UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION

Expert Group on Distributive Trade Statistics
Second meeting
New York, 16-19 July 2007

SUMMARY OF COMMENTS
on
International Recommendations on Distributive Trade Statistics
(Comments received as of 12 July 2007)

GENERAL COMMENTS

Armenia

In response to Mr. Paul Cheung's letter dated 6 June 2007 I am pleased to inform you that the National Statistical Service of RA has no any comments and recommendations on the Provisional Draft of International Recommendations on Distributive Trade Statistics.

Australia

(30-05-2007) As a whole the draft chapters represent a very comprehensive set of recommendations in respect of distributive trade statistics and the drafters are to be commended highly for their efforts. A few general comments:

a) As noted in para 2 a range of international manuals, standards etc were used in preparing the IRDTS. No doubt those manuals, standards etc will change over time which raises the question of whether the document should flag any firm plans or suggested timeframes as to when the IRDTS might be reviewed in the future.

b) In spite of paras 1, 7 and 8 of the Introduction which emphasise the fact that the IRDTS is primarily for guidance and a framework, and compilers are encouraged to assess the applicability and practicality to their situation, I wonder if that message could be reinforced at different points in the document eg performance indicators or more strongly in the Introduction. My concern is that the IRDTS will be viewed as 'best practice' and NSOs may pursue all recommendations without due regard to their circumstances eg I would not consider it 'best practice' for an NSO to impose very significant response burden and high operational costs to collect information that might be of marginal utility in their particular circumstance.

c) At various stages the paper goes beyond the issues of principles, concepts and broad statistical frameworks into specific recommendations regarding what are very much practical issues and which might be better left to a Compilers Manual or Handbook of Good Practices.   For the purposes of this paper I think it suffice to say that the question of whether and how NSOs might compile the data will be dependent on available data sources, respondent load issues, resources, etc.

d) I noted a number of minor typo/grammatical errors which I am sure will be captured in the final editing process.

(12-06-2007) Comments on each of the chapters are provided below. General comments provided in my previous email of 30 May are also relevant to these chapters ie matching up the range of statistics compiled with the circumstances of the agency, the data needs of key users and the respondent burden imposed need to be kept strongly in mind

The other observation I would make is that subsequent to receipt of this draft I have now received the IRIS from your UNSD colleagues. And while the format is (appropriately and as previously encouraged) the same in terms of chapter headings, it strikes me that the style is a somewhat different. Specifically there is variation in the breadth and depth of discussion on some issues and the IRDTS appears to make more recommendations that its IRIS counterpart. No doubt you will be comparing notes over the next few weeks but I think there is merit in having a similar style for both documents

Austria

Statistics Austria appreciates the work of the United Nations Statistical Commission concerning the revision of existing recommendations in the area of statistics. The international recommendations on distributive trade statistics provide all necessary information for the collection and compilation of statistics in this sector and will be a useful source of information for producers as well as users of statistical information.

In Austria, distributive trade statistics is compiled according to the provisions of the European Statistical System. In general, European Regulations are the legal basis for producing these statistics in a harmonised way across Europe. Methodological manuals and recommendations as essential tools for assisting statisticians dealing with the statistical domains in question are produced by experts in Task Forces of Eurostat. These manuals, which are based on statistical domains not on economic sectors, have similar structures and contents as the proposal of the UN for an International Recommendation for distributive trade statistics.

In order to promote an integrated approach for compilation of statistics all available information from Eurostat should be taken into consideration for the production of international recommendations. These recommendations are discussed and accepted from MS of the European Union. As it can be seen from the references to the draft International Recommendation on distributive trade statistics many handbooks and manual produced by Eurostat have been taken into consideration. Nevertheless there are additional recommendations for Short term statistics and manuals for structural business statistics as well as short term statistics which can be taken into consideration also.

Where appropriate, these various methodological manuals of Eurostat can be a useful source of information as harmonisation and international comparability of statistical information should be one of the most important aims of data producers and users of statistical information. In this way the international recommendations on distributive trade statistics will be a very helpful source of information.

Azerbaijan

I would like to thank you for methodological plan prepared by UN EGTSD about Distributive Trade Statistics which was presented to your letter STAT 245(2) 6 June, 2007. We don't have any comment for plan which was compiled for discussion.

Brazil

The International Recommendations on Distributive Trade Statistics-IRDTS Draft Version 1 encompasses all the detailed rules for the data collection and compilation related to distributive trade and will be a reference for countries which intend to establish a program in trade statistics or improve the current statistics.

Although distributive trade is viewed as the main channel between producers and consumers, acting as a link between them and taking the major risks in this distribution chain, other activities partake too in this chain and give important contribution for all distribution process. Therefore, distributive trade could be analyzed in another perspective that could include activities related to distributive services just as: road, railroad, water and air transportation, warehousing and auxiliaries and support activities. These services constitute a system operating along distributive trade and the alternative to include them in this frame could provide a broader perception about distributive sector, allowing deepen analysis about the distribution chain as whole.

It is important do underline that the pricing process of goods in the intermediation chain includes a share of every activity, making up the price to the final consumers.

Besides distributive services, another services connected directly to the sales of goods like installation may be subject of discussion. In some cases these installation services are performed by thirds as subcontractors and, as I understood, they are not covered in distributive trade. It's important to include these services as long as they are part of the distribution chain and without them some goods wouldn't be sold.

The activities concerning the post-sales process may include repair and maintenance services and it is another issue to be dealt in the distributive sector. Nowadays the more competitive market compels the enterprises to search new strategies in business aiming at to establish a long-term link of fidelity with their customers. These lasting strategies of relationship enterprises/customers include the guarantee of full use of the goods, offering a great chain of repair and maintenance shops representing them. Therefore retail stores give these guarantees in the name of the producer, inclusively the change of the product in case of misfunction. As I understood, these repair and maintenance services are not included in distributive trade.

Advertising services and marketing are also another issue to discussion due its importance in boosting business as a whole and, particularly, distributive trade. Nevertheless due the complexity of the matter these services may considered as auxiliaries activities to distributive trade.

Therefore the distributive sector could encompass distributive trade, distributive services and auxiliaries services to distributive trade (advertising services and marketing).

Canada

1. **SNA FOCUS -** The International Recommendations on Distributive Trade Statistics (IRDTS) reflects a strong commitment to the System of National Accounts 1993 (SNA 93), and provides the framework needed to satisfy its recommendations. Two comments here:

   (1) The link between the IRDTS and the SNA 93 should be made more explicit, in the sense of clarifying the origin of the motivations behind the various recommendations when they pertain to satisfying SNA requirements. An explicit link will make it easier for countries to promote the need for various statistics if, in addition to saying "the IRDTS says we should have it", they can also say "this is why we should have it" by virtue of explaining that "this is where it will fit in our own SNA".

   The IRDTS should clearly identify the specific places in which Distributive Trade Statistics (DTS) should be used in a well-developed SNA. These places include:
   - sub-annual estimates of turnover used to estimate monthly or quarterly retail and wholesale value added by industry;
   - sub-annual estimates of retail and wholesale inventories for the IVA and inventory change in the income and expenditure accounts;
   - sub-annual retail sales as the key component for estimating consumer expenditure in the quarterly expenditure accounts;
   - annual estimates of retail and wholesale margins for estimating value added in the input-output accounts.

   (2) At the same time, the IRDTS's strong focus on SNA 93-derived requirements seems to have been made at the expense of other paradigms. For example, the IRDTS does not mention qualitative (informed, opinion-based) business surveys which satisfy a different set of requirements than those of the SNA 1993 (e.g., forecasting needs). What treatment, if any, should such surveys have in the IRDTS? And at which point in the development of their statistical systems should countries consider them?

   Similarly, the theme of Global Supply Chain Management and Globalization is also not very prominent. This theme is especially relevant for wholesale, and can perhaps give rise to data needs that are beyond the SNA framework (e.g., additional questionnaire content on origin, destination, mode of transport, etc.).

   If a strong SNA 93 focus was an intentional strategy, then it should be stated as such, perhaps by including a section that would begin "Given its strong SNA-93 orientation, the IRDTS report does not include…".

Admittedly, the first priority of any statistical agency should be to establish a set of basic indicators that can support the compilation of Gross Domestic Product (GDP) statistics. But we also know that this priority is never done, so at what point is it appropriate for the IRDTS to entertain other concerns? Some guidance here would perhaps be useful.

2. **BENCHMARKING** - The IRDTS recommends that a full complement of annual and parallel sub-annual statistics be developed, yet the document contains no treatment of **benchmarking** so there are no recommendations regarding reconciling any differences between them. If it can be established that the annual and sub-annual statistics measure the same thing and share the same concepts and definitions, should these statistics be allowed to differ, or should the sampling error that separates them be bridged by some kind of benchmarking procedure? Or is this the proper role of the National Accounts? At the present time, Canada does not benchmark its annual and monthly retail and wholesale surveys, as this task is carried out by the national accountants. However, it is Statistics Canada's understanding that in the United States, the various annual and sub-annual statistics (obtained from the Quinquennial Census, Annual Survey, Monthly Survey, and Advanced Monthly Survey) are all reconciled through benchmarking techniques. Should the IRDTS contain recommendations in this respect? This is an important issue, as many users for example expect retail sales from the annual surveys to match the sum of twelve months from the monthly survey, and sometimes encounter difficulty accepting statistics as credible when they do not match.

   Despite the obvious benefits to some users of having consistent statistics across annual and sub-annual surveys, benchmarking may not be appropriate under all conditions, so these conditions should be clearly spelled out:

   1. For example, the causes of the discrepancies among common annual and sub-annual units should be properly understood and should be reconciled first where possible.
   2. Also, concepts, definitions and methodologies must be aligned to ensure that annual and sub-annual surveys really measure the "same thing" (not two different things).
   3. Finally, the relative quality of the two surveys must be assessed, and the annual must be of at least equal quality to the monthly. Otherwise, adjusting the sub-annual survey to annual levels may be difficult to justify.

3. **COMMODITY FOCUS -** The IRDTS gives very short shrift to **commodity surveys**. It would be advisable to have a separate section devoted to such surveys. Statistics Canada's practice has been to conduct commodity surveys separately from the regular turnover surveys, as they require a different set of systems and pose a different set of statistical challenges. Granted, some of these challenges are of a practical nature, and perhaps the UNSD is planning to address them in the subsequent manual, "Distributive Trade Statistics: Compiler's Manual".

Chile

The draft on International recommendation on distributive trade statistics gives norms and definitions which will facilitate comparison among countries. The scope of the concepts and definitions is easily applicable to our national statistics. We are in the

process of revising annual survey questionnaire, updating the economic classification to incorporate ISIC Rev. 4 and evaluating some changes to the monthly survey.

The revision of the recommendations at this time would provide important assistance and tools to proceed with the work of our NSO.

China

Thanks for your effort to update IRDTS. After received the draft IRDTS, we have consulted the Department of Trade and External Economic Relations Statistics of NBS. Regarding the content of draft, it has been improved a lot than the previous version, specifically, the scope and definitions are more clearly described, and some new content, such as data quality and metadata has been added. Therefore, at the moment, there is no further revising comments on the draft.

We are looking forward to the new version of IRDTS, and believe it will be a useful guidance for improving national statistics on trade sector.

Czech Republic

We have no new comments to the draft of International Recommendations on Distributive Trade Statistics.

Cyprus

We fully agree with the International Recommendations concerning Distributive Trade Statistics and we would like to inform you that we have no comments to add.

FAO

My colleagues and I have reviewed the draft which we find comprehensive and therefore have no additional comments to offer.

Finland

(12-07-2007) Statistics Finland welcomes the updating of the recommendations concerning distributive trade statistics. We refer to the letter dated on 11 October 2006 and to the letter sent by email on 21 May 2007. The comments given then were adequately taken into account in the newest draft version of international recommendations on distributive trade statistics. Statistics Finland has no further proposals for changes in the recommendations.

Statistics Finland supports the harmonisation of concepts and methodologies and the guidelines concerning the scope of information made available to the users. We emphasis the meaning of extensive and well-defined metadata for the users of statistics.

On the Finnish perspective, except for fulfilling the needs of our national users, our main target is to fulfil the demands and requests of Eurostat and the EU Regulation. The international recommendations are welcomed as guidelines and means of harmonisation and therefore as a way towards better service for the users of statistics. We propose the compatibility of EU Regulation and EU recommendations to be carefully monitored before finishing the recommendations.

(21-06-2007) Concerning the recommendations we support the harmonisation of concepts and methodologies and information made available to the users. On the Finnish perspective our main target is to fulfil the demands and requests of Eurostat and fulfil the EU Regulation in this sector also taking into account other international recommendations where possible. Our experts have read the documentation carefully again (specific comments are shown under corresponding chapters). .Otherwise the draft recommendations are widely supported in Statistics Finland

France

I am pleased to tell you that INSEE has got no remark concerning the Draft you sent to us.

Germany

The recommendations are a comprehensive approach covering all major aspects of the production and dissemination of statistical results, including methical issues on trade. The recommendations are well structured and easy to understand. Therefore, they will certainly be very helpful for future activities.

India

I am to refer to your e-mail seeking comments on International Recommendation on Distributive Trade Statistics. I have gone through the entire documents sent by you and found it quite comprehensive in all aspects viz: scope, coverage, data items, sources, preparation of various indices of wholesale and retail trade data, data accuracy. The aspects of compilation and dissemination of data are well covered and explained in details. Your efforts in bringing out such a detailed documents is well appreciated and will definitely help in improving the quality of data on Distributive trade sector being collected and maintained by various countries.

Italy

After the analysis of the document, Italy expesses a general support on the IRDTS. However, a specific explanation within paragraph 4.130, page 76, should be useful. Please find attached the specific comments.

Mexico

We see with affability that retakes an update the International Recommendations in the matter, because the preceding documents date from 1976 and 1978, in several aspects, are surpassed.

It is important to notice that the draft, compared with its previous version, has eliminated the part corresponding to the Services and the content makes reference only to the Commerce Activity.

Many of the recommendations are applied not only to distributive trade statistics, but of different sectors, although in some cases, it is possible to say, that the concepts are redundant.

It is a document that accredits the concepts at international level, with particular recognition about the differences between countries using the criteria that consider, according to its resources or characteristics, the feasibility of the application of the recommendations.

The document recommends the best practices in the harvesting of economic statistic, nevertheless, will be desirable to thoughtful about some practical problems (specific comments are presented under the relevant chapters).

Moldova

Herewith, we would like to inform you that National Bureau of Statistics of the Republic of Moldova examined the International Recommendations on Distributive Trade Statistics and we do not have any proposals or objections to the Recommendations

Mongolia

About trade statistics of our country

Contribution of the domestic trade to the total economy is steadily increasing in our country. It should be noted that it has been significant part of our economy, which comprises approximately 20.0 percent of the GDP in 2006.

For our country, the most enterprises and establishments are engaged with the whole sale and retail trade or mixed type.

GDP estimation of the distributive trade statistics sector is based on the data collected for the monthly bulletin and statistical yearbook.
 The scope of distributive trade statistics has divided into formal and informal and reflected to the GDP estimation.

Scope of the distributive trade statistics for formal sector: the list of the enterprises and establishments which has been registered in the business registration database and engaged with the wholesale and retail trade.

Scope of the distributive trade statistics for informal sector: Economic activities of the enterprises and establishments which is not registered in the business registration

database officially, which has a patent. It includes trade of stand and container, shoe repair, car repairing service etc.

UNSD to organize technical assistance project or program, in order to introduce IRDTS, for the developing countries by recruiting international experts, especially for the estimation of trade index.

UNSD to make pre-testing of international methodology in the region, for one or two country. We would like to request your sincere attention to include country`s special features in common situation, for instance, special features of the developing countries.

IRDTS to include "demand statistics", what kind of design and indicators should be used for the estimation of demand size on goods and services? Which methodology and indicators would be more suitable for the developing countries?

Nepal

In response to your letter STAT 245(2) dated 6 June 2007 by Paul Cheung, Director Statistics Division/DESA to Mr. T.S. Bastola, Director General Central Bureau of Statistics Nepal, I would like to draw your attention for the comments on the provisional draft of International Recommendations on Distributive Trade Statistics in the following points.

1.   There should be the clear distinction between formal and informal trade in the manual so that DTS could be focused on formal trade.
2.   An integrated survey approach should be recommended to capture all sectors (according to International Standard Industrial Classification ISIC) economic contribution in the national accounts. It would ease to produce all sectors data from single operation and resource constraints could be minimized to some extent.
3.   As the level of development of distributive trade is not uniform among the nations, at least separate recommendation should be developed based on the level of development of distributive trade.
4.   Global advocacy is urgent to produce high quality DTS as traders seem reluctant to response survey questions.
5.   Global partnership should be initiated in human resource development to develop competent professionals in DTS.
6.   There should be the uniform survey calendar of DTS among nations as it eases to produce internationally comparable data.

Thank you once again the opportunity for the comments and look forward to your continued assistance in strengthening statistical system in Nepal.

Norway

Statistics Norway wishes the work of the United Nation on Distributive Trade Statistics welcome. We believe that such international recommendations will be useful for many

developing countries. With further work on the international recommendations, we suggest that you pay attention to the lot of work already done by EU's statistical office, Eurostat, and especially the manual: Methodology of short-term business statistics, Interpretation and guidelines.

OECD

Thank you for the opportunity to provide comment on the draft version of the International Recommendations on Distributive Trade Statistics (IRDTS). Please find below comments obtained from various units within the OECD Statistics Directorate (STD). Comments of a more general nature are provided in this covering letter whilst feedback on more specific issues are provided in the attached version of the IRDTS document using track changes. Extensive use has also been made of "Comment boxes" throughout the document to highlight problem areas / issues. To view and print these you will need to set the "Final showing markup" option in the WORD dialogue screen.

The OECD will also discuss this document at the next meeting of the Organisation's Short-term Economic Statistics Working Party (STESWP) which will be held in Paris on 25-27 June 2007. One aim of the discussion will be to identify efficient ways and processes of collaboration with the UN on the development of international statistical guidelines and recommendations, especially on short-term economic statistics. Another, will be to provide information on collaboration to date on the IRDTS.

Overall, we found the IRDTS to be comprehensive, covering and discussing a range of issues. By and large the recommendations presented in the body of the text are practical, especially when supplemented by the proposed manual and handbook. We were also pleased to see that many of the issues / comments raised by the OECD in our response (provided on November 2006) on the initial outline have been incorporated into the draft text.

A. OVERALL COMMENTS AND KEY ISSUES

(i)   Although this is only the first version of the revised set of recommendations some sections of the IRDTS are too detailed and consideration should be given to their incorporation into the planned *Distributive Trade Statistics: Compilers Manual* and *Indices of Distributive Trade: A Handbook of Good Practices* and other technical reports. Obviously, this can be done at a later stage. As mentioned in para. 10 of the IRDTS the supplementary documents should be more practical and specific. Examples of (or links to) recommended national practice should also be included. Areas in the present document that could be either moved or streamlined considerably are:

- the list of performance indicators outlined in Chapter V is too long and detailed, and their comparability across UN Member countries will be in question. Thus, we suggest to select a set of core (or target) indicators from the list which should be collected at infra-annual or annual frequency. Section E is too

detailed and the usefulness of some of the indicators listed is questionable, particularly in a document such as this, e.g. average turnover per enterprise, sales per retail sales space;

- parts of Chapter VII on seasonal adjustment.

