

## **East London Industrial Development Zone Survey, 2016**

Report No. 00-30-00 (2016)

Statistics South Africa

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## 1. Introduction

The East London Industrial Development Zone (ELIDZ) was established in 2003 as part of the South African government initiative to improve industrial competitiveness and economic growth in the country. The zone has since become a prime industrial park in South Africa, renowned for its customised solutions for various industries including automotive, agro-processing and aqua-culture. The ELIDZ offers growth-oriented companies a specialised manufacturing platform, innovative industrial and business solutions, access to new markets and strategic industry networks.

The ELIDZ is often required to report statistics about the activities of its tenants, but does not have mechanisms in place to collect this information. The ELIDZ needs verified information on data such as employment, value of imports and exports, investment and income. Such information allows the ELIDZ to have benchmark data to continually monitor and compare economic activity over time. The ELIDZ also gives preferential rates and discounts to tenants who create a certain amount of employment, implement new technology, and meet other socio-economic criteria. However, the ELIDZ is unable to measure and verify whether tenants actually do employ the required amount of staff to qualify for discounted rates.

Statistics South Africa (Stats SA) partnered with the ELIDZ to conduct a survey of the zone's tenants. The main objectives of the study were to determine:

- number of employees;
- value of imports and exports;
- expenditure on investments; and
- employment levels per skills category.

The data collected are published at aggregated levels and all care was taken to preserve confidentiality in terms of section 17 of the Statistics Act, 1999 (Act No. 6 of 1999).

## 2. Summary of findings for the year 2016

### 2.1 Income

**Table A – Income in the ELIDZ, 2015 – 2016**

Type of activity	2015		2016		% change
	R million	% contribution	R million	% contribution	
Manufacturing	4 345	76,9	6 670	95,5	53,5
Non-manufacturing	1 307	23,1	317	4,5	-75,7
<b>Total</b>	<b>5 652</b>	<b>100,0</b>	<b>6 987</b>	<b>100,0</b>	<b>23,6</b>

(Sources: Report No. 00-30-00)

The total income for the ELIDZ in 2016 was R7,0 billion. The total income increased by 23,6% over the income reported in the corresponding survey of 2015 (R5,7 billion).

Comparing 2015 and 2016, a large increase was reported for manufacturing activities (R2,3 billion or 53,5%). However, there was a large decrease in non-manufacturing activities (-R1,0 billion or -75,7%).

**Table B – Income from ‘goods and services exported or sold to domestic exporters’ and ‘goods and services sold to other domestic enterprises’ by the ELIDZ, 2015 and 2016**

Type of activity	Goods and services exported or sold to domestic exporters		Goods and services sold to other domestic enterprises		Total sales of goods and services rendered	
	2015	2016	2015	2016	2015	2016
	R million					
Manufacturing	2 053	3 218	2 131	3 269	4 184	6 487
Non-manufacturing	70	58	1 215	178	1 285	236
<b>Total</b>	<b>2 123</b>	<b>3 276</b>	<b>3 346</b>	<b>3 447</b>	<b>5 469</b>	<b>6 723</b>

(Sources: Report No. 00-30-00)

The total selected income from goods and services sold in the ELIDZ in 2016 was R6,7 billion. Goods and services sold to ‘other’ domestic enterprises amounted to R3,4 billion (or 51,3% of selected income items). In the case of manufacturing activities, there was a large increase of 56,7% or R1,2 billion (from R2,1 billion 2015 to R3,2 billion in 2016) in goods and services exported or sold to domestic exporters.

## 2.2 Employment

**Table C – Employment by type of activity (excluding employees employed through labour brokers) as at the end of June in the ELIDZ, 2015 and 2016**

Type of activity	2015		2016		% change
	Number	% contribution	Number	% contribution	
Manufacturing	2 097	79,8	2 647	83,1	26,2
Non-manufacturing	530	20,2	540	16,9	1,9
<b>Total</b>	<b>2 627</b>	<b>100,0</b>	<b>3 187</b>	<b>100,0</b>	<b>21,3</b>

(Sources: Report No. 00-30-00)

The total number of persons employed (excluding employees employed through labour brokers) in the ELIDZ as at end of June 2016 was 3 187. Manufacturing employed the largest number of persons (2 647 or 83,1%).

Employment (excluding employees employed through labour brokers) increased by 21,3% (or 560 jobs) compared with the corresponding survey of 2015. Manufacturing gained 550 jobs and non-manufacturing gained 10 jobs.

**Table D – Employment (excluding employees employed through labour brokers) by gender as at the end of June in the ELIDZ, 2015 and 2016**

Gender	2015		2016		% change
	Number	% contribution	Number	% contribution	
Female employees	1 029	39,2	1 126	35,3	9,4
Male employees	1 598	60,8	2 061	64,7	29,0
<b>Total</b>	<b>2 627</b>	<b>100,0</b>	<b>3 187</b>	<b>100,0</b>	<b>21,3</b>

(Sources: Report No. 00-30-00)

The ELIDZ employed more males than females in both 2015 and 2016. The proportion of males increased from 60,8% in 2015 to 64,7% in 2016.

