Detailed data for five divisions in trade are now available

- Large sample surveys providing data for 2015
- Detailed statistics on:
  - Income
  - Commodities sold
  - Concentration ratios
  - Expenditure
  - Profit margins
  - Employment
  - Capital expenditure
The trade industry is responsible for 15% of SA economic production.
The trade industry contribution to GDP has grown slightly over the years.
Income
The trade industry generated R3,17 trillion in income during 2015.

That's just over R100 000 generated per second!
Wholesale trade generated just over half of total income in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale</td>
<td>52%</td>
</tr>
<tr>
<td>Retail</td>
<td>26%</td>
</tr>
<tr>
<td>Motor trade</td>
<td>19%</td>
</tr>
<tr>
<td>Food &amp; beverages</td>
<td>2%</td>
</tr>
<tr>
<td>Accommodation</td>
<td>1%</td>
</tr>
<tr>
<td>Total income</td>
<td>R3,17 trillion</td>
</tr>
</tbody>
</table>

Percentages have been rounded and may not sum to 100%

Only includes formal business activities
Large enterprises generated two-thirds of the R3.17 trillion in income in 2015.

- Large enterprises: R2 106 025m (66%)
- Medium enterprises: R392 234m (12%)
- Small and micro enterprises: R674 071m (21%)
What are the most popular sources of income in each industry (2015)?

**Wholesale**
- Building material & hardware: 32%
- Machinery & equipment: 22%
- Food & beverages: 19%
- Other: 27%

**Retail**
- Food & beverages: 42%
- Clothing: 16%
- Medical & cosmetics: 11%
- Other: 32%

**Motor**
- New vehicles: 33%
- Fuel: 29%
- Parts: 18%
- Used vehicles: 17%
- Other: 4%

**Accommodation**
- Accommodation: 59%
- Casino facilities: 34%
- Functions: 4%
- Other services: 3%

**Food & beverages**
- Food and snacks: 81%
- Wines: 5%
- Non-alcoholic drinks: 9%
- Other: 5%

*New and used vehicles includes both retail and wholesale sales*
Accommodation: almost half of available rooms* are in five cities

- Cape Town: 14%
- Johannesburg: 14%
- Tshwane: 9%
- eThekwini: 7%
- Eku-Rhuleni: 4%

Other districts: 51%

*The unit of accommodation available to be charged out to guests; for example, a powered site in a caravan park or a room in a hotel.
Motor trade: vehicle sales* – number of units sold in 2012 and 2015

**New vehicle sales**


**Used vehicle sales**


*Only includes retail sales; excludes wholesale sales of vehicles*
Concentration ratios
What do concentration ratios tell us?

If an industry is dominated by a few large players, then it’s regarded as monopolistic. This can hinder competition and present a barrier to new entrants into the market.
Retail and accommodation are dominated by a few large companies.

- Retail: 42%
- Accommodation: 38%
- Motor: 21%
- Wholesale: 15%
- Food & beverages: 15%
The motor trade industry has become less concentrated over time

Proportion of income earned by the top 10 largest enterprises

<table>
<thead>
<tr>
<th>Year</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>33%</td>
</tr>
<tr>
<td>2009</td>
<td>26%</td>
</tr>
<tr>
<td>2012</td>
<td>23%</td>
</tr>
<tr>
<td>2015</td>
<td>21%</td>
</tr>
</tbody>
</table>
And so has accommodation

Proportion of income earned by the top 10 largest enterprises

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2009</th>
<th>2012</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>55%</td>
<td>50%</td>
<td>44%</td>
<td>38%</td>
</tr>
</tbody>
</table>
Concentration in retail trade, however, has increased over time.

Proportion of income earned by the top 10 largest enterprises:

- 2005: 39%
- 2009: 40%
- 2012: 41%
- 2015: 42%
Expenditure
A total of R3,09 trillion was spent by the trade industries in 2015.

- Wholesale: 52%
- Retail: 26%
- Motor: 19%
- Food & beverages: 2%
- Accommodation: 1%

Percentages have been rounded and may not sum to 100%.
What did each division spend money on?