Finally, para. 10 of the document could be extended to give a brief overview of the specific issues that will be covered in the two supporting documents.

(ii) The UN's partial approach of providing guidelines for the manufacturing and distributive trades sectors can be problematic. Whilst the compilation of recommendations, etc., on a sector basis provides very useful and very detailed guidance for the traditional areas there is no guidance on areas / issues that are specific to the services sector in general. Such issues include developing a set of common questions for all services industries or providing guidelines on how value-added in constant prices can be compiled in an environment of the absence of key information, e.g. deflators. We would therefore suggest the inclusion of a separate chapter to deal with services statistics as a whole. Furthermore, some of the examples in the body of the text still only cover the industry sector and we would recommend a concerted effort to include additional examples covering services which would help bring the IRDTS in line with the evolution of most economies around the globe. Specific places where such inclusion is required are provided in the attached annotated version of the document.

(iii) More careful and systematic consideration needs to be given to the use throughout the document of the terms "data" and "statistics" to make the meaning of the text more precise. The term "statistics" would be used where the reference refers specifically to numeric information (alternatively, "statistical data"), or "statistics and metadata", etc.

(iv) Although cross references to other documents, UN standards and standards developed by other international and supranational organizations have been included throughout the document there are still many instances where sources have not been cited or cited in sufficient detail for users. These are also noted in the attached document. Apart from the general principle of correct citation, providing more detailed source information guides the user in the direction of more detailed background / context information and enables identification of references that have been superseded. The last issue is particularly important given that the life of the IRDTS is likely to be measured in decades.

(v) There is still a need to develop a standard definition for the variable "turnover". One of the key issues when the OECD was developing the *Compilation Manual for an Index of Services Production* (ISP Manual) was the absence of an internationally recognized definition of the "turnover" concept, specifically in terms of the component items. The solution we adopted was more or less that which the IRDTS outlines in footnote 15, i.e. using "turnover" interchangeably with the terms "sales",

"receipts", etc. This would appear to be a second-best solution and the concurrent development of the IRDTS and the UN recommendations on industry would seem an ideal opportunity to come up with a standard definition of the turnover concept, in particular, the inclusion or exclusion of other sources of income such as interest, rent / leasing, etc.

In this context the turnover concept outlined in footnote 15 differs to the OECD recommendation on comparability with other related variables (e.g. comparable with sales but not with receipts) – refer ISP Manual: http://www.oecd.org/findDocument/0,2350,en_2649_34257_1_119669_1_1_1,00.html)

(vi) In the section on seasonal adjustment there is a need to mention work currently being carried out by other organisations such as Eurostat, US Census Bureau, etc., to standardize the options being used in the application of the seasonal adjustment packages such as TRAMO, X12, etc. The use of different seasonal adjustment options by both national agencies and international organizations is one of the causes of the availability of inconsistent seasonally adjusted data at the international level. At the same time, it would be useful to include text on the seasonal adjustment of long time series with possible changes in season pattern.

(vii) Some of the guidelines for the short-term statistics (i.e. monthly retail trade volume index) could be expanded series for short-term indicators is not realistic or practical as it is very difficult to collect all the necessary information.

General cosmetic issues

- The document needs to be more consistent in the presentation of some expressions, e.g. SNA, 1993 or ISIC, Rev.4 vs. SNA 1993 or ISIC Rev. 4; or SNA 1993 Rev.1.

- Need to use either UK or US English expression, not both.

Palestine

The Palestinian Central Bureau of Statistic (PCBS) gratefully appreciates your ongoing efforts and follow up actions that add a lot for the capacity building process in statistical offices.

Regarding the Provisional Draft on Distributive Trade Statistics, we reviewed this draft and we would like to inform you that PCBS follow most of the draft recommendations, but we need to improve our process in transforming the code from ISIC, Rev.3 to ISIC, Rev.4 in addition to short indicators.

Finally, we do appreciate this continuous cooperation with UNSD, and we hope all the success for your work in the future, and look forward to having more attention from the UNSD to our region and country.

Philippines

We are very happy with the developments in the Manual on International Recommendations on Distributive Trade Statistics (IRDTS).

With consideration to the comments we sent in our letters (dated November 2, 2006 and May 22, 2007), we have no further comments since the issues we previously communicated have been taken into account. Specifically, there is already a discussion on the advantages and disadvantages of using statistical surveys as well as recommendations on updating survey frames. Also, we noticed that the informal sector has been discussed in a number of chapters. We appreciate the recommendations on the informal sector, as there is a pressing need to improve our present methodology to accurately measure its significant contribution to the economy.

We look forward to the finalization and adoption of the IRDTS manual and the development of a Compilers' Manual on DTS soon.

Poland

(12-07-2007) Central Statistical Office supports and accepts statistical works that have an aim to promote and recommend integrating system of research and statistical elaborations, so with pleasure we have made an acquaintance with the recent project of IRDTS. Representative of the CSO is involved since the outset in activity of expert' Group that have in mind bringing up to date above mentioned Recommendations and adjustment to requirements coupled with the changes that followed in the domain of economic trade activity as well as in the whole statistical system.

We are very pleased, that remarks to the previous version of project sent to you in May by e-mail , had been accepted and taken into consideration.

Moreover, we took our attention to the fact, that present project had been widened in the scope of the chapters Data items and their Definitions as well as Data sources and Data compilation methods plus improved description of Seasonal adjustments. Such additional compilations improve decidedly quality and transparency about subject matter of actual project. It seems that resignation from Annex IV Example of Metadata on Distributive trade statistics should be once again considered with regard to keep this Annex IV in the latest project.

It should be stressed that context of this project is unified and universe. Recommendations are concerning, on the one hand, to the trade as an economic activity, and on the other one, they are placing scope of distributive trade statistics in the statistical system what is a huge asset. We are sure that subject matter reflects fully the specific needs and circumstances of various groups of countries. The subject matter of these Recommendations is closely connected with NSA, business statistics, system of classifications and definitions, rules of conducting statistical surveys as well as

dissemination of data, so we spread them to our Polish experts responsible for a/m scope. Positive opinions and lack of conceptual reservations confirm correctness and usefulness of Recommendations.

I do hope that Recommendations that will be submitted at the 39th session of the United Nations Statistical Commission for adoption will be successful.

(24-05-2007) The scope of presented recommendations in „International Recommendations on Distributive Trade Statistics" involves all crucial aspects concerning statistical surveys in distributive trade such as a definition of commercial activity, a statistical unit definition, implemented classifications, data sources, the scope of surveyed data with the implementation of seasonal adjustment or performance indicators. All issues are presented in short and succinct way which allows to interpret them quickly and correctly. From our point of view, this kind of presented recommendations is very good and their using become the important issue in comparing international data.

As a conclusion, we would like to notice that the presented document includes many valuable information specified as "recommendation". We believe that it is very good framework for preparing methodological manual in the domain of statistical commercial activity observation which could be completed by practical examples from different countries

CIS Committee

The draft of the International Recommendations on Distributive Trade Statistics is a formidable document and covers the most important aspects of this statistics. Its implementation in the statistics of the CIS countries will improve the quality of the data as well as their international comparability. One of the advantages of the document is that it specifies recommendations on the most important issues.

Sweden

Concerning the provisional draft of International Recommendations on Distributive Trade Statistics. Statistics Sweden support the comments that have been proposed by Eurostat regarding the recommendations on Distributive Trade Statistics

Switzerland

We thank the UNSD for the initiative taken in this domain. We had a look at the recommendations on distributive trade statistics (a good proposal). In a second step we will study your recommendations in detail and give a detailed position statement in august 2007.

Thailand

After having read some major parts, and skimmed others of the IRDTS, I found that the IRDTS is very detailed informative document on theory basis, providing all information necessary for conducting the DTS, ranging from data collection to indicator compilation.

According to my experience, NSO,Thailand has always been strictly following the recommendations, with appropriate modifications according to country condition, however we are always aware of international comparison.

Normally our problems would mostly be on the data collection, especially low respondce rates in some particular areas, around BKK. In my view I am curious to have the manual on compilation so we can learn how to practice the IRDTS effectively and solve our existing problems.

Therefore I do not have any further comments on it.

Trinidad and Tobago

I will first make my general comments and afterwards focus on specific areas of the report. Looking at what has been offered so far, I think that this has been a very comprehensive revision. So comprehensive that I feel we have included in some areas too many details. I will now focus on specific areas.

Turkey

In reference to your letter dated June 06, 2007 with reference STAT 245 (2) regarding the provisional draft of International Recommendations on Distributive Trade Statistics, firstly I would like to inform you that the draft of International Recommendations on Distributive Trade Statistics is very useful as a guide for the development studies on the Distributive Trade Statistics at our Institute. We really thanks all persons/institutions that contributed it during the preparations studies. We do not have any additional comments.

UK

Short Term Statistics

Would I be correct in thinking that the meeting of the Expert Group in August 2005 concluded that there should be guidance provided for the compilation of short term statistics? There are references to short-term statistics throughout the manual but not a specific chapter on this issue, was this intentional?

USA

In general, the document is shaping up very nicely and will serve as a very useful handbook. I particularly like the new section on seasonal adjustment.

INTRODUCTION

Australia

Para 3 - a minor observation but I think the latter part of the paragraph overstates the situation with regard to the importance of distributive trade statistics in understanding the global economy and developing sound national and international economic policies.

Para 5 - I strongly agree with the sentiments expressed in 5(a), however again I found some of the arguments in 5(b) less than compelling eg I very much doubt that product data is likely to help in assessing whether sales taxes are properly collected.

Para 7-8 - as noted above and in my previous comments on the outline, I think it is very important to convey strongly the message that this is a framework, but decisions as to what NSOs might do will be dependent on factors particular to their circumstance. In that context I wonder if it is worth noting that this is not intended to be a 'best practice' guide. In reality I think all the messages are there to address my concerns but I wonder if there is a means for reinforcing those messages.

Germany

To improve output orientation, the following sequence of issues should be maintained: possible demands of typical users, statistical results (indicators and indices), documentation of data quality, and finally issues of dissemination.

Ghana

5. It should be noted that the fast evolution of the organizational forms of distributive trade coupled with such a phenomenon as outsourcing of production blurs the boundary between manufacturing **and distributive trade adding to the complexity of the global economy and difficulty in compilation of the distributive trade statistics.

5. (b)   Policy makers use distributive trade statistics, including indices of **wholesale and retail trade, for assessing short and long-term movements not only in the distributive trade sector but in a country's economy as a whole and for rationalization of their economic policies including monetary policy.

10. More detailed advice to data compilers, including description of good practices, **will be developed in the near future and published in Distributive Trade Statistics: Compilers Manual and Indices of Distributive Trade: A Handbook of Good Practices and other technical reports.

OECD

Para. 2. Where appropriate, extensive use has been made of the previous work and various methodological manuals of Eurostat, International Labour Organization (ILO), International Monetary Fund (IMF) and Organization for Economic Co-operation and Development (OECD) as well as a number of UNSD international statistical standards in the preparation of the present recommendations. In addition examples of recommended national practice were also widely used.**[…]** . Sources quoted extensively comprised [list to be inserted in near final versions of the IRDTS]. Detailed source information and references have been provided throughout the recommendations to enable the user to obtain further information and background information.

Insert a link as to where these international recommendations and classifications may be accessed on the web, for example, on the UNSD website or at Eurostat's RAMON classification server

Para. 4. There is a need to ensure throughout the current document that the IRDTS moves beyond the distributive trade / manufacturing dichotomy and also includes relevant examples from other services activities. These too are also evolving rapidly.

Para 10. List a few of the major issues that would be included in the two supplementary manuals /handbooks referred to here.

Para 11. Add the following text: To take account of the continued emergence of the remainder of the services sector in most economies around the globe and the increased volume and complexity of the interrelationships between distributive trade and other service activities both within and between enterprises.

UK

Para 8: strongly support the acknowledgement that certain compilation methods may not be relevant in all cases and that it is the responsibility of national statistic offices to apply the IRDTS in a way appropriate to their own circumstances.

Paras 7 to 11: welcome in the latest draft the improved structure of the section on the 'Need for international recommendations'.

Para 12: very much welcome the inclusion of the reference to the OECD's 'Compilation Manual for an Index of Services Production'. This manual provides wide ranging guidance on many aspects of 'measurement' that go wider than just the distributive trades.

Para 13: summary of the most significant changes re. IRDTS 2007 v IRDTS 1974. Due to the number of likely differences might it be better to have this information in a separate Annex rather than in the introduction? It will also be interesting to hear the views of other countries on the value of this information i.e. how many users are currently using or have used 'IRDTS 1974'; therefore what is the level of interest in the difference between the two versions of IRDTS.

CHAPTER I. SCOPE OF DISTRIBUTIVE TRADE STATISTICS

Australia

The chapter provides a very good summary on the scope of distributive trade statistics and the recommendations flowing are sensible. A few minor observations:

Para 1.4 - I wasn't sure what value this para adds to the discussion.

Para 1.24 - A suggested rewording in respect of ANZSIC is as follows:

"The Australian and New Zealand Standard Industrial Classification (ANZSIC) was revised in 2006 and accounts for industries which are specific to Australia and New Zealand. As with ISIC, the conceptual framework for ANZSIC has been re-evaluated to have a stronger emphasis on the supply side approach. The ANZSIC structure broadly follows the ISIC structure and ANZSIC aligns with ISIC Rev. 4 at the subdivision level (2-digits) as far as practicable. A correspondence between ANZSIC and ISIC is available from the Australian Bureau of Statistics website."

Brazil

Boundaries of Distributive Trade

As far as boundaries of distributive trade are concern, some comments on the activities showed on page 15 should be presented.

In the Annual Survey of Trade undertake by Brazilian Institute of Geography and Statistics–IBGE since 1988, we identify some cases of boundaries between manufacturing and distributive trade due mainly to the taxation system. Enterprises dedicated to distributive trade activity pay a tax based on the movement of goods, that is, every time occurs the propriety's transfer of goods in a commercial basis, the enterprise pays a Tax of Movement of Goods and Services-ICMS and enterprises dedicated to manufacturing activity pay a tax based on the sales of manufactured products, called Tax over Products Manufactured-IPI. However, some activities included in distributive trade are considered by Federal Income Secretary as "industry similar" because these enterprises pay IPI like manufacturing enterprises.

These situations occur in canning of olive oil, in which enterprises import olive oil in large lots from Spain and Portugal and afterward the product passes through a canning process without transformation, that is, the imput is olive oil and the output is olive oil too. The enterprises sell canned olive oil and pay both ICMS and IPI. Therefore they refuse to fit in wholesale trade and regard themselves as manufacturing activity.

This situation is the same in distribution of gas in vats to households and blending of coffee. In both cases, goods are the same for imput and output and there are no transformations.

Another case of boundary can be found also between retail trade of foods and beverage in specialized stores (grocery stores) and food services (restaurants, bars, snack bars, fast foods and drinking places). Retail trade of foods and beverages and food services are related to the same trade union and this situation causes misunderstanding about the correct activity. The alternative recommended is to make the difference in terms of consumption, that is, if the goods are bought prevailing for immediate consumption on the premises of the acquisition, than the activity is service, otherwise is retail trade.

A retail trade of parts and accessories associated with maintenance services is also a trouble of boundary between distributive trade and services. Therefore must be identified the activity which gas the highest share of revenue or the activity that holds more employees to assure the right classification of activity.

Others cases of boundaries with distributive trade are concerning manufacturing or fishing activities with direct sale to consumers. Small producers of candies, jellies, fruit paste and fruit in syrup (confectioners) and small producers of shoes, sandals, apparels and handcrafts have their household as production unit and the sale is made directly to customers and these products are sold in their household like retail trade. In fishing activity, in which products are sold in stalls in market places, is difficult to identify the origin of the product, that is, if they are bought from fishermen for resale or are fished directly.

It's possible to identify another case of boundary between manufacturing and distributive trade in bakery establishments where products like breads, candies, cakes, cookies, biscuits, pies and confections in general are produced and sold directly to consumers jointly with goods for resale. These establishments resale too others goods making it difficult to identify the major activity even for the respondents. The bakery industry belongs to the same trade union as retail trade of food, beverage and tobacco in specialized stores and, in the financial statements, the purchases of goods like wheat flour, butter, sugar and so on (raw material for production) are registered jointly with the same goods for resale, that is, there is no difference between the input for production and goods for resale. Therefore the National Classification of Economic Activities-CNAE Version 2.0, the official tool of classification of activities in Brazil that new version came into effect in 2007, deals bakery activity as retail trade. Enterprises that just produce bakery products without resale are classified in the manufacturing sector.

Canada

1.28. It is important to consider the issue regarding the right level at which to collect various data. For example, profit and investment statistics are best collected at the enterprise level whereas sales, cost and inventory data are best collected at the establishment level. This difference in collection level makes for inconsistencies when

comparing the two for the same industry. Consider the following example. A large manufacturing enterprise may operate a wholesaling establishment that reports wholesale sales data, but the enterprise level reports sales and profits data for the entire enterprise, which is then completely attributed to manufacturing. The sales data at the enterprise and establishment levels will not match, and the profit data compiled for the wholesale industry will fall short. If this problem is fairly common across a number of other countries, then any guidelines that the IRDTS could offer in this respect would be beneficial.

Finland

On the page 15 (1.12) the trade section is divided into three divisions but from our point of view division could be into two divisions, i.e. 1. Wholesale trade and 2. Retail trade. The trade of motor vehicles and motorcycles could be included into wholesale and retail trade respectively.

Germany

In wholesale trade, a distinction can be made between wholesalers supplying goods to production enterprises and wholesalers supplying goods to retailers (for consumption). As those areas show different trends, it is advisable to show statistical results for those items.

Ghana

1.21 In the case of countries which do not use ISIC or whose their national classifications differ from ISIC, it is recommended that they develop their national industrial classifications in a manner allowing for international comparability and identification of the kind of activity in compliance with at least the two-digit (division) level of ISIC.

1.22 It is fully compatible with ISIC as in some cases it provides a subdivision of ISIC which is suited better to the structures of the European economies. It will come into force in 2008 for short term statistics and 2009 for annual statistics.

1.25 The consumer credit is offered also by finance companies which are active in the consumer credit industry, typically, the (i) a small loan company, which has contact with consumers as originators and makes loans to them directly and (ii) finance company, which does not deal directly with consumers, but purchases and holds consumer installment debts related to the sale of durable goods on time.

Mexico

Classification. The document already includes the last revision of the ISIC, that is oriented by the demand, but in addition recognizes other sort keys as the NAICS,

It is very important to emphasize the necessity of, at least, obtaining in the definitive document, the tables of equivalence between all the sort keys, because the harmonization of all this is presumed as much very difficult, even of activities as of products.

Mongolia

It is useful that economic activities of ISIC-4.0 explained very detailed. However, it could be more useful to explain it by tables and schemes how to harmonize the CPC ver.2 and ISIC 4.0

OECD

Para 1.14. Need also to include here other types of service activities such as advertising, preparation of promotional material, provision of finance and credit (refer para. 1.26).