**Table E – Employment (excluding employees employed through labour brokers) by age as at the end of June in the ELIDZ, 2015 and 2016**

Age	2015		2016		% change
	Number	% contribution	Number	% contribution	
34 years and younger	1 173	44,7	1 283	40,3	9,4
35 years and older	1 454	55,3	1 904	59,7	30,9
<b>Total</b>	<b>2 627</b>	<b>100,0</b>	<b>3 187</b>	<b>100,0</b>	<b>21,3</b>

(Sources: Report No. 00-30-00)

The proportion of youth out of the total number of persons employed (excluding outsourced employees) declined from 44,7% in 2015 to 40,3% 2016.

**Table F – Employment (excluding employees employed through labour brokers) by occupational group as at the end of June in the ELIDZ, 2015 and 2016**

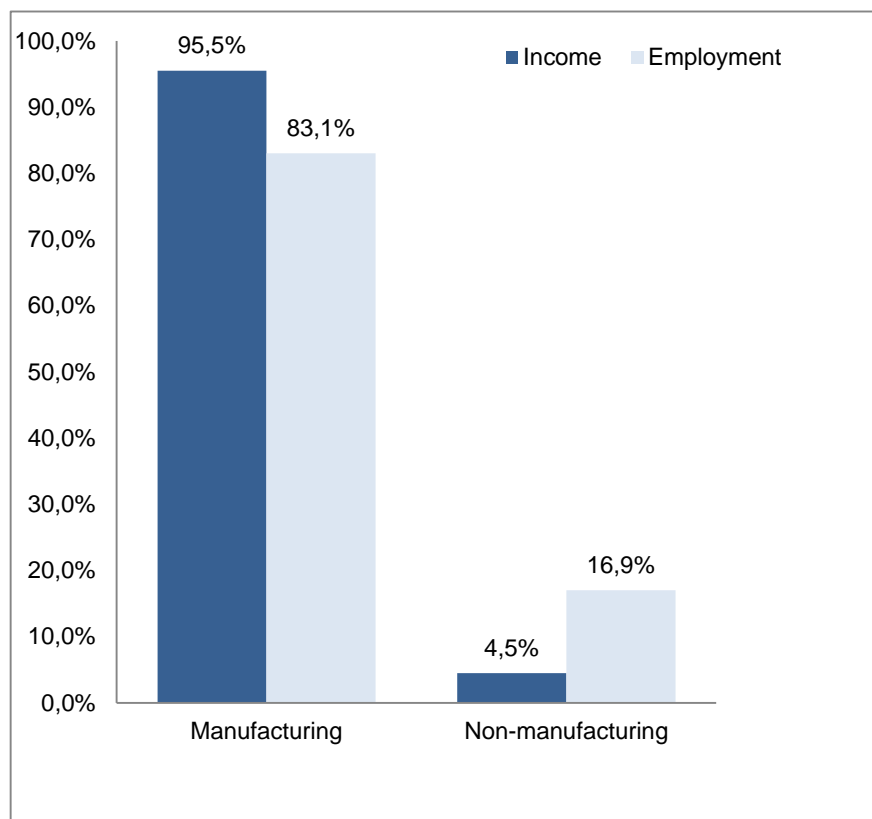
Occupational group	2015		2016		% change
	Number	% contribution	Number	% contribution	
Managers	170	6,5	155	4,9	-8,8
Professionals, associated professionals and technicians	888	33,8	894	28,1	0,7
Clerical support workers, service and sales workers	108	4,1	124	3,9	14,8
Skilled agricultural, forestry and fishery workers, craft and related trades workers, plant and machinery operators, assemblers and elementary occupations	1 461	55,6	2 014	63,2	37,9
<b>Total</b>	<b>2 627</b>	<b>100,0</b>	<b>3 187</b>	<b>100,0</b>	<b>21,3</b>

(Sources: Report No. 00-30-00)

The majority of ELIDZ employees fall into the category 'skilled agricultural, forestry and fishery workers, craft and related trades workers, plant and machinery operators, assemblers and elementary occupations'. In 2015 and 2016 the proportions were 55,6% and 63,2% respectively.



**Figure 1 – Income and employment by type of activity (% contribution) in the ELIDZ, 2016**



(Sources: Report No. 00-30-00)

In 2016, manufacturing contributed 95,5% of income. Its contribution to employment was lower at 83,1%.

## 2.3 Capital expenditure on new assets

**Table G – Capital expenditure by type of activity on new assets in the ELIDZ, 2015 and 2016**

Type of activity	2015	2016	% change
	R million		
Manufacturing	353	231	-34,6
Non-manufacturing	6	16	166,7
<b>Total</b>	<b>359</b>	<b>247</b>	<b>-31,2</b>

(Sources: Report No. 00-30-00)

The total capital expenditure on new assets in the ELIDZ in 2016 was R247 million. Capital expenditure on new assets decreased by 31,2% between 2015 and 2016. This was due to the decline of 34,6% or R122,0 million in capital expenditure on new assets by manufacturing.

