# Palestinian Central Bureau of Statistics
## Economic Statistics Directorate

# The Internal Trade Survey – 2004

**User's Guide**

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# Concepts and Definitions

**A. Statistical unit:**

The SNA of 1993 defines two major statistical units:
- Institutional unit (enterprise): An economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and transactions with other entities.
- Establishment: An enterprise or part of an enterprise in which one group of goods and services is produced (with the possibility of having secondary activities).

**B. Enterprises Sectors:**

According to SNA1993, they are government, household, non-profitable enterprises, finance and non-finance companies. For internal trade enterprises they are either household sector or non-finance companies.

**C. Output:**

Value of goods and services, including own-account goods, produced during a specific period.

**D. Intermediate consumption:**

Value of production inputs from both goods and services.

**E. Gross value added:**

Output minus intermediate consumption.

**F. Compensation of employees:**

Wages, salaries and other allowances and remuneration in cash or in kind.

**G. Taxes on production less subsidies:**

Taxes assessed on producers with respect to the production, sale, purchase or use of goods and services, less production subsidies.

**H. Aids:**

The current payments to the producers from the government according to output levels.

**I. Depreciation:**

They are the assets value, which reproduced, and depreciated during the year, depreciation is calculated on the current substitutive value.

**J. Operating Surplus:**

Value added-(compensation of employees + taxes on production less subsidies + Depreciation of fixed assets).

**K. Gross Fixed Capital Formation:**

It is measured by value of acquisitions less
**Table** disposals of new or existing fixed assets.

**L. Principal economic activity:**

It is the main activity of the enterprise during the reference year, using (ISIC - 3) for classification and coding.

# Survey Questionnaire

They are two forms of the Internal trade survey questionnaire 2004, the first one is related to household and branches, and the second is related to non-finance companies sector. The questionnaire contains of the following main variables:

1. Number of employees in a company and their compensations.
2. The output of the main and second activities.
3. Goods production inputs.
4. Various payments and transfers.
5. Indirect taxes.
6. Enterprises assets.

# Data Sets Linkage

There are 13 data file in this CD-ROM, with one key variable in each file to allow the linkage between these files. The following table describes the files names content and identification variables:

| File Name | Content | Identification Variables |
|---|---|---|
| Identification data | Identification data | Est_no: establishment number |
| Fixed assets | Data about establishment assets. | Est_no: establishment number |
| Good purchased for resale | Purchasing goods for selling purpose. | Est_no: establishment number |
| Employment and remuneration | Persons engaged and their compensations | Est_no: establishment number |
| Various payments | Various payments and transfers | Est_no: establishment number |
| Production expenditure | Other output expenses | Est_no: establishment number |
| Commodity product | Production materials | Est_no: establishment number |
| Other Production Inputs | Continued: Goods Production Inputs | Est_no: establishment number |
| Revenues of service | Revenues of Services Rendered to Others | Est_no: establishment number |
| Indirect taxes and fees | Indirect Fees and Taxes | Est_no: establishment number |
| Fuel and oil | Production Inputs Fuel and oil | Est_no: establishment number |
| Various Transfers | Various transfers and revenues | Est_no: establishment number |
| Electricity and water | Electricity and water | Est_no: establishment number |

# Target Population

PCBS depends on the International and Industrial Classification of all economic activities, version 3, (ISIC – 3) by the United Nation to classify the economic activities. All enterprises and establishments are classified according to the Establishments Census 2004, which works in agreement with (ISIC – 3).

The Internal trade survey covers the following activities:

1. Sale & repair of motor vehicles .
2. Wholesale trade & commission trade .
3. Retail trade, repair of personal goods .

# Sample and Frame

The sample of the Internal trade Survey is a single-stage stratified random - systematic sample in which the enterprise constitutes the primary sampling unit (PSU). Three levels of strata were used to arrive at an efficient representative sample (i.e. economic activity, size of employment and geographical levels). The sample size amounted to (2033) enterprises out of the (52393) enterprises that comprise the survey frame.

# Weighting and Estimation

**Weighting Procedure:**
The sampling weight of the enterprise is the mathematical turned of the possibility selection of that enterprise. It is necessary to use weights in the estimation of the survey society because of the differentiation in the possibility of enterprises' selection from another one.

**Estimation Procedure:**
To calculate a variable as Y in a partial society as A on a study as D, we use the following:

$$\overset{\wedge}{Y}AD = \sum_{h}^{D} \sum_{J \in A} W_{hj} Y_{hj} \ldots..(1)$$

$\overset{\wedge}{Y_{AD}}$ : it the estimated sum of the variable Y in a partial society A in a study D.

h:      Strata code.

J:      the register code in the data file of the partial society A.

A:      a partial group from the registers related to a specific partial society.

D:      a study scope as a specific govern orate.

