512400 Bread and cake retailing
	G512600 Milk vending
	G512900 Specialised food retailing nec

Industry	ANZSIC96 code
G0124 Takeaway food retailing	G512510 Fish and chips, hamburger and ethnic food, takeaway stores
	G512520 Chicken takeaway stores
	G512530 Ice-cream parlours and mobile ice-cream vendors
	G512540 Pizza takeaway stores
	G512590 Other takeaway food stores (including sandwiches and savouries) nec
G0131 Department stores	G521000 Department stores
G0141 Furniture and floor coverings retailing	G523100 Furniture retailing
	G523200 Floor covering retailing
G0142 Hardware retailing	G523300 Domestic hardware and houseware retailing
G0143 Appliance retailing	G523400 Domestic appliance retailing
	G523500 Recorded music retailing
G0144 Recreational goods retailing	G524100 Sport and camping equipment retailing
	G524200 Toy and game retailing
	G524300 Newspaper, book, and stationery retailing
	G524400 Photographic equipment retailing
	G524500 Marine equipment retailing
G0151 Clothing and softgoods retailing	G522100 Clothing retailing
	G522300 Fabrics and other soft good retailing
G0152 Footwear retailing	G522200 Footwear retailing
G0153 Chemist retailing	G525100 Pharmaceutical, cosmetic, and toiletry retailing
G0154 Household equipment repair services	G526100 Household equipment repair services (electrical)
	G526900 Household equipment repair services nec
G0159 Other retailing	G525200 Antique and used good retailing
	G525300 Garden supplies retailing
	G525400 Flower retailing
	G525500 Watch and jewellery retailing
	G525900 Retailing nec

Industry	ANZSIC96 code
G0161 Motor vehicle retailing	G531100 Car retailing
	G531200 Motor cycle dealing
	G531300 Trailer and caravan dealing
G0162 Automotive fuel retailing	G532100 Automotive fuel retailing
G0163 Automotive electrical services, smash repairing, and tyre retailing	G532200 Automotive electrical services
	G532300 Smash repairing
	G532400 Tyre retailing
G0164 Automotive repair and services nec	G532900 Automotive repair and services nec
H0111 Accommodation	H571010 Hotels (accommodation)
	H571020 Motels and motor inns
	H571030 Hosted accommodation
	H571040 Backpacker and youth hostels
	H571050 Caravan parks and camping grounds
	H571090 Accommodation nec
H0121 Bars and clubs	H572000 Pubs, taverns, and bars
	H574000 Clubs (hospitality)
H0122 Cafes and restaurants	H573000 Cafes and restaurants
Q0111 Personal and household goods hiring	Q951100 Video hire outlets
	Q951900 Personal and household goods hiring nec
Q0112 Other personal services	Q952100 Laundries and dry-cleaners
	Q952200 Photographic film processing
	Q952300 Photographic studios
	Q952400 Funeral directors, crematoria, and cemeteries
	Q952500 Gardening services
	Q952600 Hairdressing and beauty salons
	Q952900 Personal services nec
Note: nec = not elsewhere classified	

Sample design

The survey population is stratified according to:

- industries defined by the ANZSIC-based ANZIND classification at the inter-industry level
- size (in terms of rolling-mean employment)
- turnover (annualised GST sales).

Each ANZIND inter-industry contains between two and four substrata. Because of the contribution that large units make to the economic activity within each industry, they are all

included in the sample. A portion of the remaining medium to large units is also included in the sample. In addition, small to medium-sized businesses have their data modelled from administrative data (GST) sourced from Inland Revenue. The Inland Revenue data have been forecast two to three months ahead. All retailing GEOs belonging to a selected 'enterprise' are included.

There are approximately 70,000 retail outlets in New Zealand. Around 3,500 enterprises (between 9,000 and 10,000 GEOs) have been selected in the RTS postal sample. The postal sample is supplemented by GST data representing smaller retailers, approximately 36,200 enterprises (36,600 GEOs).

Sample maintenance

Sample maintenance is the process that maintains the sample over time, to reflect 'births', 'deaths' and other structural changes identified on the Business Frame. The information for Business Frame changes can be from a variety of sources, including GST registrations and respondent contact.

New enterprises are identified when they register for GST. Once a month, the new enterprises are selected into the sample using the same criteria as for the original sample. These are referred to as births. When an enterprise ceases trading, its retailing GEOs are removed from the survey. These are referred to as deaths.

Enterprises can also enter or leave the survey sample if they are reclassified to a different industry. Reclassifications occur when an enterprise changes its main form of activity (eg from wholesale trade to retailing). These are usually identified in the Annual Frame Update Survey conducted in February of each year.

Sample reselection

The sample for the RTS is reselected each month to ensure the sample reflects changes occurring in the retailing population.