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**Statistician-General**

### 3. Tables

**Table 1 – Principal statistics in the ELIDZ, 2015 and 2016**

Category	2015*	2016**	Percentage change
	R million		
Total income	5 652	6 987	23,6
Total expenditure	6 505	7 069	8,7
Total value of opening inventory	407	734	80,3
Total value of closing inventory	717	785	9,5
Net profit before tax	-543	-31	
Carrying value of assets at the end of financial year	1 036	1 176	13,5
Capital expenditure on new assets	359	247	-31,2
Salaries and wages	309	400	29,4
Total employees (including employees employed through labour brokers)	Number of employees		
	3 014	3 654	21,2

\*Revised

\*\*Preliminary

**Table 2A – Principal statistics by type of contractor in the ELIDZ, 2016\*\***

Type of contractor	Total income	Total expenditure	Total value of opening inventory	Total value of closing inventory	Net profit before tax	Capital expenditure on new assets
	R million					
Investors	6 911	6 994	726	774	-35	244
Office park and science & technology park	76	75	8	11	4	3
<b>Total</b>	<b>6 987</b>	<b>7 069</b>	<b>734</b>	<b>785</b>	<b>-31</b>	<b>247</b>

\*\*Preliminary

**Table 2B – Principal statistics by type of activity in the ELIDZ, 2016\*\***

Type of activity	Total income	Total expenditure	Total value of opening inventory	Total value of closing inventory	Net profit before tax	Capital expenditure on new assets
	R million					
Manufacturing	6 670	6 768	725	773	-50	230
Non-manufacturing	317	301	9	12	19	17
<b>Total</b>	<b>6 987</b>	<b>7 069</b>	<b>734</b>	<b>785</b>	<b>-31</b>	<b>247</b>

\*\*Preliminary

**Table 3A – Profit margin by type of contractor in the ELIDZ, 2015 and 2016**

Type of contractor	Turnover			Net profit after tax		Profit margin <sup>1</sup>	
	2015*	2016**	Percentage change	2015*	2016**	2015*	2016**
	R million			R million		%	
Investors	5 371	6 673	24,2	-590	-152	-11,0	-2,3
Office park and science & technology park	31	59	90,3	-1	2	-3,2	3,4
<b>Total</b>	<b>5 402</b>	<b>6 732</b>	<b>24,6</b>	<b>-591</b>	<b>-150</b>	<b>-10,9</b>	<b>-2,2</b>

<sup>1</sup>Net profit after tax divided by turnover multiplied by 100.

\*Revised

\*\*Preliminary

**Table 3B – Profit margin by type of activity in the ELIDZ, 2015 and 2016**

Type of contractor	Turnover			Net profit after tax		Profit margin <sup>1</sup>	
	2015*	2016**	Percentage change	2015*	2016**	2015*	2016**
	R million			R million		%	
Manufacturing	4 110	6 435	56,6	-630	-164	-15,3	-2,5
Non-manufacturing	1 292	297	-77,0	39	14	3,0	4,7
<b>Total</b>	<b>5 402</b>	<b>6 732</b>	<b>24,6</b>	<b>-591</b>	<b>-150</b>	<b>-10,9</b>	<b>-2,2</b>

<sup>1</sup>Net profit after tax divided by turnover multiplied by 100.

\*Revised

\*\*Preliminary

**Table 4 – Income in the ELIDZ, 2015 and 2016**

Income item	2015*	2016**	2015	2016	Percentage change
	R million		% contribution to total		
Sales	5 233	6 473	92,6	92,7	23,7
Services	236	250	4,2	3,6	5,9
Profit on foreign loans	110	121	1,9	1,7	10,0
Other income	73	143	1,3	2,0	95,9
Total income	5 652	6 987	100,0	100,0	23,6

\*Revised

\*\*Preliminary

**Table 4A – Income by type of contractor in the ELIDZ, 2016\*\***

Type of contractor	Sales	Services	Profit on foreign loans	Other income	Total income
	R million				
Investors	6 452	212	121	126	6 911
Office park and science & technology park	21	38	0	17	76
<b>Total</b>	<b>6 473</b>	<b>250</b>	<b>121</b>	<b>143</b>	<b>6 987</b>

\*\*Preliminary

**Table 4B – Income by type of activity in the ELIDZ, 2016\*\***

Type of contractor	Sales	Services	Profit on foreign loans	Other income	Total income
	R million				
Manufacturing	6 428	4	120	118	6 670
Non-manufacturing	45	246	1	25	317
<b>Total</b>	<b>6 473</b>	<b>250</b>	<b>121</b>	<b>143</b>	<b>6 987</b>

\*\*Preliminary

**Table 5 – Expenditure in the ELIDZ, 2015 and 2016**

Expenditure item	2015*	2016**	2015	2016	Percentage change
	R million		% contribution to total		
Purchases	4 306	4 933	66,4	69,8	14,6
Salaries and wages	309	400	5,0	5,7	29,4
Logistics and transport-out	137	137	2,1	1,9	0,0
Depreciation	102	150	1,6	2,1	47,1
Other expenditure	1 651	1 449	25,4	20,5	-12,2
Total expenditure	6 505	7 069	100	100	8,7

\*Revised

\*\*Preliminary

**Table 5A – Expenditure by type of contractor in the ELIDZ, 2016\*\***

Type of contractor	Purchases	Salaries and wages	Logistics and transport-out	Depreciation	Other expenditure	Total expenditure
	R million					
Investors	4 904	379	137	146	1 428	6 994
Office park and science & technology park	29	21	0	4	21	75
<b>Total</b>	<b>4 933</b>	<b>400</b>	<b>137</b>	<b>150</b>	<b>1 449</b>	<b>7 069</b>