Trinidad and Tobago

In chapter #1 which deals with the scope of distributive trade statistics, I feel that this item should be dealt with first, then we can speak of ISIC Rev 4, CPC and COICOP in that order. Defining the boundary of Retail trade is vital to this whole exercise since this has implications for the value of the Gross output estimates and all the other variables that follow. **Therefore closure must be brought to the concept of outsourcing**. I have already e mailed my views on this issue. On pg #12 wholesale trade is defined as" resale without transformation ......to retailers, business ".No households or final consumers are mentioned here. However on page #84 is mentioned the share of wholesale enterprises turnover accounted for by final consumers. In National Accounting, final consumers are Households! This can appear as an inconsistency.

UK

Para 1.5: Scope of distributive trade: support recommendation that the scope of distributive trade is in line with ISIC Rev 4.

Para 1.6: Structure of distributive trade: support recommendation that distributive trade be structured in line with ISIC Rev 4 i.e. into three Divisions (Motor Trades, Wholesale and Retail).

Para 1.17: Scope of product groups used in Section 6 of CPC ver 2: support the recommendation that rather than be prescriptive, the CPC categories and activity classes of ISIC Rev 4 should be used as a guide on the scope of product categories. This is sensible due to the different national variations of CPC.

Para 1.17: support recommendation that the explanatory notes provided in ISIC, Rev.4 and CPC, Ver.2 are followed when classifying statistical units to the various classes within the distributive trades.

Para 1.18: COICOP: support recommendation that countries are <u>encouraged</u> rather than directed to implement this classification and present the retail trade turnover by COICOP classes. This type of classification is at a detailed level and as such it might take time for countries to meet this requirement. It is therefore sensible to 'encourage' rather than 'direct'.

Para 1.19: welcome the change in the latest draft that countries are encouraged (rather than it is recommended) that the 45 retail product classes to be grouped into eight product categories.

Para 1.20: strongly support recommendation that countries should draw up their own lists for the reporting of distributive trade by type of products depending on the product classifications used in their trade surveys and the need to comply with international standards.

Para 1.20: support recommendation that countries should prepare (suggest adding 'more') <u>more</u> detailed lists for retail trade rather than for wholesale trade and that whatever list or classification of product is used, it should be linked to the classification of household goods and services for national accounts purposes.

Para 1.21: support recommendation that countries (where their National Classification differs from ISIC) develop their national industrial classifications in a manner allowing for international comparability at the two-digit (division) level of ISIC.

Para 1.31: support the linked recommendations that two separate units should be defined when the originator and a holder of consumer credits is a retail trade unit that has a separate establishment dealing with consumer credits. This is so as long as the necessary financial accounts are available for both the pure retail and the consumer credit units. However, if the unit providing consumer credits is not recognizable separately, than it should be treated as part of the relevant statistical unit involved in an ancillary activity and will not affect classification of that unit in distributive trade.

Para 1.32: support recommendation that the distributive trade sector of an economy is defined as consisting of all resident entities recognized as statistical units and classifiable in Section G of ISIC, Rev.4 and that distributive trade carried out by entities not classified in Section G of ISIC, Rev.4 is not covered by distributive trade statistics.

Para 1.33: support recommendation that the residency of economic entities is determined in accordance with the rules laid out in *1993 SNA, Rev.1*.

CHAPTER II. STATISTICAL AND REPORTING UNITS

Australia

Para 2.15 - The issue re data availability and organisational structure is an obvious and important point to make. In that context I wonder whether the recommendation that "such splitting should not go beyond ..... where the units so obtained cease to represent transactors in the economy" is intended to, and adequately conveys that message ie would it be simpler to say splitting should have due regard to data availability and organizational structure.

Para 2.29 - I wonder if this is the appropriate place to discuss 'Recommendations on statistical and reporting units' or whether it might more appropriately be left to Chapter V - Data Sources and Data Compilation Methods. I only raise the issue as while I have no problem with the idea that the enterprise and establishment are conceptually the appropriate unit to collect financial and production statistics respectively, there is probably a case for using the Kind of activity unit if there is no requirement for sub national or regional data. I note the SNA para 5.45 states that "in most fields of statistics the choice of statistical unit, and methodology used, are strongly influenced by the purposes for which the resulting statistics are to be used".

I would suggest that the Kind of activity unit should be included as a statistical unit recommended for the purpose of distributive trade statistics and some commentary on when you would use the establishment and when you might use the kind of activity unit might be appropriate. Alternatively as suggested at the outset this could be left until Ch V.

I would also note that the para is headed 'C - Recommendation on statistical and reporting units' yet the recommendations relate only to statistical units.

Paras 2.32 - 2-34 - which deal with retail chains, would benefit from more discussion as to the implication of the different arrangements. For example where they operate under a single ownership there is a single enterprise, a single kind of activity and many establishments. However, where there is only central management and franchise arrangements there is likely to be many enterprises, many kind of activity units and many establishments. The commonality between the two scenarios is that the reporting arrangements may be the same in either case ie a single reporting unit - the central management unit/head office.

Para 2.37 - 2.38 - the issue of franchises overlaps heavily with the issue of retail chains and possibly they could be combined along the lines I have suggested above.

Paras 2.39 2.46 - I am not convinced that the discussion regarding e-commerce and mail order distributive trades sits in a chapter on statistical and reporting issues. They are very much standard statistical units, albeit ones where the establishment may not be located in

a traditional 'convenient location'. Possibly e-commerce and mail order should be discussed under Chapter IV - data items as a component of turnover

Azerbaijan

I would like to inform that methodological materials confirmed in the item of 2-46, 2-47, 2-48, 2-49, 2-50th of the section of E "Statistic units in Informal Sector" of II heading of plan is considered to use the data in work because of being important and interesting for us.

Canada

2.3(b) Examples of "analytical units" would be useful, to ensure readers across various countries have a common understanding of the terminology.

2.8. In Canada, units are also defined as "complex units" if activity takes place in more than one geographic area (i.e., province or territory). This geographic complexity is a very important dimension in Canada, as Statistics Canada compiles GDP annually for each of its provinces and territories - a mandate not found in many other countries. (See para 2.20, where the kind-of-activity unit (KAU) is defined "with no restriction on the geographic area in which the activity is carried out". Again, this is not the case in Canada, where geographic location is accounted for in defining units). Complexity arising from geographic area may possibly need to be reflected in this paragraph as it may be a trend that becomes more prominent in the future, what with the ever greater demands by users for finer detail.

This paragraph also raises the important issue of what Statistics Canada calls "allocation". The proper circumstances for allocating data are difficult to define. There is a trade-off among three circumstances:

1. ability to respond (distinguishing between those that have the data we are looking for but chose not to provide it, and those that really cannot provide)
2. the deleterious effects of excessive response burden (which leads to higher non-response), and
3. when to invoke allocation (or synthetic estimates).

   Striking the right balance is difficult, and should be the prerogative of the various National Statistical Organizations (NSO), but the issues statisticians face should be clearly laid out in the IRDTS.—Actually, this is well covered in para 2.8 and also in para 2.21.   But it would be helpful in para 2.8 to further explain the rules alluded to in the reference "...in accordance with the accepted rules" (unless this is a subject for the compiler's manual).

2.16. When defining an establishment, Statistics Canada view an establishment as, in essence, the smallest unit that can provide revenues and costs - hence value added. Perhaps a definition along these lines should be provided here?

2.20(b) Reference to the region level is welcome in the statement "...smallest category of the regional classification...".

2.29 Encapsulates the data dichotomy very well in underscoring that enterprises are needed to obtain financial data, while establishments are needed to obtain production data.

Ghana

2.3 (b) analytical units – representing analytically constructed units by the statistician as parts of observation units, which are not able to report data themselves, but there exist indirect methods of statistical observation of such constructs.

2.8 However, if the complete set of data cannot be obtained in this way, the data collection should target the entity as a whole as well and, if successful, apportion additional information to the statistical units in accordance with the accepted rules.

2.20 (a) In general, the distance between two sites has to be quite long large in order to justify a separate location.

(b) Such classification may distinguish between provinces, states, counties, municipalities, townships and are even smaller entities like mesh blocks.

2.31 However, in case of multi-establishment enterprises countries are encouraged to make an attempt for collecting the data for establishments belonging to it.

2.33   Retail chains have come into existence as........

Hong Kong

Paragraphs. 2.39-2.53 – e-commerce and informal sector

(i)   Inclusion of units engaged in e-commerce and that in informal sector leads a more comprehensive coverage of distributive trade figures. However, as internet shopping is "boundary-less" and informal sector is difficult to identify, more practical guidelines on how to collect such data and how to construct the survey frame are useful.

India

I have observed from the tour notes of my predecessor who attended the first meeting of Distributive Trade Statistics organized by UN that developed countries compile, disseminate and make use of wholesale and distributive trade Statistics but same are not the case for all developing countries.

As you are aware that lot of entrepreneurial activities are carried out in the informal sector in the developing countries, but the data base pertaining to this sector are not properly maintained which is a major concern for the these countries.

With the openness of the economy in the international market, globalization/liberalization, the quality distributive trade data forms an essential part of statistical system of any country. Besides, the contributions of the trading activities to National GDP of the developing countries cannot be undermined.

Though you have tried to explain about informal sector, yet I feel there is further scope to give more details how to deal particularly the problem of high rate of mortality and mobility of the small entrepreneurial unit engaged in different trading activity in the informal sector, if the quality of data are improved in this sector this will definitely help in bringing out various key indicators of the economy.

This problem is more acute in retail trade sector as compared to whole sale trade sector where the units are found to exists for comparatively longer period. In the retail trade sector, the problem of frame is more acute as the units disappear fast.

Mexico

The observation unit and the informative source. A point that already existed, but we considered that now it has sufficient emphasis, is the use of observation units different from the establishment, or concretely, the proposal of the use of the economic unit company, that has contributed with a greater consistency to the statistical analysis of the sector, but also in accordance with the schemes of distribution of merchandise in successful formats, like small supers (the convenience stores) and the supermarkets (as Wal Mart and Prices Club).

The differences in the legislation between countries

To emphasize the importance in asking the sources informants the smaller amount of information. One of the objectives that are mentioned in the document is to diminish the service loads to the suppliers of the information and to fulfill the work programs. In that sense, will be desirable to pick up the information of all the company in a single instrument, and disaggregate this in each one of its branches.

Another problem is referred to those units that only make a part of the activity. Firstly they are classified as auxiliary units' of the producing plants or as auxiliary commerce units. Nevertheless, in this case, they arise to an endless number of problems, derivative of the circumstance that they not buy nor sell the merchandise and, by criterion, have erroneously classified in the commerce sector. Because of such situation, it will be desirable that this type of units classifies in the services sector or, as long as the activity developed in different geographic locations or, in case it is developed in the same physical location, it must be considered like secondary activities of the main distributive and trade sector.

The electronic transactions as the Interchange Electronic Data, the credit by means of the plastic money, as well as the transactions by Internet, are not absent aspects in many of the topics of the international recommendations, must of them have to analyze in a very deep way, to emit the version that is to serve as guide the generation of official statistics or non. There are countries with emergent economies, which already work with these elements without methodological rules and of statistical figures that provide the strongest validity on its own numbers.

About the informal commerce, the recommendations are a good principle, because they as much constitute a thorny subject for the governments and leaders in some nations, because they represent groups of being able and, by the statistical part, encourage to the innovation of procedures and techniques that will be the official practice.

Mongolia

Especially in developing countries, it is very common that main income of big enterprises and establishments comes from rental income of real estate which is in their ownership. However it is not reflected to the trade statistics because of the real estate is serving as a shopping mall.

In this context, it would be useful to update the product units of trade sectors with some practical examples.

OECD

Para. 2.8. Insert a reference to the relevant DTS manual or handbook if these rules are to be included.

Para 2.20. (b). Need to describe what these [locations] are as the term may not be readily understood in some countries.

Para 2.29. Need to adopt consistent use of the terms "statistics" and the broader expression, "data".

2.29 - Footnote 7. Need to be more specific as to what is meant by the term operating revenues".

Para. 2.34. In practice, countries only need separate location data down to the smallest geographic area for which statistics are compiled.

Para. 2.40. Need to insert precise source for this definition and the definitions provided in Box 3 below. This will enable users to obtain further background / context information on e-commerce. Also, the OECD has undertaken extensive work on e-commerce for which references can be provided on request.

Para. 2.49. Insert source for definition and links to ILO work on the informal sector.

Palestine

The draft recommendation includes the informal sector in Distributive Trade, we would like to ask if you can determine the borders of Informal Sector definition, to be comprehensive and able to be used by all countries.

Poland

It is suggested that chapters II and III, which include definitions of statistically observable entities, would also contain descriptions of specific forms of running commercial activity (for example definitions of discount unit or supermarket).

UK

Para 2.6: support recommendation to distinguish between statistical, reporting and collection units.

Section B in general: very much welcome in the latest draft, the change in the ordering of the statistical units. Ordering the statistical units by size brings a more logical approach to the section. It is though still difficult to understand the value of including location within this section and what issue the guidance is trying to address.

Para 2.17: support recommendation that large enterprises engaged in many economic activities that belong to different industries be broken down into one or more establishments, provided that smaller and more homogeneous production units can be identified and that production data can be meaningfully compiled.

Para 2.21: support recommendation that the decision of splitting an enterprise unit into KAU units should be based on the trade-off between homogeneity of economic activities, data availability and organisational structure.

Para 2.26: support recommendation that the local unit should not be used as the statistical unit in distributive trade statistics.

Para 2.27: support recommendation that separate establishments are created for ancillary establishments only if suitable basic data are available.

Para 2.28: support recommendation that ancillary corporations are not treated as separate statistical units. This is due to the fact that they can be regarded as artificial units created to avoid taxes, to minimize liabilities in the event of bankruptcy, or to secure other technical advantages under the tax or corporation legislation in force in a particular country.

Para 2.29: content that recommendation states that the two main statistical units used to measure distributive statistics should be the enterprise and the establishment. Eurostat's

STS regulation refers to Enterprise as the preferred unit so would welcome clarification on the definition of 'financial statistics' in this paragraph re. that the enterprise should be used to collect such data.

Para 2.34: welcome the change or wording regarding this recommendation. Still, though, oppose recommendation that retail chains that operate in more than one province or state provide a list of all locations it has as well as totals on some of the important data items such as the number of employees, turnover, wages and salaries etc. In the UK we are keen to minimise the burden on businesses as far as possible (in line with IRDTS recommendations). It is our experience that large retail chains prefer and find it much easier to complete one return for their entire business; in fact to request the additional information being suggested by IRDTS would put at risk such companies returning data on time for key statistics e.g. some such businesses in the UK has 1400 stores.

Para 2.36 support the recommendation that for "shops-within-shops" trade the department store and all other shops on the same premises are treated as separate statistical units. This is the practise in the UK.

Para 2.38 support recommendation that franchisees engaged in distributive trade activities are considered as separate enterprises. This is the practise in the UK.

Para 2.40 welcome in the latest draft the additional clarification that the individual retailers on the market place and the owner of the market should be treated as separate statistical units.   Support recommendation that this scenario should be treated in a similar way as the guidance in para 2.36 on shops within shops re. department stores.

Para 2.46: support recommendation that countries should define the informal sector in terms of characteristics of the production units in which the activities take place and not in terms of the characteristics of the persons involved or their jobs.

Trinidad and Tobago

In Chapter #2 the definition of Statistically observable entities can exclude itinerant vendors and street hawkers which form a significant part of the informal distribution sector in our society. These sell at very affordable prices clothing items etc. and are patronised by a large sector of the population.

CHAPTER III. CHARACTERISTICS OF STATISTICAL UNITS

Australia

Para 3.17 - strongly endorse the principle of encouragement of developing stability rules in respect of classification of units.

Para 3.22 - while comfortable with the specialized and non-specialized wholesale trade as a classification I was less than convinced with the need for the recommendation regarding further classification of wholesalers as domestic and international wholesalers - the purpose and the basis is not clear to me eg if a business exports 1% of its sales is it to be classified as an international wholesaler and grouped with businesses that export 100% of its sales.

Para 3.30 - I acknowledge that there is invariably interest in statistics by business size, using employment as the size variable, and a recommendation in that regard is appropriate. My issues are a) the choice of breakdowns ie is there international standards in this regard? The ABS generally use 0-4, 5-19, 20-99, 100-199 and 200+ and b) as noted in the paper the relevance of employment size is becoming less due to a range of issues eg the casualisation of the workforce and contracting of staff etc.

Para 3.40 - I am not sure that this para really belongs here. Para 3.39 has identified the need for links - the operational practicalities as to how that might be achieved may be better left to individual NSOs to determine.

Para 3.44 - the definition of public units is not an 'and/or' situation - ie it is units 'owned or controlled'.

Para 3.48 - I wonder if the recommendation regarding detecting the status of the unit ie statistical surveys is a little too prescriptive ie there may be other means of determining if a business is dormant or not.

Azerbaijan

I would like to inform that methodological materials confirmed in the item 3.27, 3.28, 3.29, 3.30, 3.31, 3.32th items on electron trade of section of "Characteristics of Statistical Unit" of III heading is considered to use the data in work because of being important and interesting for us.

Chile

Points of discrepancies with our national practice:
INE of Chile has used the amount of sales as size of the enterprise. The annual survey coverage considers the large and medium size based on amount of sales as mandatory units and a sample of the small and micro units. The draft does not discusses the

existence of other possible size approach, or different national practices, or advantages and disadvantages of other approaches.

Comment on Paragraph 3.20: the length of the sentence and punctuation, may imperil the understanding of the text.

Germany

As regards e-commerce (item 3.28.), we prefer the narrow definition, i.e. internet sales, because that medium is the focus of interest. Regarding the definition of the profitability ratio (item 5.22.), we advocate including the variable "turnover" in the denominator.

Ghana

3.4.   Principal activity. The principal activity of a unit is the activity that contributes most to the value added of that unit, or the activity for which the value added (of which) exceeds that of any other activity of the unit.

3.7 (i) The kind of activity of a statistical unit is determined by the kind of its principal activity; secondary and ancillary activities are to be disregarded when classifying a unit;

3.10 ....and it is not be possible to separate them statistically into different processes, assign them to different units or generally provide separate data for these activities, nor will rules relying on allocation of value added or similar measures be applicable, this unit should be generally classified by application of alternative indicators, such as gross output

PREFER: ......same factors of production , and it is not possible to separate them statistically into different proceeses, assign them to different units or generally provide separate data for these activities; or where rules relying on allocation of value added are inapplicable, this unit should be generally classified by the appplication of alternative indicators, such as gross output.

3.12 (i) In practice, however, it is often not possible to obtain the information on value added for individual products or services and it becomes necessary for the principal activity to be determined by using substitute criteria (see para. 3.3).

Hong Kong

Paragraph 3.15 – Rules on determination of retail trade based on the number of classes of products involved

> While the rule can provide a guideline in classifying activities into specialized and non-specialized retail trade, is there any rationale for choosing the recommended number of classes of products (i.e. 4) in the classification of a retail unit.

Examples on the operation of e-commerce and the ways to measure the e-commerce activities are useful. It is suggested that further elaboration on trading of "virtual goods" is included in the IRDTS. It is noted that there are some establishments employing some persons to play internet games and then selling the "virtual weapons" or game points to other players in the internet. Should the activities of selling the "virtual weapons" or game points be considered as retail of toys.