Whj: the weight of the analytical unit No. "j" in a partial society A in a strata h in a study D.

# Calculation of Variance

It is necessary to associate with an estimated statistical number by a sampling survey another one, which refers to the existing accuracy in the estimation.

The variance differ from one variable to another depending on:
1. Sample size.
2. The extent of the real variance for all society units unknown and could be estimated by comprehensive census for all society units, sample survey or pilot survey.

Sample design: Simple random sample or stratified random sample

CENVAR program is used for estimation. The following measures are used for the main economic indicators:
1. Standard Error: The error appeared as a result of sample survey not comprehensive survey.

2. Coefficient of Variation = Standard Error
                                              Estimation

3. DEFF = $\dfrac{\text{The variance by a compound sample}}{\text{The variance by a simple random sample}}$

4. 95% Confidence Interval: Whether the survey is performed once or many times the confidence interval will remain the 95%

# Reference Date

It is the period which data are gathered about, the period of this data is 2004.

# Data Collecting

**Questionnaire Test:**
Doing a primitive pretest during two days to make a technical study of the questionnaire, study the rejection and the data quality.

**Workers Selection and Training:**
The interviewers in the fieldwork are selected from the experienced ones in the statistical work and they are also trained theoretically and practically.

**Fieldwork operations:**
They are initiated after the recruitment and training of qualified interviewers. The PCBS's Fieldwork Directorate administers fieldwork activities including interviewing activities.

**Data Gathering Method:**
Data are gathered by using an interview with the enterprise owner or general manager by applying the survey questionnaire.

**Fieldwork Editing:**
The interviewer and supervisor firstly edit technically the questionnaire according to editing rules.

**Office Editing:**
The office editor also edits the questionnaire in order to be ready to be sent to coding and data entry.

**Coding:**
After the editor finishes editing the questionnaire, a coding are used according to (ISIC – 3), then the questionnaire is transferred to data entry.

# Response Rate

**A: Non response:**
1. Temporarily closed
2. Worked in 2004, and data not collected
3. Could not reach the address
4. Did not practice any activity in 2004
5. Refusal
6. The Balance isn't ready
7. Israeli Ownership
8. Different Ownership
9. Converted from other surveys and not completed
10. Completely Closed
11. Other

**B: Over Coverage:**
1. Enterprises practice economic activities out of the survey.
2. Repeated
3. Central government
4. Agricultural Appropriation
5. Branch Keep No Records
6. Isn't an Establishment as Recognized
7. Branch Keeps Records & the Center Out of the Sample

**C: Net Sample**

= Sample – Over Coverage

**D: Over coverage ratio mistakes**

$$= \frac{\text{sum of over coverage stages}}{\text{Sample stages}} * 100\%$$

**E: Non response**

$$= \frac{\text{non response stages}}{\text{Net sample}} * 100\%$$

**F: Response ratio**

= 100% - non response ratio

**Values of Response Rates:**

The original sample of Remaining West Bank and Gaza Strip is (2033) establishment

**-** over coverage ratio is (4.8%) distributed as:
1. Enterprises practice economic activities out of the survey. (2.2%)
2. Repeated. (0.3%)
3. Agricultural appropriation (0.2%)
4. Branch Keep No Records. (1.1%)
5. Isn't an Establishment as Recognized. (0.5%)
6. Other Results (0.5%)

- non response ratio is (7.6%)distributed as:

1. Could not reach the address (0.4%)
2. Permanently closed (1.0%)
3. Refusal (4.6%)
4. The budget isn't ready (0.4%)

5. Other Results (1.2 %)
   - Response rate  (92.4%).


# Data Quality

**Main fieldwork notes:**
- Fieldwork process is accomplished successfully regardless of the lack of the fieldworkers' staff.
- In spite of high response rate compared with other countries experience, certain cases of refusal and reluctance recorded.
- Data collected in the fieldwork process taken from calculation records if founded. Otherwise interviewer takes estimated data in the cases which no calculation records available.


# Derived Variables

Annual consumption per paid employee $= \dfrac{\text{Compensation of Employees}}{\text{No. of paid employees}}$

Output per person engaged $= \dfrac{\text{Output}}{\text{Persons engaged}}$

Output per paid employee $= \dfrac{\text{Output}}{\text{No. of paid employees}}$

Value added per person engaged $= \dfrac{\text{Value added}}{\text{No. of persons engaged}}$

Value added per paid employee $= \dfrac{\text{Value added}}{\text{No. of paid employees}}$

Value added to output $= \dfrac{\text{Value added}}{\text{Output}} \times 100$

Compensation of employees to value added $= \dfrac{\text{Compensation of employees}}{\text{Value added}} \times 100$

Depreciation to output $= \dfrac{\text{Annual depreciation}}{\text{Output}} \times 100$