\*\*Preliminary

**Table 5B – Expenditure by type of activity in the ELIDZ, 2016\*\***

Type of activity	Purchases	Salaries and wages	Logistics and transport-out	Depreciation	Other expenditure	Total expenditure
	R million					
Manufacturing	4 893	331	133	138	1 271	6 766
Non-manufacturing	40	69	4	12	178	303
<b>Total</b>	<b>4 933</b>	<b>400</b>	<b>137</b>	<b>150</b>	<b>1 449</b>	<b>7 069</b>

\*\*Preliminary



**Table 6 – Carrying value of assets at the end of the financial year in the ELIDZ, 2015 and 2016**

Item	Land, buildings, construction, plant, machinery & other office equipment	Other assets	Total carrying value of fixed assets
	R million		
2015*	777	259	1 036
2016**	837	339	1 176
Percentage change	7,7	30,8	13,5

\*Revised

\*\*Preliminary

**Table 6A – Carrying value of assets by type of contractor as at the end of the financial year in the ELIDZ, 2016\*\***

Type of contractor	Land, buildings, construction, plant, machinery & other office equipment	Other assets	Total carrying value of fixed assets
	R million		
Investors	820	328	1 148
Office park and science & technology park	17	11	28
<b>Total</b>	<b>837</b>	<b>339</b>	<b>1 176</b>

\*\*Preliminary

**Table 6B – Carrying value of assets by type of activity as at the end of the financial year in the ELIDZ, 2016\*\***

Type of activity	Land, buildings, construction, plant, machinery & other office equipment	Other assets	Total carrying value of fixed assets
	R million		
Manufacturing	818	305	1 123
Non-manufacturing	19	34	53
<b>Total</b>	<b>837</b>	<b>339</b>	<b>1 176</b>

\*\*Preliminary

**Table 7 – Details of assets in the ELIDZ, 2015 and 2016**

Item		2015*	2016**	% change
		R million		
Current assets	Trade and other receivables	406	473	16,5
	Cash and bank	643	848	31,9
	Inventory	697	777	11,5
	Other current assets	31	166	435,5
	Total current assets	1 777	2 264	27,4
Non-current assets	Property, plant and equipment	1 002	1 176	17,4
	Long-term investments	22	1	-95,5
	Other non-current assets	100	156	56,0
	Total non-current assets	1 124	1 333	18,6
Total assets		2 901	3 597	24,0

\*Revised

\*\*Preliminary

**Table 7A – Details of assets by type of contractor in the ELIDZ, 2016\*\***

Type of contractor	Current assets					Non-current assets				Total assets
	Trade and other receivables	Cash and bank	Inventory	Other current assets	Total current assets	Property, plant and equipment	Long-term investments	Other non-current assets	Total non-current assets	
	R million									
Investors	459	844	766	164	2 233	1 147	0	153	1 300	3 533
Office park and science & technology park	14	4	11	2	31	29	1	3	33	64
Total	473	848	777	166	2 264	1 176	1	156	1 333	3 597

\*\*Preliminary

**Table 7B – Details of assets by type of activity in the ELIDZ, 2016\*\***

Type of activity	Current assets					Non-current assets				Total assets
	Trade and other receivables	Cash and bank	Inventory	Other current assets	Total current assets	Property, plant and equipment	Long-term investments	Other non-current assets	Total non-current assets	
	R million									
Manufacturing	435	834	758	163	2 190	894	0	124	1 018	3 208
Non-manufacturing	38	14	19	3	74	282	1	32	315	389
Total	473	848	777	166	2 264	1 176	1	156	1 333	3 597

\*\*Preliminary

**Table 8 – Details of liabilities and equity in the ELIDZ, 2015 and 2016**

Item		2015*	2016**	% change
		R million		
Current liabilities	Trade and other payables	988	1 391	40,8
	Bank overdraft	25	124	396,0
	Other current liabilities	733	877	19,6
	Total current liabilities	1 746	2 392	37,0
Non-current liabilities	Long-term investments	338	247	-26,9
	Other non-current assets	235	292	24,3
	Total non-current liabilities	573	539	-5,9
Owners' equity		582	666	14,4
Equity and liabilities		2 901	3 597	24,0

\*Revised

\*\*Preliminary

**Table 8A – Details of liabilities and equity by type of contractor in the ELIDZ, 2016\*\***

Type of contractor	Current liabilities				Non-current liabilities			Owners' equity	Equity and liabilities
	Trade and other payables	Bank overdraft	Other current liabilities	Total current liabilities	Long-term investments	Other non-current assets	Total non-current liabilities		
	R million								
Investors	1 386	124	873	2 383	243	287	530	621	3 533
Office park and science & technology park	5	0	4	9	4	5	9	45	64
Total	1 391	124	877	2 392	247	292	539	666	3 597

\*\*Preliminary

**Table 8B – Details of liabilities and equity by type of activity in the ELIDZ, 2016\*\***

Type of activity	Current liabilities				Non-current liabilities			Owners' equity	Equity and liabilities
	Trade and other payables	Bank overdraft	Other current liabilities	Total current liabilities	Long-term investments	Other non-current assets	Total non-current liabilities		
	R million								
Manufacturing	1 356	124	847	2 327	13	255	268	613	3 208
Non-manufacturing	35	0	30	65	234	37	271	53	389
Total	1 391	124	877	2 392	247	292	539	666	3 597