Mexico

An important aspect to emphasize is the predominant criterion for the differentiation of the wholesale trade from retail, which is referred to the type of client, the form of operation and type of commercialized goods, all which were considerate by the ISIC. In both, NAICS and ISIC, serious divergences exists and, perhaps, a single one exists relationship at subsector level, but not in an absolute form, since in the activity of sale of vehicles and new or used spare parts; as well as the product sale on a commission basis, is classified in the commerce, according to the international recommendations, nevertheless, is not adopted the criterion of identification of groups of the commerce sector.

In terms of the limit between the commerce activities and the services with other economic sectors, the change caused by the implantation of the NAICS, that is oriented by the production function, has sharpened certain borders, nevertheless, also generate time series broken, in diverse classification levels and the international association with the previous statistical information with ISIC.

OECD

Para. 3.30. Care needs to be taken with the use of labels such as "large", "medium", etc. What is large in a small economy might be medium or small in a large economy. Therefore, the emphasis in these recommendations should be on the size categories outlined in this para. And the need to ensure that any nationally developed size groupings are consistent with it.

Section F. Insert relevant references / links to the SNA from where many of the definitions outlined below are sourced.

Palestine

Regarding the electronic method in collecting data for E-Commerce that is included in the draft, we don't have in Palestine any transaction through credit card, but it will be helpful if you popularize this experience to all countries.

UK

Para 3.3: support recommendation that the kind of activity of statistical units should be determined in terms of ISIC, Rev.4 by application of classification rules laid out in the introduction of ISIC Rev. 4.

Para 3.7: support recommendation that the general principles of ISIC Rev 4 are used to determine the kind of activity of statistical units.

Para 3.9: support recommendation of the method to classify units that have a vertical integrated chain of activities i.e. that the unit should be classified to the activity accounting for the largest share of value added (or an appropriate substitute variable), as determined by the top-down method.

Para 3.10: support recommended approach to classifying units with a horizontal integration of activities i.e. if it is not possible to separate the different factors of production into different processes, assign them to different units or generally it is not possible for data to be provided for the different activities then countries should develop their own classification rules; these rules to then be included in the metadata for national and international dissemination.

Para 3.11: welcome additional clarification and the views of other countries on the recommendation of two different approaches to classify multi-activity enterprises and this issue may benefit from a discussion by the Expert Group. Subject, of course, to the outcome of the discussion, wouldn't there, though, need to be a strong argument needed to recommend two classification rules, regardless of level of the data being compiled. This is particularly so when one of them (top down approach) is internationally recognised and is indeed the recommended (para 3.13) approach in IRDTS.

Para 3.12: support recommendation that output, turnover or employment can be used as substitute criteria to value added as the variable to determine classification.

Para 3.12. should the reference be para 3.7 not para 3.3?

Para 3.13: agree with the application of the top- down method for classifying wholesale and retail units.

Para 3.15: support that the recommended rules should be followed when classifying units between specialised and non-specialised retail. The example in the Annex that applies the theory to a practical situation is also very good.

Para 3.18: support the recommendation that countries should avoid frequent changes in the classification of units and that countries are encouraged to develop a stability rule.

Para 3.18: in the UK the classification is updated once a year and therefore do not support the recommendation (albeit a working rule) that the secondary activity should exceed the activity to which the unit is classified for two years before the classification is changed.

The UK therefore prefers the earlier guidance that the countries are encouraged to develop a stability rule.

Para 3.19: support the recommendation that countries do not change the classification of units for the purpose of statistical inquiries more than once a year.

Para 3.22: support recommendation that units should be classified to wholesalers on own account whenever they derive a gross margin from wholesale trade greater than the receipts from commissions (agents' revenues) and that the same procedure is applied for the classification of units engaged in wholesaling and retailing by type of operation. The issue of data availability might, though, be an issue to make these decisions.

Welcome in the latest draft the removal of the recommendation that countries classify wholesalers between domestic and international wholesalers.

Para 3.24: support recommendation that these types of retail operations should be identified.

Support the move in the latest draft of the move of the guidance on E-Commerce from 'Statistical and Reporting Units' to 'Characteristics of Statistical Units'.

Para 3.28: support recommendation that for the purpose of IRDTS the broad definition of E-commerce is used.

Para 3.29: support recommendation that the rules for classifying e-commerce units remain unchanged i.e. they are classified to the industry of their principal activity by implementing the top-down method. Units that supply services exclusively through the Internet should also be classified to the industry of their principal activity.

Para 3.31: support recommendation that countries apply the top-down method for proper classification and recording of mail order units.

Para 3.32: support recommendation that for store retailers the distinction is made between specialized stores and non-specialized stores. Also support the recommendation that non-specialized retailers are distinguished as predominantly selling food products and others.

Para 3.32: oppose recommendation to make the distinction for store retailers between stores providing self service and others, or retailers being retail chains, department stores and others. The UK does not have the information to identify stores that provide self-service and it appears that the distinction of 'self service' is not made in ISIC Rev 4; this type of breakdown, therefore, is not within an international classification structure. This, of course, does not mean that this breakdown cannot be made if it required or the demand is there in individual countries. Should such a breakdown, though, be recommended by IRDTS.

Para 3.33: support recommendation that where possible there should be a separate distinction made for e-commerce and mail order activities.

Para 3.33: oppose recommendation of making a distinction of retail sale commission agents within non-store retailing. This is for the same reasons as for the breakdown of retailers into 'self service'.

Para 3.35: support recommendation that the size of a unit is based on the total number of persons employed.

Para 3.36: oppose recommendation that the breakdown of size classes of units should be 1, 2-4, 5-9, 10-19, 20-49, 50-99, 100-249, 250-499, 500-999, 1,000 and more. The rationale for the opposition here is that it is almost certain that countries will have different populations and survey and register restrictions/needs for the distributive trade. Also is there a risk that instability would increase as units would change strata on a more regular basis with such a detailed breakdown. Would it be better to let the individual countries determine their own breakdown of size classes in order to best meet their statistical resources and demands? Is the wording in para 3.37 is much more suitable.

Para 3.44: support recommendation that multi-establishment enterprises are divided into classes according to the number of entities that are most appropriate for each country.

Para 3.45: support recommendation that the links between individual entities and any parent enterprise are clearly defined.

Para 3.46: support recommendation that in the absence of a business register that the link between the trade enterprise and entities belonging to it be ensured by matching their names and addresses. Also support the recommendation that for practical purposes a list of all subsidiary legal entities from the central offices should be requested.

Para 3.47: support recommendation that the minimum classification of units by kind of legal organization distinguishes between unincorporated units and incorporated units.

Para 3.48: agree with the comment that the classification of units by their legal forms has more national rather than international significance and therefore support the recommendation that it is developed in accordance with the legal forms or categories adopted by each country.

Para 3.50: support recommendation that in addition to the kind of legal organization that the main types of ownership, i.e., private ownership and the various forms of public ownership should be considered as useful optional characteristics.

Para 3.51: support recommendation that the category of publicly owned units is further disaggregated into the main divisions of public ownership existing in each country.

Para 3.53: support recommendation that where the statistics about the demography of trade units exists on a regular basis that they are used for the calculation of the rate of new units creation and the chance of unit survival, and for estimation of the differences in dynamics of units between ISIC classes.

Para 3.54: support recommendation that countries try to obtain the information on births and deaths of units from administrative sources. Also support recommendation that statistical surveys are used to detect the status of the unit – i.e. whether the unit is active or dormant.

Para 3.55: support recommendation that countries include a separate question in statistical surveys on trade units asking about the period of operation.

CHAPTER IV. DATA ITEMS AND THEIR DEFINITIONS

Australia

Para 4.1 - this para could be more expansive in terms of the content and purpose of the chapter. In that regard the Chapter presents a relatively comprehensive and ideal list of data items of relevance to distributive trade statistics. More importantly the chapter provides the definitions for each of the data items, the adoption of which will facilitate comparisons. The key recommendation to be conveyed is that compilers should consider the list of data items in accordance with their own statistical circumstances, respondent load and available resources and having determined the data items should consistently use the definitions presented.

Two other observations. First it is difficult to consider the issue of data items in isolation of frequency of collection/compilation ie sub annual, annual or irregular. I note some of the data item recommendations have suggestions re frequency but others do not - is there a need to indicate for each data item the frequency with which it might be collected or compiled. Second, even if it is concluded that that it would be inappropriate to recommend frequency then some general discussion on that aspect would be useful in the introductory paragraphs.

Para 4.11 - is there a contradiction in excluding unpaid family workers if they are in paid employment with another unit as their principal occupation, whereas family workers who receive pay are included even if they are in paid employment with another unit as their principal occupation.

Para 4.29 - I am not sure I understand the difference between 'average number of persons engaged' and 'total number of persons engaged' - possibly as the latter does not appear to be defined anywhere.

Para 4.46 - to be consistent with the SNA, lay off payments and compensation for unemployment should be excluded rather than included.

Para 4.48 - Stock options should be included in wages in cash as they are receipt of compensation in the form of a financial asset - payment in kind should be restricted to the receipt of goods and services. More generally equity based payments should be included in wages in cash. Notwithstanding the classification issues, there is the valuation issue of such payments - any guidance that could be provided would be a useful addition.

Para 4.55 - does not seem to be consistent with the notion of recording businesses outputs at basic prices.

Para 4.63 - is difficult to understand as currently written but it does highlight an issue as to what is a data item and what is a performance indicator and whether they are mutually exclusive. To my thinking turnover by type of customer should be considered to be a

data item but such turnover described as a percentage of total turnover might be a performance indicator eg sales to other businesses is a data item but the percentage of turnover represented by sales to other businesses is a performance indicator.

Para 4.68 - it is agreed that e-commerce sales may be a data item of interest and the definition is important, but the data items chapter would not seem the appropriate place to make recommendations as to how such information might be collected ie a national survey or a question about e-commerce sales. It is not done for other data items.

Para 4.109 - again goes beyond the data item definition to propose practical solutions to acquiring the data.

Para 4.119 - a minor wording suggestion, substitute 'measures' for 'illustrates' in the first line.

Para 4.120 - the definition of output includes other operating income (excluding subsidies). This may be a problem because operating income is not a well defined item and it may easily include elements such as interest etc which should be excluded. The exclusion of subsidies is also problematic, the value of subsidies on products should be included in any measure of output at basic prices, it is not clear that these subsidies are accounted for in the measure of output described here - although it may be intended that the value of the subsidy may be captured in turnover.

Para 4.124 - provides a link between various valuation options that exist for output and value added, it is worth noting that SNA93 doesn't use the term gross output it simply talks about output.

Para 4.125 - in defining gross margin it is suggested that commission revenue received as a result of selling items on behalf of others should be included, it is not clear that this is appropriate. More generally in much of the material on turnover, output and this section it is being implicitly assumed that the distributive trade activity is the only activity being undertaken, i.e no secondary production. While this is a useful construct in explaining concepts clearly it can potentially be misleading unless the implications are clearly understood, i.e. only that part of turnover related to the resale of goods and services should contribute to the gross margin calculation, not the entirety of the sales.

Para 4.131 - comments as per paragraph 4.120 apply.

Section 14. Investments - the argument that the term Investments is used as it is the term used in business accounting may be appropriate but I note that such an argument is not applied to earlier sections eg gross operating surplus where business accounting would in fact measure something like earnings before interest, tax, depreciation and amortisation. Furthermore it is not clear that the business accounting term investments does actually align with the SNA concept of gross fixed capital formation ie it could be misinterpreted to include financial assets. As such it is suggested that there is no compelling case to diverge from the SNA terminology ie gross fixed capital formation

Para 4.152 - it might be noted that the sales price of structures should, ideally, exclude the values of land. This would achieve consistency with the recommended treatment of land in the following paragraph.

Para 4.154 - the last sentence suggests that consumption of fixed capital should be valued on a straight-line basis with reference to the expected economic lifetime of the individual assets. In principle we want to record the decline in value of the asset(s) in the reference period at the prices prevailing at that period, it is not an historical cost accounting construct.

Brazil

Turnover by Product Groups

In relation to the recommended breakdown of turnover in distributive trade showed on page 59, I'd like to suggest, if it's possible due the opening of Classification of Individual Consumption According to Purpose (COICOP), the inclusion of ICT products as a separated group. These products would be computers, presentation devices, notebooks and peripheral equipments, telephones and others telecommunications devices, floppy discs, CD-Rooms, pen drives and so on.

Due the increasing relevance of these products in all economic activities, it's important to measure the value of these sales in all retail trade, independent of the prevailing enterprises' kind of activity. The sales of these goods in specialized stores don't reflect the market's reality as long as they are sold majority in non-specialized stores like hipermarkets and department stores and in specialized stores of electronics and domestic appliances and stationery shops.

With the highlight of this group we can measure the impact of ICT products in all retail trade and what is the market share in terms of turnover.

The IRDTS recommends on page 60 that value of sales through e-commerce be stressed as a separated item, but it's important to compare this value with others systems of sales. Therefore, I'd like to suggest too the breakdown in turnover by systems of merchandise as described below:

Systems of merchandise of goods
- Sales in stores   %
- Sales not in stores
  - Door-to-door   %
  - Stalls in market-places and kiosks   %
  - Internet   %
  - Mail   %
  - Television   %

- Vending-machines   %
- Others   %

This breakdown allows the comparison between the systems of sales, allowing too the analysis of the e-commerce evolution and it's growing impact in retail trade by activity.

Variables of The Annual Survey of Trade in Brazil

Just for additional information it's set out below the variables of the Annual Survey of Trade held in Brazil since 1988.

- Respondent information - Legal name - Trade name - Address - Telephone - E-mail	- Legal changes - Ceased operations - Change of ownership - Acquisition - Merger - Split up/Split of - Description of business - List of the main categories of goods provided - Number of business register
- Employment by quarter year - Persons paid a regular wages or salaries - Persons linked to commerce activity (sales managers, vendors, sale clerks, cashiers and so on) - Administrative persons, president, directors and so on - Proprietors and partners - Family members	
- Operating Revenues - Gross revenue - Sales - Manufacturing - Repair and maintenance services - Commission and royalties of franchise - Others activities (food services, warehousing, transportation, parking, construction, agriculture and son on) - Direct taxes over revenue - Net operating revenue	- Purchases, Inventories in previous year and Inventories in year of reference - Goods for resale - Raw material - Products in process - Finished products - Packaging material, parts and other material - Costs of sales - Compensations and costs of labor - Operating expenditures

• Others receipts
   • Rental
   • Financial receipts
   • Receipts from investments in subsidiaries
   • S ales of fixed assets
 	
• Net sales by class of activity
   • Retail
   • Wholesale
 	
• Sales by destination
   • Exports
   %
   • Sales to others enterprises
   %
   • Sales to government bodies
   %
   • Sales to the public in general
   %
	• Rental and leasing of land and buildings
	• Brokerage and other fees for intermediary sales
	• Advertising
	• Fuels and parts
	• Payments to autonomous workers
	• Payments to sub-contractors
	• Professional services (legal services, accounting, auditing, computer services and so on)
	• Security services
	• Transportation
	• Temporary employment services
	• Repair and maintenance services
	• Other services (cleaning, janitorial services, landscaping services and so on)
	• Telecommunications, mail and internet
	• Electricity, gas and sewer
	• Warehousing and port and airport expenses
	• Insurance premiums
	• Legal tax
	• Office and cleaning material
	• Royalties and payments for the use of trademarks and franchise
	• Other operating expenditures

• Financial expenditures	• Depreciation and amortization and Income Tax
• Acquisitions and Reduction of fixed assets	

• Systems of merchandise of goods
   • Sales in stores   %
   • Sales not in stores
     • Door-to-door   %
     • Stalls in market-places and kiosks %
     • Internet   %
     • Mail   %
	• Data for State of Federation
	   • Employment
	   • Compensation
	   • Number of establishments
	   • Gross sale

• Television % • Vending-machines % • Others %	

This survey was established in 1988 referring to economic census of 1985 as a frame of sampling process. In 1996 this survey underwent a remodel process for both to meet the new demands of users and to reflect changes stemmed from the new classification system referring to the National Classification of Economic Activities-CNAE established in 1994. Since 1996 the National Directory of Enterprises, established jointly CNAE, has been the frame of the sampling process.

Distributive trade in Brazil has around 1.4 million enterprises and the sampling process of the Annual Survey of Trade is divided into two strata as follows:

Certainty stratum

This stratum comprises all companies with 20 or more employees and is like a census, considering it includes all companies of this size in the survey every year. Around 30 thousands take part in this stratum and the majority are medium and large companies. According to Annual Survey of Trade 2004, certainty stratum accounts for 2,4% of the total enterprises, 34,9% of the total employees and 77,7% of the total gross sales of the distributive trade. Companies included in this stratum must fill a long form, with detailed financial information as well as information concerning distributive trade activity. This long form allows to create performance indicators like profitability, productivity, inventories turnover and so on making possible to evaluate business' status of companies related to distributive trade sector.

Random stratum

This stratum comprises companies with less than 20 employees and the companies are selected through rotating sample process. Around 30 thousands companies take part in this stratum and it comprises the majority of small companies and micro-companies. Companies included in this stratum must fill a short form that has limited financial information and limited information concerning distributive trade.

Germany

The term "process of production" in item 4.138 should be explained or replaced by another term because it might be misunderstood in the context of trade businesses.

Ghana

4.5 (a) Complex enterprises. A complex, (also) called also a multi-establishment enterprise is one that is comprised of more than one establishment.

4.41 Important for constructing labour compensation price indices in distributive trade sector will be if those categories include breakdown by occupation preferably following the International Classification of Occupation (ISCO). NOT CLEAR

4.49. In order to ensure that the output of research and development and development of software and databases will be properly estimated, it is recommended wages and salaries data for these two particular categories of employees to be reported separately.

4.51 -direct payments to employees in respect of absence from work owning to sickness, maternity leave or employment injuries, to compensate them for a loss of earnings; other direct payments comparable to social security benefits.

Hong Kong

Paragraph 4.12 - "Unpaid family workers refer to persons *who live with the proprietor of the unit and work regularly for the unit*, irrespective of the number of hours worked during the reference period, but do not have a contract of service and do not receive a fixed sum for the work they perform. *Unpaid family workers who at the same time are in paid employment with another unit as their principal occupation should not be considered as employed in the concerned unit.* On the other hand, family workers who receive pay for the work performed should be classified as employees."

(i) In the manual of "*An ILO manual on concepts and methods – Surveys of economically active population, employment, unemployment and underemployment (page 169)*", the criterion of "*live with the proprietor of the unit and work regularly for the unit*" for unpaid family worker is not required.

(ii) Also, ILO does not specify that *unpaid family workers who at the same time are in paid employment with another unit as their principal occupation should not be considered as employed in the concerned unit.*

(iii) Harmonization of concepts and definitions with ILO manual is preferred so to facilitate both national and international comparison.

Paragraph 4.20 - 8th line: "and employees in *fill-time* equivalence"

Paragraph 4.23 - heading: "*x.x.x.x. Employees in fill-time equivalence*"

Should the term "fill-time equivalence" be read as "full-time equivalence"?

