

## *11 – DOMESTIC AND FOREIGN TRADE*

The tables in this section provide a Regional overview of domestic trade organisation, on the basis of available data for the distribution sector in Sicily, as well as data relating to Sicily's trade with foreign countries (imports and exports), classified according to the section of economic activity (the CPATECO classification).

The figures regarding domestic trade in Sicily, for the year 2007, in absolute terms, recorded 18,062 whole-sale commercial enterprises, 74,275 retail-outlets with fixed address, and 760 large-scale enterprises divided up into 623 supermarkets, 126 department stores and 11 hyper-markets. The up-dated figures for 01/01/08 register 618 supermarkets, 121 department stores and 19 hypermarkets, for a total of 758 commercial enterprises.

Compared with the year 2006, the number of businesses in the wholesale trade increased by only 15, representing relative growth of 0.08%, due to an increase in the number of enterprises dealing in "intermediate non-agricultural products and wreckage" (+38) and those selling "machinery and equipment" (+31) as against a reduction in enterprises trading in "other products for final consumption"(-48) and businesses trading in "food products, beverages and tobacco"(-10). The structure of this sector did not undergo any great changes compared to the previous year. Businesses trading in food and beverages accounted for 33% of the total. Enterprises dealing in "other products for final consumption" 32.4%; enterprises dealing in "intermediate non-agricultural products and wreckage" 17%; those selling "machinery and equipment" 10.1%; enterprises dealing in "agricultural raw materials" 4.5%, and, lastly, those dealing with "other products" accounted for 3.2%.

In similar fashion there was a slight, 0.14% increase of 103 retail-stores in Sicily, representing little substantial change when compared to the previous year. Most of the business enterprises in Sicily are of a small size, with specialised shops, especially food-stores and tobacconists, playing a leading role.

On the other hand, with regard to large-scale retail businesses in 2007, there was a Region-wide decrease of 5 supermarkets and 5 department stores compared to the previous year, and an increase of 8 hyper-markets, with the exception of the Province of Agrigento, where there was an increase in the number of enterprises across the retail range. Table13 shows the number of workers in supermarkets, which at the beginning of 2008 was still steady at 8,316 (with a ratio of 13.5 workers per store), 1,769 in department stores (14.6 per store) and 2,351 in hypermarkets (123.7 per store).

As regards the positive trend of slow growth in the previous five-year period, a downturn was recorded in all commercial enterprises, whilst for food-stores and tobacconists the previously observed negative trend dug in with a further reduction of 184 units, when compared to 2006, (-1.4% in relative terms).

Lastly, the figures for retail sales are shown in Table 11.4, where it can be seen that in 2007, there was an overall decline to the tune of 73 million Euros, explained by an 88 million Euro drop in sales at the small and medium-size distribution level, and a 15 million Euro increase in large-scale distribution (+77 million in the food sector against -62 million in the non-alimentary sector).

Foreign trade figures for Sicily appear in Tab.11.5 and 11.6, and show the figures for import and export trade respectively, expressed in thousands of Euros and classified

according to type of product.

Again in 2007, Sicily confirmed its role as net importer. In fact, the foreign trade balance ended up with a deficit of 8,586 million Euros, against a negative balance the previous year of 7,948 million Euros. Compared with the year 2006 there was an increase in imports to the tune of 2,279 million Euros (+14.4%) and a 19.8% increase in exports (+1,575 million Euros).

The major factor in the negative balance of Sicily's trade exchange with foreign countries is explained by the "energetic minerals and non- , gas, water" aggregate, which determined a deficit of 13,636 million Euros; this was due to the importing of oil-refining products, which was not absorbed by the positive balance of "transformed and manufactured products" (a little over 4,788 million Euros) and of "products from agriculture and forestry" (about 152 million Euros). The escalating price of oil is therefore the most crucial element in this scenario and is backed up strongly by other indicators linked to the business situation.

At the Regional level the major contributors to this negative balance were the Provinces of Caltanissetta, Messina and Siracusa, in that order, with respective balances of -1,360 million Euros, -2,152 million Euros and -2,079 million Euros.