\*\*Preliminary

**Table 9 – Capital expenditure on new assets in the ELIDZ, 2015 and 2016**

Item	2015*	2016**	Percentage change
	R million		
Plant, machinery and equipment	240	217	-9,6
Other capital expenditure	119	30	-74,8
<b>Total expenditure on new assets</b>	<b>359</b>	<b>247</b>	<b>-31,2</b>

\*Revised

\*\*Preliminary

**Table 9A – Capital expenditure on new assets by type of contractor in the ELIDZ, 2016\*\***

Type of contractor	Plant, machinery and equipment	Other capital expenditure	Total expenditure on new assets
	R million		
Investors	215	29	244
Office park and science & technology park	2	1	3
<b>Total</b>	<b>217</b>	<b>30</b>	<b>247</b>

\*\*Preliminary

**Table 9B – Capital expenditure on new assets by type of activity in the ELIDZ, 2016\*\***

Type of activity	Plant, machinery and equipment	Other capital expenditure	Total expenditure on new assets
	R million		
Manufacturing	214	17	231
Non-manufacturing	3	13	16
<b>Total</b>	<b>217</b>	<b>30</b>	<b>247</b>

\*\*Preliminary



**Table 10A – Details of employment by type of activity and gender in the ELIDZ for the last pay period ended on or before 30 June 2015 and 2016**

Type of contractor	Female employees			Male employees			Total employees			Employees employed through labour brokers		
	2015*	2016**	Percentage change	2015*	2016**	Percentage change	2015*	2016**	Percentage change	2015*	2016**	Percentage change
Manufacturing	850	969	14	1 247	1 678	34,6	2 097	2 647	26,2	331	407	23,0
Non-manufacturing	179	157	-12,3	351	383	9,1	530	540	1,9	56	60	7,1
<b>Total</b>	<b>1 029</b>	<b>1 126</b>	<b>9,4</b>	<b>1 598</b>	<b>2 061</b>	<b>29</b>	<b>2 627</b>	<b>3 187</b>	<b>21,3</b>	<b>387</b>	<b>467</b>	<b>20,7</b>

\*Revised

\*\*Preliminary

**Table 10B – Details of employment by type of contractor and gender in the ELIDZ for the last pay period ended on or before 30 June 2016\*\***

Type of contractor	Employees employed directly by the business							Employees employed through labour brokers	Total employees
	Permanent employees			Working proprietors, temporary and casual			Total		
	Female	Male	Total	Female	Male	Total			
	Number of employees								
Investors	990	1 748	2 738	58	187	245	2 983	467	3 450
Office park and science & technology park	29	68	97	49	58	107	204	0	204
Total	1 019	1 816	2 835	107	245	352	3 187	467	3 654

\*\*Preliminary

**Table 10C – Details of employment by type of activity and gender in the ELIDZ for the last pay period ended on or before 30 June 2016\*\***

Type of activity	Employees employed directly by the business							Employees employed through labour brokers	Total employees
	Permanent employees			Working proprietors, temporary and casual			Total		
	Female	Male	Total	Female	Male	Total			
	Number of employees								
Manufacturing	931	1 526	2 457	38	149	187	2 644	407	3 051
Non-manufacturing	88	290	378	69	96	165	543	60	603
Total	1 019	1 816	2 835	107	245	352	3 187	467	3 654

\*\*Preliminary

**Table 11A – Details of employment by type of contractor and age in the ELIDZ for the last pay period ended on or before 30 June 2016\*\***

Type of contractor	Employees employed directly by the business							Employees employed through labour brokers	Total employees
	Permanent employees			Working proprietors, temporary and casual			Total		
	34 years and younger	35 years and older	Total	34 years and younger	35 years and older	Total			
	Number of employees								
Investors	1 071	1 667	2 738	98	147	245	2 983	467	3 450
Office park and science & technology park	51	46	97	63	44	107	204	0	204
Total	1 122	1 713	2 835	161	191	352	3 187	467	3 654

\*\*Preliminary

**Table 11B – Details of employment by type of activity and age in the ELIDZ for the last pay period ended on or before 30 June 2016\*\***

Type of activity	Employees employed directly by the business							Employees employed through labour brokers	Total employees
	Permanent employees			Working proprietors, temporary and casual			Total		
	34 years and younger	35 years and older	Total	34 years and younger	35 years and older	Total			
	Number of employees								
Manufacturing	959	1498	2 457	60	127	187	2 644	407	3 051
Non-manufacturing	163	215	378	101	64	165	543	60	603
Total	1 122	1 713	2 835	161	191	352	3 187	467	3 654

\*\*Preliminary

**Table 12A – Details of employment by occupational group and gender in the ELIDZ for the last pay period ended on or before 30 June 2015 and 2016**