- **Wholesale**
  - Purchases: 83%
  - Employment costs: 6%
  - Other expenditure: 11%

- **Retail**
  - Purchases: 75%
  - Employment costs: 10%
  - Other expenditure: 16%

- **Motor**
  - Purchases: 85%
  - Employment costs: 7%
  - Other expenditure: 9%

- **Food & beverages**
  - Purchases: 50%
  - Employment costs: 20%
  - Other expenditure: 30%

- **Accommodation**
  - Purchases: 17%
  - Employment costs: 24%
  - Other expenditure: 58%
Profit margin
The profit margin rose in 2015 to 2,6%
Casino income contributed to accommodation’s high profit margin

<table>
<thead>
<tr>
<th>Industry</th>
<th>Profit Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>9.9%</td>
</tr>
<tr>
<td>Retail trade</td>
<td>2.9%</td>
</tr>
<tr>
<td>All trades</td>
<td>2.6%</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>2.5%</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>2.0%</td>
</tr>
<tr>
<td>Motor trade</td>
<td>2.0%</td>
</tr>
</tbody>
</table>
In fact, casinos contribute just over a third of total accommodation income.
Employment
The trade industry is the third largest employer in the formal business sector.

- Community services: 27%
- Business services: 23%
- Trade: 22%
- Manufacturing: 12%
- Other: 16%

Source: Quarterly Employment Statistics (QES), June 2017 (Table B)
The trade industry employed 1.9 million people in 2015.

- **2009**: 1.6 million
- **2012**: 1.7 million
- **2015**: 1.9 million

Number of jobs increased by 0.3 million.
Retail is the largest employer in the trade industry (2015)

1. Retail – 44% (812 104 people)
2. Wholesale – 26% (490 037 people)
3. Motor – 15% (270 440 people)
4. Food & beverages – 9% (174 601 people)
5. Accommodation – 6% (109 196 people)

1,9 million people
Female employees outnumber male employees in three divisions

2015

- **All trades**: 47% Female, 53% Male
- **Food & beverages**: 59% Female, 41% Male
- **Retail**: 57% Female, 43% Male
- **Accommodation**: 56% Female, 44% Male
- **Wholesale**: 34% Female, 66% Male
- **Motor**: 28% Female, 72% Male

Female employees outnumber male employees in three divisions.
But employees in those three divisions earn the lowest salaries

Average income for all employees

<table>
<thead>
<tr>
<th>Division</th>
<th>2012</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale</td>
<td>R 174 135</td>
<td>R 202 823</td>
</tr>
<tr>
<td>Motor</td>
<td>R 126 151</td>
<td>R 146 905</td>
</tr>
<tr>
<td>Retail</td>
<td>R 84 380</td>
<td>R 93 632</td>
</tr>
<tr>
<td>Accommodation</td>
<td>R 87 852</td>
<td>R 91 716</td>
</tr>
<tr>
<td>Food &amp; beverages</td>
<td>R 47 037</td>
<td>R 60 761</td>
</tr>
</tbody>
</table>
Income vs employment (2015)

- Wholesale trade: 52% income, 26% employment
- Retail trade industry: 44% income, 26% employment
- Motor trade industry: 19% income, 15% employment
- Food and beverages: 2% income, 9% employment
- Accommodation: 1% income, 6% employment

Income vs Employment chart

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Income vs employment: large enterprises (2015)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Income</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>70.3%</td>
<td>50.6%</td>
</tr>
<tr>
<td>Retail</td>
<td>70.1%</td>
<td>66.0%</td>
</tr>
<tr>
<td>Wholesale</td>
<td>67.0%</td>
<td>40.3%</td>
</tr>
<tr>
<td>Motor</td>
<td>61.7%</td>
<td>40.0%</td>
</tr>
<tr>
<td>Food &amp; beverages</td>
<td>41.3%</td>
<td>39.3%</td>
</tr>
</tbody>
</table>
Capital expenditure
Wholesale spend the most on acquiring new assets (2015)

Total capital expenditure: R49,9 billion

- Wholesale: 39%
- Retail: 32%
- Motor: 15%
- Accommodation: 11%
- Food & beverages: 4%
Thank you