Paragraph 4.48 – Stock options

Regarding the inclusion of stock options in wages and salaries, more recommendations on the time of recording (whether at the time exercising the right) and valuation would be useful.

Italy

Referring to the value of gross margin described with the identity on page 77, paragraph 6.111 of the provisional draft of Recommendations on Distributive Trade Statistics (June 2007)

Trade Margin (TM) in the System of National Account (SNA 1993, Rev1, paragraph 6.111) is derived by the following identity:

TM= S+OU – P+AI-WI- L

Where:
S = the value of sales
OU= other uses of goods purchased for resale
P = the value of goods purchased for resale
AI = the value of additions to inventories of goods for resale
WI= the value of goods withdrawn from inventories
L = the value of losses

as:

CI = OI +AI-WI

It comes that:

Where:
CI = closing stock of inventories
OI = opening stock of inventories

CI – OI = AI-WI

In the provisional draft IRDTS (paragraph 4.130.), though, the changes in stock of inventories, in the identity describing the gross margins, is expressed by the difference between the opening stock and closing stock (OI-CI).
Assuming that we understood correctly the document, the identity appears to be not in accordance with SNA definitions.
We would be very grateful if you could send us some more explanation about the formula and a numerical example would be useful.

Mongolia

1.   To make definition of product reserve and indicate which indicators need to be reflected in this group. Additionally, it will be useful to include the estimation of circulation rate of goods, time indicators and index.
2.   To include indicators related to the workers in trade sector, occupational and non-occupational workers, how to estimate worked hours and days and a methodology of labor productive.

3.   To include definitions and indicators related to the intermediate consumption and expenditure of trade.

4.   To include indicators related to the material supplies of enterprises and establishments engaged with the trade sector. Number of enterprises, service square /m2/ supply indicators and its definition, estimation.

OECD

Para 4.8. Why the term "engaged"? Is "employed" more relevant? Should also insert cross reference to relevant ICLS standard.

Para 4.18. Insert reference to the current ICLS standard. This is unfortunately quite old and the Paris Group is working on a revised Resolution on working time (which includes an updated version of working time arrangements) leading up to a revision of this standard at the next ICLS which is due to be held at the end of 2008. A draft version of the revised Resolution should be available at the end of 2007.

Para. 4.20. The emphasis in this document seems to be to the concept of "normal" hours whereas the emphasis in the revised ICLS Resolution on working time measurement referred to above and the revised SNA will be on the "actual" hours concept.

Para. 4.20. The Paris Group is placing less emphasis on the PT/FT dichotomy given the impossibility of reaching agreement on the hours cutoff. Emphasis instead has been on the reporting groupings of actual hours. It would be useful for the IRDTS to be consistent with this approach. Refer to the current ICLS Resolution for the existing groupings. Furthermore this removes the need for the compilation of FTEs, a concept which the revised SNA is also trying to remove / deemphasize.

Para. 4.25. Insert a more precise reference [for Frascati Mannual].

Para. 4.35. Insert ICLS or SNA source for this definition [number of hours worked].

Para. 4.53. Refer to comment in the covering letter on OECD feedback on this version of the IRDTS outlining the need to prepare a definition of the turnover concept and its components. Any new definition should also be consistent with terminology currently being developed in the UN standards for industry.

Para. 4.61. The trend is to survey more widely enterprises across both industry and service activities in a more unified way. As firms are often involved in a variety of production activities, it is important that secondary activities and products are identified as far as resources/response burdens allow.

Paragraph 4.61 touches on this for secondary activities, which may include manufacturing, transport services, financial services etc.

Paragraph 4.64-4.66 appears to do the same for products (primary and secondary) but we would suggest to try to clarify things by inserting in paragraph 4.64 after "... broken down

by products", ",both for goods and services," [please see the attached]

Poland

Suggested in the IRDTS data items definitions are compatible with those ones applied in countries of European Union, especially in the scope of standards which are characteristic for national accounts, implemented classifications and statistical issues definitions.
However I would like to notify some remarks and suggestions.
It should be considered enclosing in Recommendations correspondence tables between:

  a) CPC categories and activity classes of ISIC, Rev. 4 provided in Annex would be used as a guide in scope of such product categories;
  b) CPC and COICOP classifications according to mentioned scope (the 45 retail product classes be grouped into the following eight product categories)
  c) ISIC, Rev. 4 and implemented international classifications in the scope of the commercial activity (as a guide).

I would like to add some remarks to definitions included in chapter IV:

  a)   it is suggested that the issue "Number of enterprises" could be enlarged by two additional data items: "Number of births of enterprises in t" and "Number of deaths of enterprises in t". These two characteristics are important both in terms of demography of enterprises and number   trade entities has great influence on preparing frame for statistical surveys and compilation its resultats,
  b)   the definition "Number of employees" takes into account students working for a trade unit: "Students who have a formal commitment whereby they contribute to the unit's process of production in return for remuneration and / or education services". It is recommended that the same definition by United Nations would be completed by mentioned group of employees.
  c)   is it necessary to survey items such as "Total number of persons employed in research and development" and "Total number of persons employed in development of software and databases"? It is suggested that the scope of these two items is too detailed and has no significant influence on trade.
  d)   "Total number of persons employed in informal sector" – the informal sector is very important issue in every sector of economy and necessity of its survey is indisputable, so we agree on recommended definition.
  e)   it is suggested that the definition of "Compensation of employees" would be enlarged by descriptions of two main components which would allow to minimize their misinterpretation. These components may be defined as follows: "All remuneration paid during the reference period is included, regardless of whether it is paid on the basis of working time, output or piecework, and whether it is paid regularly or not. Included are all gratuities, workplace and performance bonuses, ex gratia payments, thirteenth month pay (and similar fixed bonuses), payments made to employees in consideration of dismissal, lodging, transport, cost of living and family allowances, commissions, attendance fees, over-time, night work etc. as well

as taxes, social security contributions and other amounts owed by the employees and retained at sources by the employers.

Also included are the social security costs for the employer. These include employer's social security contributions to schemes for retirement pensions, sickness, maternity, disability, unemployment, occupational accidents and diseases, family allowances as well as other schemes. These costs are included of whether they are statutory, collectively, agreed, contractual or voluntary in nature."

f) the definition "Gross operating surplus" contains two data items such as "value added in basic prices" and "value added at factor costs" which are not explained in the item "value added". It is suggested that these two definitions, according to SBS, should be added:

<u>"Value added at basic prices</u>

Value added at basic prices is calculated from the production value plus subsidies on products less the purchases of goods and services (other than those purchases for resale in the same condition) plus or minus the change in stocks of row materials and consumables less other taxes on products which are linked to turnover but not deductible. It represents the value added by the various factor inputs in the operating activities of the unit concerned.

<u>Value added at factor costs</u>

Value added at factor costs is the gross income from operating activities after adjusting for operating subsidies and indirect taxes.

a) turnover
+ capitalized production
+ other operating income
+/- the changes in stocks
- purchases of goods and services
- other taxes on products which are linked to turnover but not deductible
- duties and taxes linked to production
b) gross operating surplus
+ personnel costs"

_UK_

Para 4.1 … and the recommendations elsewhere within this chapter: strongly support wording that compilers implement the recommended list of data items in accordance with their own statistical circumstances and available resources. This is sensible due to the very different resources and demands placed on the National Statistical Institutes around the world.

It appears that international guidelines have been used to define the data definitions. Again strongly support this approach; it should help ensure no duplication of effort for National Statistic Institutes as countries should already be striving to meet these existing guidelines. A significant advantage of this manual is, though, that it becomes a one-stop-

shop for guidance as it brings together the different dimensions e.g. output, investment, labour market etc.

Para 4.5.7: welcome the change of definition of turnover in the latest draft to 'totals invoiced by the observation unit during the reference period.'

Section 7 Inventories: welcome in the latest draft the addition of guidance for change in stocks of materials and supplies.

General Comment: would it be beneficial to provide some guidance within this chapter about the relevant importance of the periodicity of data collection/compilation for the different variables. For example some variables are important for structural statistics but less so for more timely (quarterly or monthly) statistics; whereas for some data items more timely data are far more important. This type of guidance may be very useful for countries developing a strategy for data collection and statistical infrastructure.

CIS Committee

In par.4.126 it is stated that it is difficult to ascertain "other revenue" at the level of establishment. It is no clear what are the recommendations to deal with this situation.

In par.4.129 in the formulas dealing with the relationship between various types of valuation the starting point is valuation at factor costs which is not a part of the` SNA 1993 and is not used in the CIS region; it appears that it would be more advantageous to start with the amounts shown in the bills payable and receivable by the trade units and to proceed with valuation at producer prices and basic prices. In par.4.136 purchaser prices are mentioned as a possibility of valuation of output but no further explanation or comments on this approach are given. In the SNA 1993 this mode of valuation of output is not recommended.

In par.4.138 there should be references to mixed income. This item is important for the CIS countries where informal sector units in trade are a widespread phenomenon.

In par.4.140 in the scheme of derivation of operating surplus it is not clear why it is suggested to subtract from the output "purchases of goods and services" rather than "intermediate consumption" since the latter is defined as actual use of goods and services rather than purchases.

In par.4.104 the content of the payment for financial services requires further explanation. In the SNA 1993 a distinction is made between FISIM and auxiliary services. Is it intended to include both or only auxiliary services?

In par.4.102 insurance premiums are mentioned as one item of purchases of services. Intermediate consumption is defined in the SNA in a broader manner and so it is not clear how to derive intermediate consumption from the data on purchases of goods and services.

In par.4.55 it would be desirable to isolate imputed social contributions in order to secure link to SNA 1993.

With regard to the minimum list of data items shown in the par.10.23 the following items are currently not available in the majority of the CIS countries: gross fixes capital formation, changes in stocks of goods and services. These items are compiled only for institutional sectors.

In par.4.156 reference is made to research and development as an intellectual property product. It may take a number of years before the recommendation for updating SNA 1993 to allocate this item to capital formation can be implemented in practice in the CIS region.

CHAPTER V. PERFORMANCE INDICATORS

Australia

Para 5.10 - It would be useful to clarify the scope of the recommendation re annual and quarterly core indicators - does it relate to just common core performance indicators or common core performance indicators and distributive trade core performance indicators.

Two observations regarding the recommendation.

a) it is not clear what the further recommendation that their compilation be considered as minimum programme for all countries implies. Is there a proposal that there be international reporting at that level?

b) there is not necessarily a tight nexus between data collection and data compilation eg ABS would/can compile most of the indicators proposed but those indicators may be imputed from other indicators eg value added growth where turnover is used as the indicator on a quarterly basis, or the data sources may be different eg employment estimates are from household surveys.

In that context, some further clarity about what is proposed would be useful, especially the fact that recommendations to compile certain indicators with a certain frequency does not necessarily translate into comparable data collection with the same frequency.

Para 5.13 to 5.23 - Turning to the indicators the proposed Common core performance indicators are an appealing set of indicators however one might argue as to whether all are required and whether they are all required quarterly. I think the focus should be on value added, employment and the associated national accounts indicators. In that context a couple of observations:

a) the importance of measures of output/person employed and value added/person employed is difficult to assess given the changing employment patterns (increased part-time) in the industry

b) there may be argument for the profitability ratio to be derived using total output as the denominator.

c) I question the value of the earnings - expenditure ratio; it is a variation on the profitability ratio and probably not essential.

Para 5.24 5.35 - the range of distributive trade core performance indicators is extensive and I would suggest some are not of sufficient importance to justify 'core' status or quarterly compilation. Specific comments are as follows:

a) turnover at constant prices is a key indicator, however to be consistent with the earlier

statements regarding the core indicators being produced quarterly and annual the recommendation should be for quarterly and annual compilation with monthly an option if considered feasible.

b) turnover/per person employed - earlier comments re per person employed ratios applies equally to this indicator.

c) share of e-commerce sales in total sales - I would question whether this justifies the status of a core indicator. My concerns are twofold; first, the difficulty in defining e-commerce (refer earlier discussion in the paper) and second I do not imagine it is something that needs to be compiled quarterly.

d) retail trade/wholesale trade turnover index - my only issue with this indicator is that it would seem to be simply a variation of turnover at constant prices and hence should be included a part of that indicator eg compilers may wish to express turnover at constant prices as an index.

Paras 5.36 - 5.48 - the range of additional performance indicators are an interesting array of indicators. They are clearly not core, indeed they are fairly marginal, and you would only collect such information if your circumstances warranted the collection such data. Countering that would be the issue of the high respondent burden associated with the some of the prosed indicators. I think para 5.36 - 5.37 could usefully reflect those issues. In that vein I do not think it is the possibility of variations in national data collection practices which dissuade as from compiling internationally harmonized data but rather the issues of the marginal nature of the data and the response burden associated with it.

Chile

The difference in periodicity for Common core performance indicator and Specific to distributive trade core performance indicators has not been explicitly stated. The Specific performance indicators are supposed to be obtained from monthly survey while the Common indicators are based on annual information.

It should be considered that monthly surveys usually include few questions in order to get fast and precise response, to ensure fast processing for timely results. Opportunity is of great importance when dealing with monthly indicators.

An evaluation of timely against numerous indicators should take place before a country decides to calculate several of the monthly performance indicators presented in the recommendations.

Comment on Paragraph 5.25 and paragraph 5.27: the length of the sentence and punctuation, may imperil the understanding of the text.

Germany

For better understanding, the performance indicators proposed in chapter V should be supported by formulas containing the variables proposed. What would be helpful, although not indispensable, is simple calculation examples.

OECD

The list of performance indicators outlined in Chapter V is too long and detailed, and their comparability across UN Member countries will be in question. Thus, we suggest to select a set of core (or target) indicators from the list which should be collected at infra-annual or annual frequency. Section E is too detailed and the usefulness of some of the indicators listed is questionable, particularly in a document such as this, e.g. average turnover per enterprise, sales per retail sales space;

Trinidad and Tobago

In Chapter #5 Performance Indicators, mention is made of value added growth. The impression given is that Value added at constant prices is to be derived by the process of single deflation. The latter is no longer considered to be a valid option in deriving constant prices.The IMF advocates either double deflation or failing that single extrapolation be used.

UK

Qualified support for the content of this chapter. There is potentially little debate about the usefulness of such indicators and that countries should aspire to produce these data. It will, though, be interesting to consider the responses from other countries about their ability to meet the recommended minimum requirements. With this in mind, the new form of wording in para 5.35 acknowledging that the data needed to meet 'additional performance indicators…' would significantly increase the burden on respondents and that countries are advised to collect this information only if their circumstances warranted the collection of such data. Also that 'Earnings-Expenditure ratio' has been removed in the latest draft from the common core performance indicators.

- the UK can meet all Common core performance indicators on a quarterly basis

- the UK can meet all the performance indicators specific to the distributive on a quarterly basis except:
  - gross margin as a percentage of turnover (can be met on an annual basis)

  - share of e-commerce sales in total sales can only be partially met i.e. this information is only collected from the largest contributors

  - the additional breakdown of turnover per person employed to include kind of activity, size of enterprises etc. may also be challenging.

- o the UK can, though, only currently meet the number of retail stores and percentage share of turnover to final consumers (annual only) re. the 'additional performance indicators of distributive trade'.

CHAPTER VI. DATA SOURCES AND DATA COMPILATION METHODS

<u>Australia</u>

An inherent difficulty in a chapter of this nature is getting the balance right between broad principles and detail - this is particularly illustrated in the discussion regarding imputation/editing and metadata where I think the draft falls somewhere uncomfortably in between.

Again on the general structure I think this chapter would benefit greatly from some introductory paragraphs which focus on the key issues relating to data compilation methods - issues that could be addressed include the availability of administrative data, the availability of a business register and the issue of respondent burden. In particular I think the last of these ie respondent burden needs a higher profile then the existing few passing paragraphs later in the chapter.

Turning to specific comments:

Para 6.2 - the reference in (i) (and subsequently as a header) to statistical data sources might more appropriately be labelled as statistical data collections.

Para 6.4 - it strikes me that the points (i) and (ii) could be readily combined into a single issue ie establish and maintain the business register and provide a sampling frame for more frequent statistical surveys.

Para 6.5 - overlaps somewhat with Para 6.4 with duplication of comments. The issue of the significant cost of a census of trade units is very valid and is probably one of the issues I would bring forward to the introductory paragraphs I suggested above. In terms of the recommended reasons for conducting a census I think that (i) is premised on a situation on where you are starting from scratch ie there is no business register or frame. It was not clear to me why you would conduct a census in the cases: ... (iii) Countries maintaining up-to-date business registers that need reliable frames for their short-term surveys or need to collect information about links between trade establishments on the register and trade enterprises to which they belong." If the register is up-to-date, why the need for a more reliable frame? A possible reason for conducting a census not listed in the para is the users need for detailed geographic data ie small area data.

I wonder if there would be a benefit in highlighting why you might <u>not</u> conduct a census ie cost, respondent burden, data quality etc. Indeed you may wish to recommend that Censuses should not be used unless there are no other ways of producing trade statistics of a high enough quality to be 'fit for purpose'. Of course such a concept applies equally in determining the frequency and content of any statistical collection.

Para 6.7 - I think there is a word missing in the sentence "Conclusions about the total population of units are made on the basis of the **estimates** obtained from the sample

survey data."

Para 6.9 - in relation to the discussion on the use of size thresholds a few observations:

a) one of the factors that will influence the possible use of thresholds is the use of the data. As an indicator, a survey that has a size cutoff may be adequate if fit for purpose.

b) if a size threshold is used, it may be useful to 'encourage' the NSO to try and make a (periodic) assessment of the undercoverage of the survey due to the cutoff.

Para 6.10 - the restriction of the types of surveys to enterprise surveys, household surveys, and mixed household -enterprise surveys seems restrictive. Is there not scope for establishment surveys or kind of activity unit survey. Having said that the last sentence ie "depends upon the statistical system of a country and the resources available to its statistical office " is very relevant and is again something that I would suggest could be included in some introductory paras.

Para 6.13: A word is missing in point (i):"The area based approach involves cluster sampling which require a larger **sample** than in the case of list based survey sample in order to achieve a given level of accuracy. "

Paras 6.14 - 6.18 - appear to relate to the issue of the informal sector, which is a very minor issue in the ABS context so I will not comment upon them.

Para 6.21 - regarding response burden is a very important message and should be elevated to the commencement of the Chapter.

Para 6.22 - I would not support the recommendation regarding the reference period being specified as the calendar year. Certainly you want a common reference period for a collection but that will align with the accounting practices of the country rather than specify a calendar year. For example in the Australian situation the financial year for reporting is July to June and that is the period for which we seek information, recognising that not all businesses can report on that business (eg subsidiaries of overseas businesses).

Para 6.23 - I strongly support the discussion on the use of administrative data. In particular I would endorse the recommendation that countries using administrative data sources for statistical purposes pay special attention to their limitations and describe them in their metadata .

Para 6.24 - 6.25 - provides a good summary of the respective benefits and disadvantages of admin data.

On a more general issue this section might be enhanced if their was discussion or recognition of the different options for using administrative data, particularly combining administrative and survey data in some way. For example, administrative data may be suitable for covering the smallest portion of the population which contributes relatively

little to estimates but makes up a substantial percentage of the number of units in the population. Or they could be used for modelling purposes, reducing the size of the sample required. Or they may not be useful because of timeliness reasons for the preliminary release, but may be used for greater accuracy of estimates for final release.