Occupational group	Female employees			Male employees			Total employees		
	2015*	2016**	Percentage change	2015*	2016**	Percentage change	2015*	2016**	Percentage change
Managers	42	32	-23,8	128	123	-3,9	170	155	-8,8
Professionals, associated professionals and technicians	308	297	-3,6	580	597	2,9	888	894	0,7
Clerical support workers, service and sales workers	72	68	-5,6	36	56	55,6	108	124	14,8
Skilled agricultural, forestry and fishery workers, craft and related trades workers, plant and machinery operators, assemblers and elementary occupations	607	729	20,1	854	1 285	50,5	1 461	2 014	37,9
<b>Total</b>	<b>1 029</b>	<b>1 126</b>	<b>9,4</b>	<b>1 598</b>	<b>2 061</b>	<b>29,0</b>	<b>2 627</b>	<b>3 187</b>	<b>21,3</b>

\*Revised

\*\*Preliminary

**Table 12B – Details of employment by occupational group and gender in the ELIDZ for the last pay period ended on or before 30 June 2016\*\***

Occupational group	Employees employed directly by the business						Total employees
	Permanent employees			Working proprietors, temporary and casual			
	Female	Male	Total	Female	Male	Total	
	Number of employees						
Managers	30	111	141	2	12	14	155
Professionals, associated professionals and technicians	276	569	845	21	28	49	894
Clerical support workers, service and sales workers	62	50	112	6	6	12	124
Skilled agricultural, forestry and fishery workers, craft and related trades workers, plant and machinery operators, assemblers and elementary occupations	651	1 086	1 737	78	199	277	2 014
Total	1 019	1 816	2 835	107	245	352	3 187

\*\*Preliminary

**Table 12C – Details of employment by occupational group and age in the ELIDZ for the last pay period ended on or before 30 June 2016\*\***

Occupational group	Employees employed directly by the business						Total employees
	Permanent employees			Working proprietors, temporary and casual			
	34 years and younger	35 years and older	Total	34 years and younger	35 years and older	Total	
	Number of employees						
Managers	23	118	141	2	12	14	155
Professionals, associated professionals and technicians	327	518	845	13	36	49	894
Clerical support workers, service and sales workers	52	60	112	4	8	12	124
Skilled agricultural, forestry and fishery workers, craft and related trades workers, plant and machinery operators, assemblers and elementary occupations	720	1 017	1 737	142	135	277	2 014
Total	1 122	1 713	2 835	161	191	352	3 187

\*\*Preliminary

**Table 13 – Selected expenditure items: goods and services imported or sourced domestically by type of contractor in the ELIDZ, 2015 and 2016**

Item	Purchases			Admin and management fees			Subcontractors		
	Imported	Sourced domestically	Total	Imported	Sourced domestically	Total	Imported	Sourced domestically	Total
	R million								
2015*	2 454	1 852	4 306	90	31	121	16	44	60
2016**	2 510	2 423	4 933	88	39	127	13	42	55
<b>Percentage change</b>	<b>2,3</b>	<b>30,8</b>	<b>14,6</b>	<b>-2,2</b>	<b>25,8</b>	<b>5,0</b>	<b>-18,8</b>	<b>-4,5</b>	<b>-8,3</b>

\*Revised

\*\*Preliminary

**Table 13 – Selected expenditure items: goods and services imported or sourced locally by type of contractor in the ELIDZ, 2015 and 2016 (concluded)**

Item	Other selected expenditure items			Total of selected expenditure items <sup>2</sup>		
	Imported	Sourced domestically	Total	Imported	Sourced domestically	Total
	R million					
2015*	7	83	90	2 567	2 010	4 577
2016**	25	93	118	2 636	2 597	5 233
<b>Percentage change</b>	<b>257,1</b>	<b>12,0</b>	<b>31,1</b>	<b>2,7</b>	<b>29,2</b>	<b>14,3</b>

\*Revised

\*\*Preliminary

<sup>2</sup>Selected expenditure items are 'purchases', 'admin and management fees', 'subcontractors', 'leasing and hiring of plant, machinery, equipment and vehicles', 'repair and maintenance', 'containers and packing materials' and 'paper, printing and stationery'.

**Table 13A – Selected expenditure items: goods and services imported or sourced domestically by type of contractor in the ELIDZ, 2016\*\***

Type of contractor	Purchases			Admin and management fees			Subcontractors		
	Imported	Sourced domestically	Total	Imported	Sourced domestically	Total	Imported	Sourced domestically	Total
	R million								
Investors	2 510	2 395	4 905	88	38	126	13	40	53
Office park and science & technology park	0	28	28	0	1	1	0	2	2
<b>Total</b>	<b>2 510</b>	<b>2 423</b>	<b>4 933</b>	<b>88</b>	<b>39</b>	<b>127</b>	<b>13</b>	<b>42</b>	<b>55</b>

\*\*Preliminary

**Table 13A – Selected expenditure items: goods and services imported or sourced locally by type of contractor in the ELIDZ, 2016 (concluded)**

Type of contractor	Other selected expenditure items			Total of selected expenditure items <sup>2</sup>		
	Imported	Sourced domestically	Total	Imported	Sourced domestically	Total
	R million					
Investors	25	89	114	2 636	2 562	5 198
Office park and science & technology park	0	4	4	0	35	35
<b>Total</b>	<b>25</b>	<b>93</b>	<b>118</b>	<b>2 636</b>	<b>2 597</b>	<b>5 233</b>

<sup>2</sup>Selected expenditure items are 'purchases', 'admin and management fees', 'subcontractors', 'leasing and hiring of plant, machinery, equipment and vehicles', 'repair and maintenance', 'containers and packing materials' and 'paper, printing and stationery'.