Measurement errors

Errors in the survey are divided into two classes:

Non-sampling error

Non-sampling error includes errors arising from biases in the patterns of response and non-response, inaccuracies in reporting by respondents, and errors in the recording and coding of data. The size of these errors is difficult to quantify. Statistics may be revised if significant errors are detected in subsequent quarters.

Sampling error

Sampling error is a measure of the variability that occurs by chance because a sample, rather than an entire population, is surveyed.

Definitions

ANZSIC96

Australian and New Zealand Standard Industrial Classification system – New Zealand version 1996.

ANZIND

An ANZSIC-based classification used to group industries for publication.

Business Frame

A register of all economically significant businesses operating in New Zealand. The population of the RTS is drawn from the Business Frame.

Deflators

Deflators are indexes that measure the rate of price change of goods and services sold by each RTS industry. Deflators are not calculated for the subtotal or all industries total. For information on how deflators are calculated follow the [link](#) from the technical notes of this release on the Statistics NZ website.

Enterprise

An enterprise is a business entity operating in New Zealand, either as a legally constituted body such as a company, partnership, trust, local or central government trading organisation, or a self-employed individual.

Geographic unit

A geographic unit is a subdivision of an enterprise. It is a separate operating unit engaged in New Zealand in one, or predominantly one, kind of economic activity from a single physical location or base.

Per head of population

The population measure used for the RTS is the estimated residential population. It excludes short-term visitors to New Zealand.

Sales volumes expressed in September 1995 quarter prices

A constant price estimate, from which the portion of the current price sales' movement caused by price changes has been removed.

Use of retail trade data in quarterly national accounts

A key use of the RTS is in the calculation of retail trade value added for the compilation of quarterly gross domestic product (GDP).

The quarterly GDP retail trade indicator uses retail sales volumes expressed in September 1995 quarter prices, by industry series from the RTS. These series are chain-linked to give constant

price sales at the ANZSIC96 working industry level. The chain-linking weights are calculated using annualised quarterly current prices sales by RTS industry.

Seasonally adjusted series

The X-12-ARIMA package has been used to produce the seasonally adjusted estimates and trend estimates for sales in all subdivisions. Seasonal adjustment aims to eliminate the impact of regular seasonal events (such as annual cycles in agricultural production, winter, or annual holidays) on time series. This makes the data for adjacent months more comparable.

All seasonally adjusted figures are subject to revision each month. This enables the seasonal component to be better estimated and removed from the series.

Estimated trend

For any series, the survey estimates can be broken down into three components: trend, seasonal, and irregular. While seasonally adjusted series have had the seasonal component removed, trend series have had both the seasonal and the irregular components removed. Trend estimates reveal the underlying direction of movement in a series, and are likely to indicate turning points more accurately than are seasonally adjusted estimates.

The trend series are calculated using the X-12-ARIMA seasonal adjustment package. They are based on a 13-term or 23-term moving average of the monthly seasonally adjusted series, and a five-term or seven-term moving average of the quarterly seasonally adjusted series, with an adjustment for outlying values.

Trend estimates towards the end of the series incorporate new data as they become available and can therefore change as more observations are added to the series. Revisions can be particularly large if an observation is treated as an outlier in one month, but is found to be part of the underlying trend as further observations are added to the series. Typically, only the estimates for the most recent month will be subject to substantial revisions.

Regional estimates

In the October 2003 month, the RTS sample of geographic units changed. Data prior to the October 2003 month is an analytical back series, which has been derived to preserve industry movements at the national level. However, previously published regional movements may not have been preserved. Care should be taken when interpreting movements of regional series around the period of the redesign.

More information

For more information, follow the [link](#) from 'Technical notes' of this release on the Statistics NZ website.

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Timing

Timed statistical releases are delivered using postal and electronic services provided by third parties. Delivery of these releases may be delayed by circumstances outside the control of Statistics NZ. Statistics NZ accepts no responsibility for any such delays.

Tables

The following tables are printed with this Hot Off the Press and can also be downloaded from the Statistics New Zealand website in Excel format. If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print and export the contents of the file.

1. Actual retail sales by month, by industry
2. Seasonally adjusted retail sales by month, by industry
3. Retail sales trend by month, by industry
4. Summary by quarter
5. Actual retail sales by quarter by industry
6. Actual retail sales volumes expressed in September 1995 quarter prices, by quarter by industry
7. Seasonally adjusted retail sales by quarter by industry
8. Seasonally adjusted sales volumes expressed in September 1995 quarter prices, by quarter by industry
9. Retail sales trend by quarter by industry
10. Retail sales trend expressed in September 1995 quarter prices, by quarter by industry
11. Actual retail sales by geographical region
12. Actual retail sales by geographical region, excluding motor vehicle retailing
13. Seasonally adjusted retail sales by geographical region
14. Retail sales trend by geographical region
15. Retail stocks at end of quarter, by industry
16. Retail trade sales deflators by industry, percentage change from previous quarter
17. Retail trade sales deflators by industry, percentage change from same quarter previous year