### *Glossary*

**CIF (Cost Insurance Freight):** clause in contracts of maritime transport used in national and international statistics of foreign trade. It indicates that the value of the goods includes costs of transport and insurance from the place of production to the national frontier of the acquirer.

**Country of destination:** last known state, at moment of exportation, towards which goods have been sent.

**Country of origin:** country in which the goods were wholly obtained.

**Department store:** retail outlet operating in the non-alimentary field, with a sales surface greater than 400 sq m and at least 5 different sales departments containing goods belonging to different sectors.

**Economic enterprise:** a combination of various resources (equipment, work, work techniques, products) that result in the production of specific goods or services.

**Exports:** transfer of goods and services from resident operators to non-resident operators (rest of the world). They include all goods that (either free of charge or not) leave the economic territory of the region and are destined for the rest of the world.

**FOB (Free on Board):** traditional clause in maritime transport contracts indicating that in the quotation prices for the goods, both the forwarding costs and potential risks are at the expense of the seller, until goods are loaded on to the ship.

**Goods:** all movables that can be traded. For statistical purposes electricity is also considered a movable.

**Hard-discount:** retail sales outlet with fixed premises of medium-to-large size, which has a policy of economising on premises, service and running-costs, and offers self-service of a limited range of mass-consumer products, generally not brand-names, at lower costs than the market average.

**Hyper-market:** retail outlet with floor-area of over 2.500 sq m, divided into sections, alimentary and non-alimentary, with the respective characteristics of a supermarket and department store.

**Imports:** purchases abroad (rest of the world) of goods and services, brought into Regional territory. They include all goods that (either free of charge or not) enter the economic territory of the region from the rest of the world.

**Large-scale business:** enterprise possessing sales outlets operating as supermarkets, hyper-markets, hard-discount, department-stores, other large-scale specialised enterprises.

**Production unit:** place in which the production of goods takes place, or where the provision of services destined for the market-place (or not) is organised. It is topographically situated in a single place and employs persons on behalf of a single company.

**Supermarket:** Retail sales outlet operating in the food-sector (autonomously or as part of a department store) organised mainly on a self-service basis and with payment on leaving; its sales area is larger than 400 sq m, and it offers a wide variety of mass consumer products, mostly pre-packaged, as well as occasional non-alimentary articles for domestic use.

**Worker:** a person employed by a company, or self-employed, working in an economic unit with or without the agreed contractual compensation.

### *Further reading*

#### Publications

Domestic trade – Monthly statistical bulletin– 2005 - ISTAT

Domestic trade statistics– year 1994 – ISTAT

Retail-sale indices in 2001. Roma 2002 - ISTAT

Retail-sale indices by geographical division: methods and results. Roma, 2000 – ISTAT

Family consumption: year 2004. Roma 2006

New survey regarding retail sales: methodological aspects and innovative contents.

Roma 1988 (methods and norms no.3) - ISTAT

Foreign trade statistics – 1997 - ISTAT

Foreign trade index numbers, 1999 - ISTAT

Foreign trade– Monthly statistical bulletin, 2004 – ISTAT

Internet

[www.minindustria.it/](http://www.minindustria.it/)

<http://www.istat.it>

“Index of value of sales in fixed retail trade” in press releases, Roma 2007 – ISTAT

<http://www.coeweb.istat.it/>

On-line data-bank of foreign trade statistics in Italy.

[www.confetra.com/](http://www.confetra.com/)

Foreign trade and transport – 2004

[http://www.istat.it/](http://www.istat.it)

Italian Statistical Yearbook 2008 – Chapter 16: “Domestic trade”.

[http://www.istat.it/dati/catalogo/20081112\\_00/](http://www.istat.it/dati/catalogo/20081112_00/)

Italian Statistical Yearbook 2008 – Chapter 17: “Foreign trade”.

[http://www.istat.it/](http://www.istat.it)

“Exports from Italian Regions” in press releases. Roma 2007

[http://www.istat.it/](http://www.istat.it)

“Foreign trade: overall exchanges with EU countries” in press releases. Rome 2007

[http://www.istat.it/](http://www.istat.it)

“Foreign trade: exchanges with non-EU countries” in press releases. Rome 2007