**Table 14 – Selected income items: goods and services exported and sold to domestic exporters or sold to other domestic enterprises in the ELIDZ, 2015 and 2016**

Item	Goods and services exported or sold to domestic exporters	Goods and services sold to other domestic enterprises	Total selected income items <sup>3</sup>
	R million		
2015*	2 123	3 346	5 469
2016**	3 276	3 447	6 723
<b>Percentage change</b>	<b>54,3</b>	<b>3,0</b>	<b>22,9</b>

\*Revised

\*\*Preliminary

<sup>3</sup>Selected income items are sales of goods and services rendered.**Table 14A – Selected income items: goods and services exported and sold to domestic exporters or sold to other domestic enterprises in the ELIDZ, 2016\*\***

Type of contractor	Goods and services exported or sold to domestic exporters	Goods and services sold to other domestic enterprises	Total selected income items <sup>3</sup>
	R million		
Investors	3 276	3 388	6 664
Office park and science & technology park	0	59	59
<b>Total</b>	<b>3 276</b>	<b>3 447</b>	<b>6 723</b>

\*\*Preliminary

<sup>3</sup>Selected income items are sales of goods and services rendered.



**Table 15A – Information and communication technology usage by type of contractor in the ELIDZ as at the end of June 2016\*\***

Type of contractor	Use computer	Use internet	Use internet banking	Have web page	Receive orders over internet	Place orders over internet
	%					
Investors	1000	100,0	82,1	92,8	53,6	46,4
Office park and science & technology park	100,0	100,0	90,9	90,9	37,5	36,3
<b>Total</b>	<b>100,0</b>	<b>100,0</b>	<b>82,1</b>	<b>89,7</b>	<b>46,1</b>	<b>43,6</b>

\*\*Preliminary

**Table 15A – Information and communication technology usage by type of contractor in the ELIDZ as at the end of June 2016 (concluded)**

Type of contractor	Main uses of the internet					Internet connection speed		IT outsourced
	Email	Information services	Business promotions (advertising)	E-commerce	Other	Narrow band	Broad band	
	%							
Investors	100,0	70,6	28,6	46,4	17,9	0,0	100,0	64,3
Office park and science & technology park	100,0	81,8	54,5	0,0	0,0	0,0	100,0	27,3
Total	100,0	79,5	35,9	33,3	12,8	0,0	100,0	53,8

**Table 15B – Information and communication technology usage by type of activity in the ELIDZ as at the end of June 2016\*\***

Type of activity	Use computer	Use internet	Use internet banking	Have web page	Receive orders over internet	Place orders over internet
	%					
Manufacturing	100,0	100,0	78,9	89,5	57,9	52,6
Non-manufacturing	100,0	100,0	90,0	90,9	35,0	35,0
<b>Total</b>	<b>100,0</b>	<b>100,0</b>	<b>82,1</b>	<b>89,7</b>	<b>46,1</b>	<b>43,6</b>

\*\*Preliminary

**Table 15B – Information and communication technology usage by type of activity in the ELIDZ as at the end of June 2016 (concluded)**

Type of activity	Main uses of the internet					Internet connection speed		IT outsourced
	Email	Information services	Business promotions (advertising)	E-commerce	Other	Narrow band	Broad band	
	%							
Manufacturing	100,0	78,9	28,6	57,9	26,3	0,0	100,0	63,2
Non-manufacturing	100,0	80,0	54,5	10,0	0,0	0,0	100,0	45,0
Total	100,0	79,5	35,9	33,3	12,8	0,0	100,0	53,8

## Explanatory notes

<b>Background</b>	<p>The results presented in this publication have been derived from the 2016 East London Industrial Development Zone (ELIDZ) survey which measured economic activity in the ELIDZ. This survey covers private and public businesses operating in the ELIDZ.</p> <p>All figures exclude VAT.</p>
<b>Reference period</b>	<p>The information was collected from businesses for their financial year which ended on any date between 1 July 2015 and 30 June 2016, according to their usual reporting schedules.</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• 01 October 2014 to 30 September 2015</li> <li>• 01 January 2015 to 31 December 2015</li> <li>• 01 February 2015 to 31 January 2016</li> <li>• 01 March 2015 to 29 February 2016</li> <li>• 01 April 2015 to 31 March 2016</li> <li>• 01 July 2015 to 30 June 2016</li> </ul>
<b>Scope and coverage</b>	This survey covers all the tenants within the East London Industrial Development Zone that were active during the period under review.
<b>Classification by industry</b>	The 1993 edition of the <i>Standard Industrial Classification of All Economic Activities</i> (SIC). Report No. 09-09-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 <i>International Standard Industrial Classification of All Economic Activities</i> (ISIC) with suitable adaptations for local conditions. Each enterprise is classified to an industry which reflects its predominant activity.
<b>Survey methodology and design</b>	The East London Industrial Development Zone survey was conducted mainly through personal visits. Of the 39 businesses that were active, 37 responded to the survey. Imputations were made for the remaining 2 businesses. The collection rate was 94,9%.
<b>Collection rate</b>	$\text{Collection rate} = ((\text{collected} + \text{finalised investigations}) / \text{sample size}) \times 100.$
<b>Relative standard error</b>	Data presented in this publication are based on information obtained from a census and are, therefore, not subject to sampling variability; that is, there are no relative standard errors associated with the data.
<b>Non-sampling errors</b>	Inaccuracies may occur because of imperfections in reporting by businesses and errors made in the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Non-sampling errors occur in both sample surveys and censuses.