Para 6.26 - it wasn't clear to me why compilers would only be encouraged to identify and review administrative data. Why would that not be a recommendation?

Para 6.29 - the suggestion that a business register based on a single administrative register is likely to be deficient is a generalisation. Clearly there is a need to assess the quality and coverage of any administrative source but the reality is that it is often a single source (ie taxation authorities) that is the basis of NSO registers and there is often benefits in using a single source ie there is no duplication. I think it would be suffice to say that agencies should assess sources in terms of coverage, data quality etc and where appropriate explore other admin sources.

Para 6.31 - I was not convinced that the recommendation in this para were necessary. Most of the issues are covered elsewhere and I am not convinced that (ii) (iv) or (v) are preferred uses for the business register. I think the para needs some more thought.

Para 6.33 - the emphasis should not be simply on the 'designing of questionnaires' but rather on the "designing and testing of questionnaires". Testing is a very key part of designing a questionnaire and it is worth specific mention.

Para 6.35 - 6.36 - The point re focusing editing attention on the big units is well made, but it could go further and recommend the use of a significance or selective editing technique as a tool for focusing effort where it's going to make a difference (and avoid effort where it's not). Selective editing provides a formal framework and process for dividing units into a critical stream (large anomalies requiring manual investigation and resolution) and non-critical stream (either fix by automatic algorithms, or leave as is).

Para 6.37 - the last sentence of this para oversimplifies the imputation issue - there are a range of imputation strategies that may be adopted to address unit non response ie re-weighting may not be the answer.

Para 6.39 - first sentence could be improved by saying 'may be legally required" rather than 'are legally required'. Notwithstanding the discussion on non-response raises is very valid and in turn it raises another issue which is not mentioned, namely the need for formal "business rules" to handle cases where the real-world unit is not the same as it is recorded on the frame. This is important in eliminating an unnecessary source of bias on the estimates.

Para 6.40 - agree with all the points made but I think the key factor in minimising non response is a well designed, user-friendly questionnaire - probably worth re-iterating.

Para 6.41 - 6.43 - is a good discussion of imputation issues, however as indicated

previously it is a topic difficult to address in a few paras. A few observations:

a) I was a little confused by paras 6.41 and 6.42. It seemed that 6.41 said there were 2 options but 6.42 said there was one preferred option. If that is a correct interpretation then maybe 6.41 should not be a recommendation but merely a recognition that there are (at least) 2 options for addressing non response.

b) point (iii) of 6.42 is not what I would call "post-stratification"; rather it is about defining "imputation classes".

c) para 6.43 glosses over the problem of non-response bias. You could follow these recommendations to the letter, re-weight for non-response - and still get a badly biased estimate, particularly if the non-response is related to data items of interest or is particularly high. Activities that can be undertaken to address the problem include follow up targeted at large units or units which are difficult to get a good impute for (e.g. 'new units', where you have no historical data), post-stratification / benchmarking to known population totals particularly where the benchmark variables are likely to be correlated with the propensity to fail to respond, non-response studies (e.g. small samples of non-responding units).

Brazil

Data Compilation Methods

Self-classification in business registers has been a matter of concern for several years in Brazil, since business registers have been a basis for selecting enterprises for sampling process of annual surveys. Frame imperfections must be treated so that the survey's outcomes can reflect as most as possible the reality of the distributive trade sector.

Therefore, concerning about the topic Data Compilation Methods on page 10, I would like to set out a case about change in classification of activity as occurs in the Annual Survey of Trade held in Brazil, in the estimation process. Although the EG Meeting to be held in July may not be the exact forum to discuss a case like that described below, this case may be a contribution for other countries.

Suppose that a small company originally classified as retail trade of food and beverage is selected with a sample fraction of 1/1,500. Then the factor for estimation will be 1,500, so this company will represent other 1,500 companies of the same size and of the same activity in the stratum. After grossing up procedures, it has been identified that the correct activity is wholesale trade, not retail trade.

The problem is whether this company must or not take its original weight into its new activity, since the selected company represents 1,500 other companies and can inflate the domain of wholesale trade of food and beverage.

The current procedure adopted in Annual Survey of Trade is to keep the original 1,500 weight in the new stratum of wholesale trade of food and beverage, being necessary reweighting the other companies classified as retail trade of food and beverage. If this reclassified company causes distortion in the wholesale trade of food and beverage estimation, like inflation of economic values, then calibration process is adopted to adjust the final results according to frame population.

A new study in IBGE gets under way aiming to assess alternatives to this problem and ascertain what is the impact of the change in the process of estimation. One of the feasible alternatives is not to bring the reclassified company's original weight to new activity anymore. Therefore, taking the example above, the reclassified company would pass through reweighting process according to the total number of companies of wholesale trade of food and beverage domain and it must be treated as it had been selected originally from wholesale trade of food and beverage.

Canada

6.23-24. While the issue of response burden is addressed in these paragraphs, the coverage seems rather terse considering the extent of the importance of the issue for most statistical agencies, as well as the demanding nature of the recommendations in the report. Therefore, the points noted in these paragraphs should be profitably expanded. Other points for consideration include:

- the trade-off between data needs and the respondent's capacity to respond;
- managing the data needs and expectations of the national accountants;
- maintaining contact with respondents to better understand their evolving ability to respond (e.g., perhaps through questionnaire testing);
- developing strategies to increase response rates; and
- blending administrative data sources with survey sources to reduce response burden (e.g., replacing surveyed units with tax data).

Statistics Canada is concerned about the respondent's "capacity to respond" – specifically, that it be somehow assessed, and that collection strategies be tailored to reflect it. Imposing too high a burden on respondents is counter-productive, as it will reduce response rates and affect quality. This is particularly relevant when one considers the extensive list of variables the annotated outline present in Annex I, which, I suspect, is considerably more data than most countries will be able to collect.

6.67 The discussion on reference periods is welcome and useful. Two additional thoughts follow, related to treating the data for non-standard calendar period response:

1. No mention is made of monthly surveys, for which it can be common to receive questionnaires covering 4-week periods (i.e., 28 days), 5-week periods (i.e., 35 days), or other periods. It is a common treatment to scale these results (when they are flow variables) to represent the calendar month in question.

2. Some guidelines should be given to compilers concerning the possibilities for analogous treatment of annual returns that do not cover a standard calendar year. Are there recommended ways of "calendarizing" these estimates? If so, a short description would be useful. This is a significant issue in Canadian distributive trades, especially with users trying to reconcile annual and annualized monthly statistics.

Chile

From our point of view, important contributions in the area of distributive trade statistics are the content of Chapter on Data sources and data compilation methods which gives practical guidelines to address issues such as data editing and imputations. It also presents and encourages the review of FIRST as survey method. Another chapter is that on seasonal adjustments, tools that are widely debated and used in OECD member countries.

Germany

- As regards data collection, reference should be made to the possibilities arising from corporate concentration for the selection of businesses to be questioned.

- When applying selective data editing methods, it should be pointed out that they must be complemented by "macro editing". Otherwise there is the risk of a statistical result being biased due to many faulty data records.

-. Under the simple imputation methods (mean value imputation), a simple method should be presented allowing to vary such mean values, e.g. changing the mean value by a random number from the interval [-standard deviation, standard deviation]. That method should definitely be added because mean value imputation considerably reduces the dispersion of a variable.

Finally we would propose to mention in a separate annex free open-source software needed to perform the required statistical procedures, to support countries that still have to set up trade statistics. For example, statistics can be produced using the operating system "Linux", the office software "Open Office" and the statistics software "R". In case of distribution through the internet, this could be implemented, e.g., by means of the Apache server and an HTML editor such as Phase 5 or a content management system.

India

The countries where neither Economic Census is conducted nor business register is maintained, it has been mentioned in Chapter V that census of trade units is recommended because census of all units and subsequent transformation of basic census data to trade statistics data is time consuming and resource intensive.

In this regard, it may be appropriate for these countries should resort to Economic Census (covering all entrepreneurial activities) as Economic Census is recognized as multi-indicators survey (i.e. with little extra resources one can have frame of all enterprises engaged in the different economic activities).The units engaged in Distributive Trade Sector can then be sorted out with appropriate Industrial Classification Code used by the country. The data, in addition to units engaged in distributive trade activities can be available at one go for the informal/unorganized sector.

Detailed schedules designed on Distributive Trade Statistics should be canvassed on the basis of samples drawn from the units found to be engaged in Distributive Trade Sectors in the frame thrown by census. This one time frame of units of Distributive Trade Sector is very much essential for the countries which not at all producing distributive trade statistics. The periodicity subsequent census can be decided depending upon the available resources vis a vis pace of development of trade sector in the country.

Statistical Indicators of Distributive Trade can be computed from on the basis of the annual survey by using sample drawn from the first frame obtained till next census is conducted.

Mexico

Although the document displays technical recommendations for data processing, is not observed a technique that solves the break, leaving the initiative of each national office the solution that considers suitable, before which, perhaps is worth the trouble to emit recommendations that allow to align the series of time.

Also, by the operative part, although it is not separated fundamental in this document, in the new version is due to aim at the use of tools of collected as Internet, the consequent beginning of the CC (call center), that in the long term diminish execution costs.

In addition, it's important to propose a deep revision of the thematic one of study according to the regularity of the statistical projects, because it is evident that the use of firmer countable references, combined to the countable systems of calculation and the extended use of registry in line of sales with systems very sophisticated, allows the possibility of extending the analyses of supply and demand.

Mongolia

It would be useful to reflect very detailed data collecting methodology, especially for the wholesale and retail trade statistics. /informal/

OECD

Para. 6.21. Brief mention should also be made to the use of rotation of small and medium units in and out of infra-annual collections as a means of reducing respondent burden.

Para. 6.23. There could be some reference here to administrative data sources that are not covered by legislation and / or are privately controlled. Some countries have started to use these administrative data sources and it is probably something that will occur more in the future.

Para. 6.24. Some of the advantages in this para are probably overstated. We think that they need to make sure that the IRDTS doesn't oversell the positives of using administrative data, We have outlined some points in this para that probably need rethinking.

- (iv), this point could probably be merged with point (i) and we would probably change the word 'Negligible' to either 'Low' or 'Perceived as low'.
- Point (v), we don't think the word 'No' should be used as this is very dependent on a number of factors that contribute to make an administrative dataset, again we would go with 'Low' or 'Smaller than a survey'. For example, in some cases NSO's receive administrative datasets in a piecemeal fashion, i.e. the first transmission might only be 60% of the total and in these cases the NSO needs to use sampling errors to rate the dataset up.

We really think that point (vi) is overstated, and in fact in some circumstances a big problem is the complete lack of data checks by the administrative authorities. This is very dependent on the type of administrative dataset and the variable, for example in a VAT dataset the amount of VAT received is probably subject to intense checks if it over a certain amount but probably ignored if it doesn't met this threshold.

Para. 6.26. We don't understand the final sentence of point (ii), it seems to be a contraction and needs to either be expanded or removed.

Para. 6.27. Recommending the need for a business register seems understated. IRDTS should state clearly that a business register is a must have.

Section B. Paragraphs 6.33 - 6.36 describe aspects of data validation and editing. However there is nothing on cost effective methods of data editing for which many agencies have devoted a large amount of time in recent years. This has lead to the development of 'significance' or 'selective' editing methods which are techniques which ensure editing effort is directly in the areas which will most affect the quality of estimates. This is extremely relevant for the field of Distributive Trade statistics which are mostly based on Enterprise Surveys. A description of 'Significance' or 'Selective' editing, together with the best references where this has been introduced in NSOs and the methods used, is contained in the OECD's Short-term Economic Statistics Timeliness Framework at:

http://www.oecd.org/document/21/0,2340,en_2649_34257_30214485_1_1_1_1,00.html

Para. 6.34. Point (i) needs rewording.

Para. 6.42. (iii) mentions the use of post-stratification. The explanation of this method needs to be revised and a more detailed explanation should be sought.

Philippines

On the first point, countries will appreciate more if the advantages and disadvantages of using surveys are presented. On the updating of the frame for surveys, considering the limited resources of the developing countries, what are the considerations and recommended approaches on how to update these frames? Moreover, we would like to emphasize that as a developing country, the Philippines has a lot of informal activities, which we find difficult to estimate. An example is the sari-sari store (a small convenient store operated by a household member, usually unpaid). In this regard, we would appreciate it if you could explicitly define and include in the manual some guidelines on how we may be able to capture these activities.

Poland

We suggest that chapter VI should involve not only recommendations concerning methods of trade units representative selections for surveys, but also it should mention about their difficulty and complexity. We would like to suggest setting recommended solutions in a good practice manual.

In the scope of chapter VI concerning seasonal adjustment, we agree with the presented general idea and the necessity of its applying in statistics trade surveys with taking into account trading day adjustment. However we would like to indicate that seasonal adjustment should be applied within at least 5-year time series including phenomenon implemented in recommendations.

UK

Para 6.6: support recommendation of circumstances when it would be useful to conduct a complete census of trade units.

Para 6.7: support recommendation that censuses are followed as closely as possible by periodic sample surveys that provide a continuous measure of trade activity and collect more detailed sector specific data.

Para 6.8: support recommendation that countries establish a permanent business register containing the very large trade enterprises.

Para 6.11: strongly support recommendation that it should be the judgement of each National Statistical Institute to determine the appropriate size threshold for their Distributive Trade surveys. The thresholds, though, should be described in country's metadata and be made available to users.

Para 6.14: would it be better to have the paragraph on 'sampling frame' after the paragraph on 'Size threshold to determine the target population'. This would mean that IRDTS flags up the prerequisite of a frame for conducting surveys before providing

guidance on the different types of surveys; it would also mean that the description of the different surveys are not interrupted by another topic.

Para 6.15: support recommendation that where an up-to-date business register does not exist, the list of enterprises drawn from the latest economic census should be used as a sampling frame.

Para 6.15: support recommendation that for the distributive trade, list based enterprise surveys be generally preferred to area based surveys.

Para 6.16: support recommendation that it is acceptable for countries to use an area based enterprise survey approach for the collection of data from small trade enterprises generally operating in informal or unorganized segment of the economy. It will, though, be interesting to hear comments from other countries with greater experience of using such approaches and facing such challenges.

Para 6.17: support recommendation that household surveys are used to provide coverage of household enterprises, which are unincorporated producer units.

Para 6.21: support recommendation that mixed household-enterprise surveys can be used to provide data on small trade enterprises that are not included in list-based enterprise surveys. Also support the recommendation that mixed household-enterprise surveys are preferable to household surveys or area based enterprise surveys for data collection and estimating the output of small trade units that are excluded from list-based enterprise surveys.

Para 6.22: support recommendation that modified mixed household-enterprise surveys is preferred to an area based enterprise survey.

Para 6.24: support recommendation that respondent burden should be minimised to the largest possible extent.

Section V1 A 1 (Statistical data sources): welcome the additional information on the advantages of statistical surveys. Is there, though, still scope to improve the structure and usefulness of this section by including the advantages and disadvantages for enterprise surveys, household surveys, mixed household-enterprise surveys and modified mixed household-enterprise surveys?

Para 6.25: support recommendation that when countries use administrative data sources for statistical purposes that special attention should be made of their limitations and that these limitations should be described in the metadata.

Para 6.29: support recommendation that compilers of distributive trade statistics are encouraged to identify and review the available administrative data source in their countries and use the most appropriate of them for compilation of distributive trade statistics.

Para 6.30: support recommendation that a business register, maintained by countries for statistical purposes is the most appropriate source for deriving the sampling frame for distributive trade surveys.

Para 6.31: support recommendation that the frame for every list based enterprise survey for distributive trade is derived from a single purpose, statistical business register maintained by the statistical office.

Para 6.32: support comment that countries are encouraged to work towards improvement of the coverage and content of their statistical business registers by incorporating data from several administrative sources.

Para 6.33: support recommendation that statistical business registers be regularly maintained and updated.

Para 6.34: support the uses of Economic censuses as detailed in para 6.6.

Para 6.35: support recommendation that proper coding is assigned to the enterprises and establishments to establish hierarchical links between them.

Para 6.37: support the recommended uses of a statistical business register within this paragraph. I would, though, welcome greater clarification on what is meant by 'as a dissemination tool'.

Para 6.41: support the edit checks that are recommended.

Para 6.43: support recommendation that increased editing effort should be allocated to checking influential observations. Qualified support for recommendation that large enterprises should be individually checked. This is because if the validation parameter suite is designed efficiently shouldn't those variables/businesses that need more intensive scrutiny be identified (these might not include large enterprises). It would be interested in the views of other countries on whether such a sweeping statement such as 'all large enterprises should be individually checked' should be made?

Para 6.44 & para 6.50: dealing with unit non-response: in the UK we also construct returns for the largest businesses using known information about the business e.g. previous returns, business register data etc.

Para 6.40: very much welcome the additional guidance in the latest draft on selective editing.

Paras 6.48 & 6.49: support recommendation that missing data are imputed using statistical analysis techniques rather than missing values are ignored. Much useful data could be lost if recommendation (i) is followed.

Para 6.49: support post stratification, number iv, and regression imputation as imputation methods that could be employed.

Para 6.52: support recommendation that outlier values be identified and handled carefully as they affect the estimates significantly.

Para 6.54: strongly support recommendation that countries develop their own data collection strategy based on an integrated approach covering in principal all trade units across all class sizes commensurate with their specific statistical and organisational circumstances.

Para 6.64: support recommendation that annual surveys provide estimates that cover all wholesale and retail trade establishments.

Para 6.65: support recommendation that small establishments should be included in infra-annual surveys if there is no reliable administrative source to cover them.

Para 6.67: support recommendation that ideally the reference period for annual Distributive Trade surveys should be 1st of January to 31st December. It is, though, also acceptable for the fiscal year to be used as the reference period where data are more readily available on this basis. Also support recommendation that a supplementary table is prepared showing the distribution of end-year dates by months to help users to estimate the period of which they are centred. Oppose recommendation that data items such as wages and salaries are collected on both a fiscal year and calendar year basis to facilitate building up calendar year aggregates; this is because the practical difficulties of this duplication of data collection and the additional respondent burden.

Para 6.68: support recommendation that corresponding calendar month/quarter should be used as the reference period for infra-annual surveys. Also support recommendation that efforts should be made to standardise the information provided in the monthly returns by estimation procedures.

USA

Section 6.37, Uses of statistical business register for distributive trade statistics purposes. Not clear how the business register is used as a dissemination tool. In order to protect confidentiality it would seem unwise to keep confidential micro data records in the same place that the public would come to see the data. I would suggest it is made more clear what is meant by a dissemination tool.

Section 6.44 and 6.50 – on the topic of dealing with unit non-response, the only recommended approach is re-weighting the sample. At the Census Bureau we impute for unit non-response similar to the approaches outlined for item non-response. I suggest adding this as another alternative that might be appropriate in certain situations, for example, data was reported in the previous statistical period for the same unit or good administrative data exists for the unit.

In addition, the following are suggested typographical and wording changes:

Page 93, section 6.2 – "The **generation** ~~production~~ of distributive trade statistics is based on the compilation of data from numerous sources describing **production activities** ~~productive activity~~ and selected …"

Page 94, Footnote 29 "There is no ~~an~~ internationally …"

Page 95, Section 6.9 – "Conclusions about the total population of units are made on the basis of the *data* obtained from the sample survey ~~data.~~

Page 95, section 6.11 - "There is no ~~an~~ internationally …"

Page 96, section 6.14 – In a list based survey, the initial sample is selected from a pre-existing list of enterprises or *households. In* an area based survey, the initial sampling units are a set of geographic areas.

Page 97, section 6.19 – "Although, it is possible that the retail trade which by definition ~~sales~~ *sells* good and provides services …"

CHAPTER VII. SEASONAL ADJUSTMENTS

Australia

Before discussing specific aspects of the chapter, I thought it might be useful to flag some issues associated with seasonal adjustment that are not included in the chapter which could usefully be included. Specifically:

a) there are issues around revisions to seasonally adjusted series and when these should occur ie forward factor vs concurrent. The ABS uses concurrent seasonal adjustment on almost all series where we revise the seasonally adjusted series each time period. The alternative available in some methods such as X11 is to use the forward factors generated and only revise once a year.

b) some discussion on the key types of events that can impact on a time series (extremes, trend breaks and seasonal breaks) would be useful and would be a natural precursor to the discussion of pre-adjustments and why you would want to pre-adjust for these events ie to improve the quality of the seasonal adjustment around the timing of such events.

c) some discussion around dissemination of the data ie which series should be focused on - original, seasonally adjusted or trend. This could be extended to include some advice on the dissemination of common analytical transformations such as period to period movements and year apart movements and which type of series they are recommended to be performed on.

Specific comments on the materials presented are as follows:

Para 7.3 - the definition of Moving holidays is not 100% correct. The description ABS like to use is: Moving holidays are holidays that occur at same time each year based on the different calendars other than Gregorian calendar which is widely used as a world standard for statistical time series. Therefore, their exact timing shifts systematically each Gregorian calendar year.

Para 7.11 - the comment that the main difference between stock and flow series is that flow series can contain calendar related effects is not entirely correct.   In fact both flow and stock series can be affected by Calendar effects such as moving holidays and trading day. The effects, however, are different between the two types and may be less obvious in the stock series. Take the example given in the paper - inventories of gasoline at the end of the month. Say the majority of people buy gasoline at the weekend then a month with an extra Saturday and Sunday would be expected to sell more and have a lower inventory of gasoline at the end of the month (just because of the composition of the days in the month). It is therefore possible that such as stock series can contain trading day effects.

Para 7.19 - in relation to the stability of the series i think the point being made is that if the original data is not revised, but there are large revisions to the seasonally adjusted series as new data become available then the seasonal adjustment is not stable and the seasonally adjusted estimates at the current end could be misleading. The use of the term 'original estimate' in the last sentence adds some confusion

Canada

7.25 Increasingly, Sunday is a business/shopping day in Canada, so the example may not have all of the validity it once had.

7.33 Regarding the following: "X-11-ARIMA and X-12 ARIMA provide options for forcing the annual totals from the seasonally adjusted data to be equal to the original totals. In general, it is recommended not using the forcing option if the series show significant seasonality. In such cases, consistency with the annual series would be achieved at the expense of the quality of the seasonal adjustment and would be conceptually wrong."

Canada will not be following this recommendation, for four reasons:

1. to meet the stated requirements of most users, who think this should be the case
2. in practice, constraining the seasonal factors over a 12-month period average to zero or 1 (depending on the decomposition mode) has had a marginal effect on the seasonal factors
3. Statistics Canada publishes retail and wholesale sales by industry and by province, so there is a clear need to have the sum of the provinces equal the sum of the industries. This provides an additional reason to impose the constraint of annual "neutrality" in the seasonal factors.
4. This adjustment is also necessary if a user has benchmarked the original series to annual control totals and there is an accounting requirement to maintain this constraint with the SA series. While we at Statistics Canada do not benchmark monthly turnover statistics to their corresponding data from the annual surveys, many countries do.

Regarding "Raking", it was mentioned in "c)" above that sales be published by industry and by province This also imposes a constraint every month to force the provinces to sum to the industries. This constraint is achieved by "raking" the provincial totals. This is another topic that may be relevant to readers of the IRDTS.

7.35   The trouble with encouraging the use of trend-cycle estimates, especially for very volatile series (which the IRDTS particularly recommends) is that the end point is particularly prone to revisions which can, at times, be extreme. Statistics Canada would not advise placing too great a reliance on trend cycle estimates when the focus is on the end point, especially in the case of more volatile series. Perhaps the reasonable compromise is to suggest that these series be used in conjunction with seasonally adjusted series, or only in graphics in combination with the seasonally adjusted series.

The subject of raking should be mentioned, as it pertains to reconciling estimates across industrial and geographical dimensions.

Mongolia

On the Chapter 7 and 8, /seasonal adjustment, index estimation/ seasonal adjustment of the wholesale and retail trade, how to estimate index, how to complete product basket /to explain with an example/

OECD

Notwithstanding the fact that there will be supplementary manuals / handbooks, this chapter on seasonal adjustment should probably cut back a bit on the theory and provide the reader with more real recommendations as to how they should seasonally adjust their series i.e. 'It is recommended that countries use either X12 ARIMA (X-13 SEATS) or TRAMO-SEATS', rather than some of the general recommendations contained in this chapter. We would also refer the writers to the Hungarian Handbook and the Eurostat draft guidelines that will be presented at the OECD Short-term Economic Statistics Working Party (STESWP) in June 2007.

Para. 7.1. This para needs a complete rewrite. Something like this would be better - "Seasonal adjustment is a process by which changes that are due to seasonal or calendar influences are removed to produce a clearer picture of the underlying behaviour. Therefore seasonally adjusted data is one of the main sources of information used by policy-makers, economists and business analysts. They try to identify important features of economic series such as direction, turning points, and consistency between other economic indicators. Sometimes seasonal movements can make these features difficult to see.

The implementation of a seasonal adjustment procedure has many important features. First of all is very time consuming, needs significant computer and human resources and as a theoretical framework which could be divided into 'economic theory' and 'statistical theory'. It provides the statistical diagnostic tests used for statistical validation of the statistical properties of a procedure. It is also important to realise that seasonal adjustment depends on properties related to the person performing the seasonal adjustment". (Handbook on Seasonal Adjustment - Hungarian Central Statistical Office 2007)

Para. 7.2 to 7.9. These paras need to be restructured as at present they are confused and cover the same ground a number of times. The paras give too much emphasis to issues related to trading/working day (calendar effects) adjustment which take up more space than is necessary.

It should probably also be clearly stated here that any seasonal adjustment method or tool that is mostly likely used will automatically take care of these issues. Here is what the Hungarian Handbook says (a lot more succinctly) on this topic -

"The calendar effects component is that part of the seasonal component which represents calendar variations in a time series, such as trading/working days , moving holidays and other calendar-related systematic effects that are not regular in annual timing and are caused by variations in the calendar from year to year.

A time series may be affected by the number of trading days in the time period (for example in a month). The problem follows from the fact that the number of trading days may differ not only from period to period, but it may also vary between the same time periods in different years, which will impact upon the level of activity in that month or quarter for flow series or the sort / type of day for stock series, therefore they cannot be managed as an ordinary seasonal effect.

The number of trading days is also affected by the number of holidays in the given time period that do not fall on weekends. Since the national holidays vary from nation to nation, in each case the national holidays prevailing in the given country need to be considered. Some countries also include bridging effects in working day adjustments. These result taking holidays from people, for example, on Mondays and Fridays when an official public holiday occurs on Tuesdays and Thursdays, respectively.

The number of working or trading days in a given month or quarter can vary significantly for each statistical domain (e.g. production, merchandise trade) because of different institutional arrangements, trade specific holidays, etc. In some cases the number of trading days does not affect the observed values, for example in the case when the plants produce in a non-stop manner.

Some religious holidays (e.g. Easter, Ramadan, Sacrifice) constitute the moving holidays which occur each year, but where the exact timing shifts. For example there may be a need for managing the Easter effect on certain time series (for example in the case of retail trade), because Easter may be either in March or in April, and it may also affect the one-week time period preceding Easter. This type of effect is adjusted by a generated regression variable.

If only the effect of the trading days and Easter is filtered out from the time series observed and seasonality remains, the resulting one is a trading day adjusted series."

Section D. There is a general confusion here between a seasonal adjustment method and a package, a method is for example X-12 while a package is for example X-12 as performed in FAME. To this end, this section should be renamed 'D. Seasonal adjustment methods'.

Para. 7.26. Footnote 23. This should probably mention the upcoming release of X-13 SEATS from the Census Bureau.

Para. 7.27 - Footnote 24. This should probably mention Demetra which is feely available from the Eurostat website. In mentioning Demetra the para should also outline the fact that Demetra can run both X-12 and TRAMO-SEATS.

Para. 7.33. We think that the recommendation is a bit weak. Removing the word 'consider' and the last sentence would make this para much stronger and more to the point.

Para. 7.34. This para. is a bit vague. The IRDTS should say very clearly is that countries should make all three series available to users. Namely the raw series, the seasonally adjusted series and the trend series.

Para. 7.35. If the IRDTS doesn't think that countries should make other series available i.e. working day adjusted series, then say this clearly. At present this para attempts to have it both ways - - don't do it, but if you do then provide an explanatory note.

Trinidad and Tobago

Chapter #7 deals with seasonal adjustment of data to eliminate seasonal factors. There is that need to emphasise that ! However it gets into what I consider to be **too much details** on that issue. I feel that some of that material can be excluded

UK

Welcome that the latest draft reflect the comments made by my colleagues who are Time Series Experts. Also that the UN were receptive to the suggestion that when updating IRDTS it may be of value to review the guidelines on seasonal adjustment currently being developed by Eurostat.

Editorial comments throughout the chapter

Para. 7.11. This is incorrect, you can make calendar adjustments for stock data, but the methods of adjustment for calendar related effects differ. With respect to Easter we often ignore as there is usually insufficient data to assess this accurately. However, in some circumstances even Easter effects are measured in stock data. Delete the text: The main difference between the two types is that flow series can contain calendar related effects (see para. 7.2).

Para 7.12. (ii) I'm not sure this is necessarily true, I would of thought, but I'm not certain that business cycles are often a lot longer. If they were 3 years we would have sufficient data in some of our series to estimate. Delete the text: It lasts from 3-5 years on the average, but is dependent upon the series concerned and therefore may be significantly longer.

Para 7.12 (iv) Add the text: However, it should be noted that these effects can be estimated separately to the irregular component and that it is important to do this in order to ensure that the best quality seasonal adjustment is achieved.

Para 7.18. Add the text: ….for monthly data or for sufficiently long quarterly series. Depending upon the package used for seasonal adjustment there are other diagnostics that can be used to assess the presence of residual seasonality.

Para 7.22. Add the text: Whether it is more appropriate to use direct or indirect seasonal adjustment is still an open question. Neither theoretical nor empirical evidence uniformly favours one approach over the other. However, **it is advised …**

Para 7.23. Suggested incorporation of the footnotes into the text.

USA

Section 7.16 – In the US, we use concurrent seasonal adjustment but our revision policy is to revise the entire time series once a year and revise limited portions of the time series every month. Specifically, we revise the previous two months and the previous month one year ago. This gives us the benefits of concurrent seasonal adjustment but limits the amount of revisions for data users.

Section 7.22 – "The number of trading days is also affected by the number of holidays ~~in the~~ in the given time period, …"

CHAPTER VIII. INDICES OF DISTRIBUTIVE TRADE

Australia

Para 8.3 - I am not sure it is appropriate to make a blanket recommendation as to the frequency of compiling indices of turnover and output. The frequency of producing such indicators is dependent on the needs of the users and the costs of compiling such indices. The generalisation that users need monthly indicators is premature. There are also risks in compiling monthly estimates in that without a very large sample the monthly 'movements' are often not good indicators of the trend at that point in time. It is also premised on the availability of appropriate price indices and there are significant costs associated with compiling such price indices.

Para 8.5 - one of the issues associated with moving to chained Laspeyres indexes is the loss of transitivity in the event of price bouncing. I would have thought price and quality bouncing (and therefore the impact of chaining) would be a significant issue and worthy of more prominence. In discussing the set of updated weights, some discussion is probably required regarding the periodicity over which these apply. For example if, the annual average turnover of a seasonal good would give you a different share relative to consideration of turnover in a seasonally high or low month. Suggest the ideal reference period is made explicit (as is implied by reference to a 'year' in para 8.6); Using annual re-weighting has the potential to limit the impact of price bouncing

Para 8.6 - I think the reference in 8.6 to 'monotony' should in fact be to 'monotonicity'.

Para 8.9 - the last sentence suggests we should take price relatives (between the current and (previous) base period) and weight these together using current period's values. If this is to occur, these values need to be revalued to the base period prices. Suggest appropriate modifications are made to the wording of this sentence.

Para 8.11(i) - I'm not sure why direct observation of the quantities is necessarily a second best option.   While there are still issues in terms of quality adjustment it would seem there is probably some argument to suggest that direct observation of the desired set of quantities and weighting these together is a better way to get turnover volume than price deflation of the value

Canada

8.4 As a general comment concerning the choice of index formula and base year, the IRDTS should recommend that (if at all possible) compilers use the same methods used by their colleagues in their National Accounts. The reason is that, in most countries, retail and wholesale turnover statistics are used by many clients as inputs into econometric and forecasting models of GDP. Index formula or base year choices that differ from those used to compile the GDP would introduce an additional source of discrepancy between the clients' forecasts of GDP and the GDP estimates produced by the national statistical agency. For example, there have at times been considerable

differences in the monthly or quarterly growth rates of Laspeyres and chain Fisher volume indices, especially in wholesaling, where substitution effects can be more pronounced.

Chile

The chapters on Indices and Metadata are also of great interest for our NSO, specially to find ways to standardize our work following the recommendations and allowing international comparison

Mongolia

For our country, at the estimation of the index, many issues arise which is related to the product group selection.

In the estimation of the retail trade index, ISIC or product group need to be used in the case of estimation by product group, to indicate groups very detailed.

A factor estimation of index for retail trade products, as consumer market indicators.

OECD

Section A. This section should also include a brief mention of the different forms of growth rates and which would be more appropriate than others in different circumstances A more detailed discussion could be provided in the supplementary manual / handbook. The OECD's Data and Metadata Reporting and Presentation Handbook could provide some useful material for this.

Para. 8.4 - Footnote 25 references international manuals containing information about index formulae and base years. Contents (Section 5) in the OECD's ISP manual can be referenced, because it is the one most closely related to the subject matter given it covers trade statistics. The recommendations in the ISP manual are consistent with what is proposed in the coming paragraphs of IRDTS

Para. 8.5 and 8.6. These need to be reviewed because there are inconsistencies at the moment in respect to the use of Fixed weight indices. In particular, extracts from paragraph 8.5 say:

> "Countries are encouraged to consider one of the following three approaches: (i) Laspeyres volume index with fixed weights; .... The first option is relatively easy to implement and can be used by countries with limited resources and persistent problems with obtaining updated weights. It also has an advantageous property of producing data at constant prices which are additive (sum of components is equal to the total value) and, therefore, has a clear economic interpretation and is convenient for use. However, as the

time gap between the base year and current period increases the quality of such an index deteriorates as it does not reflect dynamics of distributive trade........"

IRDTS should not 'encourage' this practice. The explanation text seems fine because it points out the problem. However what follows in paragraph 8.6 on this method is contradictory: "It is further recommended that if a country uses Laspeyres volume index with a fixed weights, the weights are updated at least every five years and that this is coordinated with the changes in the base years...."

It does not make sense that if a country has the means to update its weights in the use of a Laspeyres volume index with fixed weights, that they would not then choose to link the series with the new weights thus creating a chained Laspeyres volume index which is the recommended approach. It should be made very clear that one can't just update a base year with new weights and then recompile the whole historical series on the basis of these new weights. If one update weights, one must chain, even if this is at very long frequencies (e.g. 10 years or more) it is better than nothing (i.e. fixed weight).

UK

Para 8.1: Producer Price Indices should also be suggested as suitable price indices to deflate wholesale trade within this paragraph. It is an internationally accepted method and indeed is suggested as a method in para 8.10 of IRDTS.

Para 8.3: support recommendation that indices of turnover and output are compiled on a monthly basis as we do this in the UK. It is recognised, though, that this is challenging and as such I think it is sensible to have the pragmatic view that quarterly indices would suffice also.

Para 8.4: support recommendation that existing guidelines should be used re. the choice of index formula and base year and that such guidance should not be included in IRDTS. Also very much welcome in the latest draft the reference to Eurostat's Handbook on Price and Volume.

Para 8.5: support recommendations that the preferred approach should be a chained laspeyres index with weights being revised at an appropriate frequency.

Para 8.8: support recommendation that there should be flexibility in the choice of index type. This is sensible as the demands and availability of resources will differ in National Statistics Offices. Also support recommendation that distributive trade indices should be seasonally adjusted.

Para 8.10: support recommendation that RPIs, WPIs, CPIs and PPIs should be used to deflate the distributive trades (this is the practice in the UK – although we do not use WPIs).

Para 8.12: very much welcome the wording in the latest draft that input indicators are not recommended but are sometimes the only readily available data source.

Para 8.14: support recommendation that volume of turnover be compiled in the framework of short-term statistics and the indices for output are meaningfully compiled within a National Accounts framework.

Para 8.15: support recommendation that volume of turnover can be used as an alternative measure to indices of output when value added is not available at the detailed level.

CIS Committee

In the par.8.5 advantages of the Laspeyres index are listed. However, for objectivity sake the failure of Laspeyres index to meet time reversal test as well as a bias associated with the Gershenkron effect should be mentioned.

CHAPTER IX. DATA QUALITY AND METADATA

Australia

The concept of a Chapter on Data Quality and Metadata are strongly supported. Specific comments follow:

Para 9.2 - captures the notion of data quality well. Some observations:

a) Point (i) in respect of Relevance captures the essence of Data Quality well and notes the key theme I have been highlighting in terms of "the need to balance the differing needs of current and potential users to produce a program that goes as far as possible in satisfying the most important needs within given resource constraint"

b) On the issue of data quality Para 9.2 (i) it could be argued that the "rate of available statistics" should come under the timeliness dimension, although the paper does itself note later that timeliness and relevance can be closely related.

c) The list of accuracy measures given is fine, but it might be useful to split them into measures of sampling errors and measures of non-sampling errors.

d) It is always a moot point as to whether one should include 'Credibility' to the extent that it is essentially an external perspective and as such it is difficult for an NSO to report objectively on that dimension of quality. In various discussions of this measure there are some indicators that tend to be qualitative rather than quantitative e.g. "the independence of the statistical authority from political and other external interference in producing and disseminating official statistics is specified in law", "statistics are compiled on an objective basis determined by statistical considerations", "statistical releases and statements made in press conferences are objective and non-partisan". Irrespective it is a difficult measure for agencies to report against objectively.

e) I'm not quite sure about the example given in the last two sentences of 9.2 (vi) - they could be just as easily be viewed as part of relevance

Para 9.3 - it may be worth flagging that the issue of provisional and final estimates would only arise if both accuracy and timeliness requirements cannot be met simultaneously, ie if no conflict then no need to produce both estimates.