**Revisions to 2015 results**

Revisions were made to 2015 results due to new information obtained after the publication. There were 43 active enterprises, 39 of which responded and 3 of which were imputed. The collection rate was 90,7% for 2015.

**Rounding-off of figures**

The figures in the tables have, where necessary, been rounded off to the nearest final digit shown. There may therefore be slight discrepancies between the sums of the constituent items and the totals shown.

**Symbols and abbreviations**

SIC	Standard Industrial Classification of All Economic Activities
ELIDZ	East London Industrial Development Zone
SARS	South African Revenue Service
SNA	System of National Accounts
Stats SA	Statistics South Africa
VAT	Value added tax
0	Nil or less than half the final digit shown

## Glossary

<b>Current assets</b>	Assets that are expected to be turned into cash within one year during the normal course of business. They include: <ul style="list-style-type: none"><li>• trade and other receivables;</li><li>• cash and bank;</li><li>• inventories; and</li><li>• other current assets.</li></ul>
<b>Current liabilities</b>	Debts or obligations that are due within one year. They include: <ul style="list-style-type: none"><li>• trade and other payables;</li><li>• bank overdraft; and</li><li>• other current liabilities.</li></ul>
<b>Employees</b>	Persons employed by a business or organisation and who received payment (in salaries, wages, commission, piece rates or payments in kind) for the last pay period ended on or before 30 June 2016.
<b>Business</b>	A legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its activities.
<b>Equity</b>	The residual interest in the entity's assets after deducting its liabilities.
<b>Industry</b>	An industry consists of a group of businesses engaged in the same or similar kinds of economic activity. Industries are defined in the <i>System of National Accounts</i> (SNA) in the same way as in the <i>Standard Industrial Classification of All Economic Activities</i> , Fifth Edition, Report No. 09-90-02 of January 1993 (SIC).
<b>Labour brokers</b>	Labour brokers are agents who recruit and administer workers on behalf of businesses. They do not provide any other service.
<b>Net profit or loss after tax</b>	Net profit or loss after tax is derived as:  Net profit or loss before tax <i>minus</i> company tax

**Net profit or loss before tax**

Net profit or loss before tax is derived as:

Total income  
**plus** closing inventories  
**minus** total expenditure  
**minus** opening inventories

**Non-current assets**

Assets which are not easily convertible to cash or not expected to become cash within the next year. They include:

- property, plant and equipment and intangible assets;
- long-term investments; and
- other non-current assets.

**Non-current liabilities**

Liabilities not due to be paid within one year during the normal course of business. They include:

- long-term loans; and
- other non-current liabilities.

**Other expenditure**

Includes:

Subcontractors paid; leasing and hiring of plant, machinery, equipment and vehicles under operating leases; rental of land, building and other structures; repair and maintenance; administration and management fees; amortisation; bank charges; computer expenditure; containers and packaging materials; customs duty paid; excise duty paid; insurance premiums; interest; losses on financial and other assets: disposal of assets, realisation for cash and revaluation of assets; losses on financial and other liabilities: redemption, liquidation or revaluation of liabilities; losses on foreign exchange as a result of variations in foreign exchange rates; motor vehicle running expenditure; paper, printing and stationery; postal and courier services; provisions; research and development; security services; severance, termination and redundancy payments; skills development levy (net value after refund); staff training; telecommunication services; water and electricity; donations, sponsorships and social investment for non-employees; and other expenditure.

**Other income**

Includes:

Leasing and hiring of motor vehicles and other transport equipment under operating leases without driver/operator; leasing and hiring of plant, machinery and equipment without driver/operator; rental and leasing of land, buildings and other structures; dividends received; government subsidies and incentives; government capital transfers; interest received; profit on financial and other assets: disposal of assets, realisation for cash and revaluation of assets; profit on foreign exchange transactions as a result of variations in foreign exchange rates; provisions; customs duty received; excise duty received; and other income.

<b>Profit margin</b>	Profit margin is derived as: Net profit or loss after tax <b><i>divided by</i></b> turnover <b><i>multiplied by</i></b> 100
<b>Statistical unit</b>	A unit about which statistics are tabulated, compiled or published. In this survey it was all enterprises active within ELIDZ.
<b>Turnover</b>	<p>Turnover includes:</p> <ul style="list-style-type: none"><li>• the value of sales;</li><li>• amounts received for work done;</li><li>• amounts received for services rendered;</li><li>• rent and/or lease payments received for land and buildings;</li><li>• rent, leasing and hiring received for machinery, vehicles and other equipment; and</li><li>• mineral rights leases.</li></ul> <p>Turnover excludes:</p> <ul style="list-style-type: none"><li>• value added tax (VAT);</li><li>• net profit or loss on sales or revaluation of fixed assets (including profit or loss on foreign exchange);</li><li>• export freight charges;</li><li>• interest received; and</li><li>• excise duty.</li></ul>

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