Para 9.11 - I was wondering if the intention was to make this a recommendation or to 'encourage' NSOs in producing these indicators. At the moment there is no clear direction. There are some other possible indicators identified in other websites such as the European Statistics Code of Practice and the ONS guidelines for measuring statistical quality which might be brought to attention.

In relation to the specific quality indicators mentioned I wonder how relevant the number

of publications and number of accesses are to the issue of credibility. Perhaps the measure of accessibility is the number of datasets made available (or perhaps more importantly not made) via the web or via hard copy. I wonder if the number of times someone has accessed the data is probably a measure of relevance?

Para 9.12 - 9.21 The discussion of metadata is a little superficial. It starts off with the typical metadata definitions, as you expect from most of the international standards - yet it doesn't go any further. Given the strength of the recommendations in every other area of this manual, I thought some recommendations about the suggested frameworks which might aid international comparability may be appropriate - at a minimum it might make reference to ISO11179.

Having said that para 9.20 does capture the key messages ie metadata is very important and should be accorded a high priority - the only issue is whether there is a need for a little more substance in the prelude to the recommendation.

Brazil

Enhancing Data Quality of Distributive Trade

Concerning accuracy of distributive trade statistics as described on page 21,   I would like to suggest the need to disclose the coefficient of variation jointly with statistic data in the same table. This procedure would assure quality and determine the limits of the use of estimate data, avoiding misunderstanding and misuse in certain stratification level.

This coefficient of variation could be displayed as a letter meaning a percentage interval in which estimate data lay down, as showed in the table bellow:

Intervals of Coefficient of Variation

Interval of CV in Percentage	Letter Indicator	Concept
Zero	Z	Exact
Up to 5%	A	Excellent
From 5% to 15%	B	Good
From 15% to 30%	C	Reasonable
From 30% to 50%	D	Low Precision
More than 50%	E	Inexact

The estimate data and the correspondent CV would be presented like a Table 1 below:

Table 1 - General data on distributive trade, according to division, groups and classes of activities, Brazil, 2004

Division, groups and classes	Net operating revenue		Wages and salaries		Number of employees in 31.12		Number of establishments		Number of enterprises	
	1 000 000 R$									
Total	784 166	A	43 815	A	6 440 382	A	1 407 053	A	1 346 447	A
Wholesale and retail trade of motor vehicles and parts	**98 682**	**A**	**4 829**	**A**	**599 428**	**A**	**119 903**	**A**	**115 392**	**A**
Motor vehicles	65 580	A	2 069	A	189 901	B	23 080	B	21 580	B
Parts	27 421	B	2 457	A	366 077	A	86 976	A	84 344	A
Motorcycles and parts	5 680	A	303	A	43 450	A	9 847	B	9 468	B
Wholesale trade	**359 095**	**A**	**11 039**	**A**	**953 773**	**A**	**103 577**	**A**	**93 352**	**A**
Farm products and animal foods	27 066	A	489	A	45 725	A	4 373	B	3 243	B
Foods, beverages and tobacco	48 375	A	2 184	A	281 033	A	31 673	A	30 166	A
Goods for personal and household use	46 189	A	2 241	A	185 415	A	21 094	A	19 642	A
Fabrics, apparels and shoes	5 539	A	307	A	38 920	A	6 031	B	5 720	B
Eletronic goods and aplliances	901	A	40	A	3 499	A	420	B	382	B
Pharmaceuticals, medicines, veterinarians, medical and dental products	32 049	A	1 384	A	91 531	A	7 988	B	7 404	B
Office materials, books, paper and paper products	2 843	A	175	A	15 980	B	1 983	B	1 778	C
Other goods for personal and household use	4 857	A	336	B	35 485	B	4 672	B	4 358	B
Goods for industrial and commercial purposes	155 151	A	2 782	A	188 022	A	20 033	A	17 237	A
Fuels and allides products	121 863	A	1 301	A	38 946	A	2 422	B	1 283	B
Mining products	426	A	12	A	1 523	B	243	C	223	C
Lumber and other construction materials	9 527	B	597	A	65 267	A	7 725	B	7 228	B
Chemical produtcs	12 938	A	378	A	26 364	B	3 409	B	2 522	B
Scrap iron, junks and residues	10 396	A	494	A	55 922	B	6 234	B	5 981	B
Machinery and equipment for construction, mining, industry, agriculture and commerce	30 017	A	1 883	A	111 353	B	14 192	B	12 806	B
Others goods	52 297	A	1 460	A	142 225	A	12 212	B	10 258	B
Retail trade	**326 389**	**A**	**27 947**	**A**	**4 887 181**	**A**	**1 183 573**	**A**	**1 137 703**	**A**
Non-specialized retail trade	99 137	A	6 689	A	1 115 585	A	228 059	B	220 459	B
Hipermarktes and supermermarkets	79 224	A	4 458	A	569 378	A	8 671	A	3 900	A
Groceries stores and convenience stores	12 228	B	1 638	B	472 854	B	210 566	B	209 669	B
Department stores and others non-specialized non-food stores	7 685	B	593	B	73 353	B	8 822	C	6 890	C
Specialized retail trade	227 252	A	21 258	A	3 771 596	A	955 514	A	917 244	A
Foods, beverages and tobacco	9 090	B	1 869	B	432 418	B	128 775	A	128 156	A
Clothing and clothing acessories, apparels and shoes	28 879	A	3 951	A	792 613	A	221 417	A	214 240	A
Gasoline stations	77 763	A	1 989	A	270 772	A	31 115	A	28 259	A
Drugstores and cosmetics, perfume, veterinarians, medical and dental stores	19 202	A	2 530	A	408 158	B	80 622	B	74 215	B
Eletronics, appliances and furnitures stores	29 263	A	2 908	A	402 697	B	84 664	B	73 699	B
Building materials	30 445	B	3 253	B	522 445	B	126 869	B	124 566	B
Computers, peripheral and related products, communication devices and office equipments	7 133	B	708	B	136 569	B	41 188	B	39 860	B
Stationary, books and magazines stores	5 559	B	781	B	149 409	B	41 678	B	40 362	B
Liquefied petroleum gas (LPG)	6 181	B	345	B	44 571	B	13 310	B	12 445	B
Others products	13 681	B	2 910	B	609 024	B	184 345	B	179 919	B
Antiquarians and second-hand goods stores	55	B	12	C	2 920	B	1 531	B	1 523	B

Source: Brazilian Institute of Geography and Statistics, Annual Survey of Trade, 2004

As presented in Table 1, this alternative of disclose estimate data with coefficient of variation in the same cell makes easy the use and limits of data for statistics purposes.

Chile

The chapters on Indices and Metadata are also of great interest for our NSO, specially to find ways to standardize our work following the recommendations and allowing international comparison

OECD

Para. 9.20. Need to be more prescriptive and outline a minimum set of metadata items that countries should compile and disseminate with their statistics. A good starting point would be the reference metadata items in the SDMX Content-oriented guidelines currently being developed.

UK

Para 9.2: support recommendation that the seven dimensions of quality are used to measure and report on the quality of distributive trade statistics. This helps ensure a consistent approach to existing standards.

Para 9.3: support recommendation that countries handle the trade-off between timeliness and accuracy by producing a provisional estimate which is later updated with increased data content.

Para 9.4: support guidelines that there should be flexibility in how countries approach the development of a quality framework but that is should be based on the standard quality dimensions. This brings a foundation of consistency to approach but at the same time lets countries determine how best to development such a framework to best meet their circumstances. Also support recommendation that a quality review should be conducted at least every four to five years.

Para 9.8: support that countries should define quality indicators that satisfy the criteria (i) cover part or all of the dimensions of quality, (ii) the methodology for their compilation is well established; and (iii) the indicators are easy to interpret.

Para 9.10: support recommendation that there should be a balance between the different dimensions of quality and the use of a minimum number of indicators.

Para 9.11: agree with minimum set of quality indicators although the co-efficient of variation can sometimes be difficult to calculate for volume indices of wholesale and retail due to the number of data sources that are used e.g. turnover plus different price indices.

Para 9.18: this is a nice summary of the purpose of metadata; would it, though, would be better placed after the current para 9.13?

Para 9.20: support recommendation that within the consideration of an integrated approach to the compilation of economic statistics the development of a coherent system and a structured approach to metadata across all areas of economic statistics should be adopted with a focus on improving their quantity and coverage.

USA

Section 9.11 – Quality measures. For accuracy, we consider the Quantity response or Dollar volume response to be a key measure of accuracy and the one we quote in our publications. Specifically, for distributive trades, the Quantity Response rate is the percent of total sales that was reported.

CHAPTER X. DISSEMINATION

<u>Australia</u>

Para 10.4 - While I concur with the intent of the concluding recommendation in 10.4 it is probably redundant to the extent that it is more than adequately covered by para 10.3 and the reference to the Fundamental Principles of Official Statistics; and where there is statistical legislation prescribing the need for confidentiality then there is no need to make a recommendation to the same effect. Confidentiality is not something unique to distributive trade data . In brief I think it sufficient to note the importance of confidentiality as per 10.2, the Principle espoused in 10.3 and the fact that generally it is encapsulated in statistical legislation.

Para 10.5 - the definition of "confidential" given in section 10.5 may cause some confusion. The term "confidential data" can be used to refer to data about individuals that is identifying and therefore *should* be kept confidential (as in section 10.5), or to refer to data about individuals that *is* being kept confidential (as in the quote in section 10.3). Some people may also think of "confidential data" as being a confidentialised dataset. One possible way of reducing the potential for confusion may to be to refer to data that should be kept confidential as "identifying", and keep the term "confidential" for data that is being kept confidential. In this case 10.5 should talk about "identifying data". Alternatively, the authors could consider a clarifying note to explain the different uses of the term.

Para 10.6 - I am not sure I follow the definition of secondary confidentiality - clarification or an example might be useful.

Para 10.11 - there might be merit in bringing this para forward as it describes general principles of statistical disclosure control while para 10.7 is focussed on more specific methods of confidentialising data. On the general issue of statistical disclosure control, while it is true that the issue manifests itself at the dissemination stage it is an issue that needs to be considered at all stages of the statistical process ie there is no point in designing a survey where it is known that the outputs are likely to be confidential.

Para 10.7 - in point (ii) the statement "Suppressing one class of ISIC for example means that the calculation of totals for the higher levels of ISIC to which that class belongs cannot be calculated" is not necessarily true. Invariably the higher level estimates can be preserved and published by suppressing another class ie secondary suppression. In terms of methods, 10.7 could also mention perturbation as a possible method for protecting data.

Para 10.9 - the final sentence in 10.9 is: "When the contribution of such a unit dominates the total of certain activity class or data item, even if the rules for primary confidentiality are respected, its data are possible to be deduced due to a secondary confidentiality." This sentence is unclear to me possibly reflecting my previous comment that I was not clear as to what secondary confidentiality represents but if a unit dominates a total, it will

usually need to be suppressed to meet primary confidentiality requirements, and it is unclear why dominating units would be particularly susceptible to disclosure due to inadequate secondary confidentiality.

Para 10.10 - a couple of issues:

a) I think the last sentence should read   "...should not account for <u>more</u> than 70 percent of it" rather than "...should not account for <u>less</u> than 70 percent of it"

b) I do not think it appropriate to make recommendations as to how to determine confidentiality - that is up to the statistical agency and must be consistent with their legislation. One might cite the rule of 3 and the 70% rule as examples of practices used to ensure confidentiality of data.

Para 10.13 - for the same reasons as outlined in 10.10 I do not think it appropriate to make recommendations as to countries application of confidentiality rules - I think the recommendations might provide guidance but not recommendations. Alternatively it may be more appropriate to recommend that organisations release as much data as possible while maintaining confidentiality.

Para 10.14 - is a case where rather than encourage countries to announce release dates I would suggest that a recommendation to that effect might be appropriate.

Para 10.16 - I am not uncomfortable with the time frames for release of statistics 'encouraged' in this para, however, I am unaware of the sound statistical practice of releasing annual data within 9 months of the reference period. I would have suggested 12 months as the normal timeframe.

Para 10.22 - some observations regarding the recommended statistics for dissemination:

a) what information statistical agencies collect will reflect the demands of their users, resources available to the agencies to collect the information and the response burden imposed. The key principle is that the information collected is disseminated.

b) In that context I am not sure that there should be a recommendation as to a minimum list of data items or if there is to be one then that list be very tightly bound. By way of example ABS would not necessarily see number of enterprises/establishments as part of a minimum annual dataset. Similarly monthly wholesale and retail trade turnover indices (value and volume) would not necessarily be viewed as part of a minimum monthly dataset.

c) the other point that perhaps needs to be made is that the information listed does not necessarily need to be sourced from a distributive trades collection. Again by way of example ABS data on employment and hours worked are generally sourced from our household surveys.

Finland

On the page 125 (10.24) the requirements are too detailed (three digit level) concerning the deadlines (1 month) requested. EU Regulation does not require such detailes and Finland would not be able to fulfil that recommendation.

On the page 123-124 (10.22) concerning the minimum set of data to be reported internationally for a minimum list it is from our point of view in too detailed level.

Ghana

10.4.　Legal provisions governing statistical confidentiality at national level are set out ***in the countries' Statistical Laws or other supplementary government regulations.

10.5.　Confidential data. Distributive trade data that are disseminated by the national **statistical offices are considered not confidential when they allow statistical units to be identified either directly or indirectly and thereby disclosing individual information.

10.7 (ii) Suppression. Suppression means removing records from a database that contains confidential data. Suppressing one class of ISIC for example means that the calculation of totals for the higher levels of ISIC to which that class belongs cannot be **possible or done calculated.

10.19　Essential features of a well-established revision policy are its predetermined schedule, reasonable stability from year to year; openness; advance notice of reasons and effects; easy access of users to sufficiently long time series of revised data as well as adequate documentation of revisions included in the statistical publications and databases.

Germany

We also welcome the fact that the recommendations deal more in detail with the aspect of the burden placed on businesses by trade statistics, with the aim of keeping it to a minimum. However, in this context, the minimum list of variables (items 10.23. -10.25.) seems too ambitious to us. Unless the required data can be obtained from administrative data registers, the businesses must directly be questioned, which involves a burden. The larger the number of variables to be covered, the larger is the burden on businesses. In our opinion, the minimum list should be clearly reduced.

Hong Kong

Paragraph 10.23 on page 30: in the table, data of "value added (at … prices)" are recommended for national dissemination with quarterly periodicity.

We have reservation on the recommendation for including the data of value added at *current* prices in the minimum list of data items recommended for national dissemination for two reasons.

First, to compile quarterly value added figures at current prices, data of operating expenses of establishments will have to be collected quarterly. To collect such data will incur substantial impacts on respondent burden and resources.

Second, the main use of data on value added at current prices is to analyze the economic structure of an economy. Analysts usually make use of annual data of longer time period, say 5 to 10 years, rather than short term quarterly data which are often subject to large fluctuations and may point to a picture that deviates from the underlying long term trend.

India

Though UNSD has mentioned the exhaustive list of items to be collected, but it would be perhaps desirable to design some simple questionnaire for collection of data with the modification as per the requirement of the countries. If, possible UNSD may design questionnaires keeping in view of the countries having developed system of DTS and the countries yet to develop DTS. I shall provide a copy of the facsimile used for collecting data on distributive trade to you for your reference .

The deliberations and discussions of meetings in this regard being organized by the UN may focus to provide comprehensive guidance for establishing a frame work for the collection, compilation, analysis and dissemination of data on Distributive Trade Statistics for the countries where these initiatives are in the preliminary stage.

Mongolia

In our country, data of monthly bulletin on domestic trade is collected by only 2 indicators, income and number of employers. These indicators are only for the tendency of this sector, but not enough to define the structure of the consumption of whole country.

Norway

We believe you have covered most areas concerning trade statistics and have only the following comments:

-Referring to part II chapter X and the tables under; 10.22, 10.23 and 10.24 witch provides the minimum list of data items on given periodicity, the concerning columns for Level of details, Form and Deadlines seams to miss some information.

-We also recommend that you include a definition for the data item; Production, as mentioned in tables 10.22 and 10.23, in part I, chapter IV; Data items and their definitions.

Para. 10.17. Need to refer to and provide more detail on the elements of good revision practices promulgated by the IMF as outlined in the OECD's Data and Metadata Reporting and Presentation Handbook published in late 2006.

Poland

Chapter X concerning "Dissemination" should include directives and be compatible with international dissemination standards and protection of statistical data regardless of running surveys. Statistical data dissemination and its accessibility are one of the most important issues in national statistics which have essential influence on their protection and confidentiality. Dissemination data via Internet give wider accessibility to all interested users in the same moment all around the world.

UK

Para 10.4: support recommendation that the protection of confidentiality be mandatory for all surveys and dissemination of distributive trade data.

Para 10.8: support recommendation that any data deemed confidential be reported in full detail at the next higher level of classification that adequately protect confidentiality.

Para 10.9: support recommendation that countries should take careful measures to respect the confidentiality of large trade enterprises.

Para 10.10: support recommendation that the confidentiality of a tabulation cell should have at least the following rules:
- o should comprise at least 3 units
- o for cells with large numbers, the three units with the largest values should not together dominate the cell value, i.e. should not account for less than 70 per cent of it.

Para 10.13: support recommendation that countries do not impose confidentiality rules stricter than the rules indicated in para 10.10 re. the transmit of data to international organisations.

Para 10.16: support recommendation that monthly and quarterly data refer to a discrete month or quarter.

Welcome the removal in the latest draft the recommendation that corrections of errors are done as soon as they are detected. This allows for countries to develop and stick to pre-announced revisions policy.

Para 10.18: support recommendation that national statistical offices should pre-announce to users (including reasons) when 'special revisions' (e.g. from methodological changes) are going to be introduced.

Para 10.21: support recommendation that countries support the dissemination format that suits their users' needs best. Also support recommendation that countries make well known to users the availability of additional statistics and the procedures for obtaining them.

Para 10.22: support recommendation that countries indicate in the metadata all deviations from internationally accepted statistical standards and guidelines. Also support recommendation that metadata are made readily accessible through statistical offices websites and/or publications.

Paras 10.23, 10.24 and 10.25: does the guidance 'the following table provides the minimum list of data items on distributive trade statistics recommended for national dissemination with annual, quarterly and monthly periodicity? Contradict the guidance in 'Chapter IV Data Items and Their Definitions' 'compilers are encouraged to implement the recommended list of data items in accordance with their own statistical circumstances and available resources'. Might it be better to have the information in paras 10.23, 10.24 and 10.25 as part of 'Chapter IV Data Items and Their Definitions'.

CIS Committee

Table below shows what items from the minimum list of indicators recommended in the Manual are currently available in majority of the CIS countries (+ refers to available data).

Number of establishments	+
Output	+
Turnover	+
Gross margin	-
Value added (at basic prices)	+
Total purchases of goods and services	-
Purchases of goods and services for resale in the same condition as received	+
Gross fixed capital formation	-
Changes in stocks of goods and services	+
Changes in stocks of goods and services purchased for resale in the same condition as received	+
Total number of persons employed	+
Total number of employees	+
Hours worked	+
Compensations of employees	+
Wages and salaries	+
Employers' social insurance contributions	+