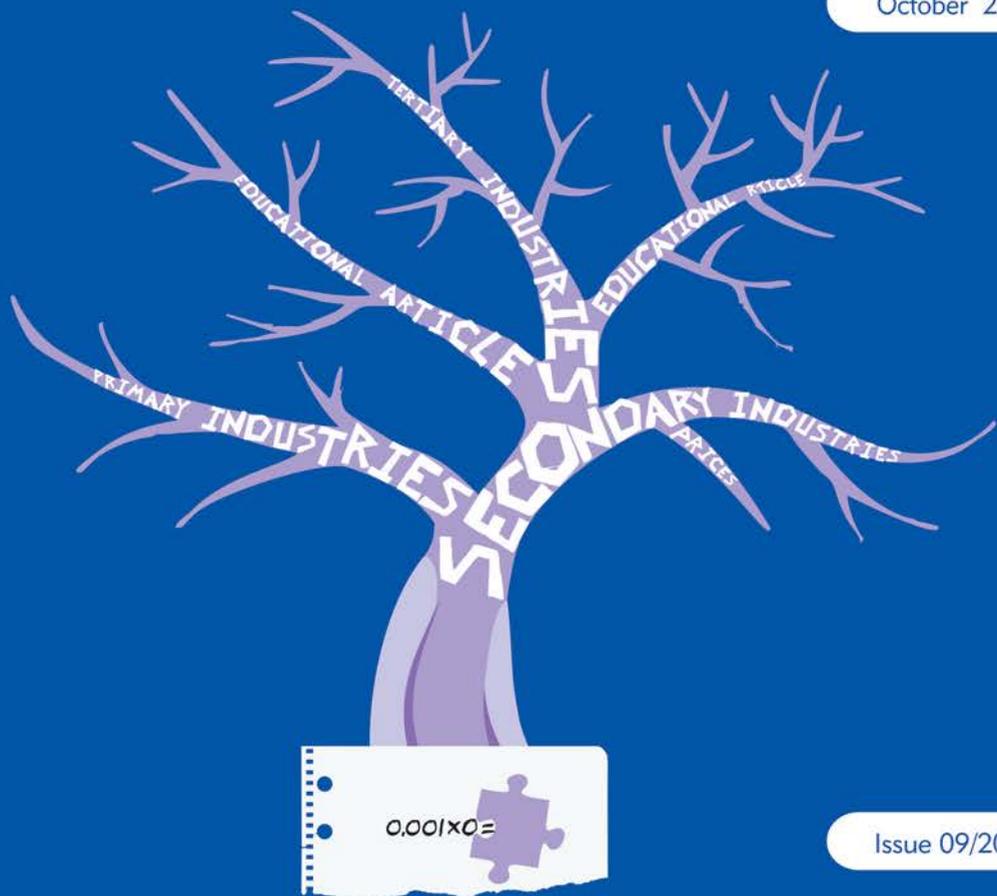


Mbalo Brief



the missing piece of the puzzle

October 2017



Issue 09/2017

THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND



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Editor's comment

The month of October has been declared Mental Health Awareness Month with the objective of educating the public about mental health and to reduce the stigma and discrimination against people with mental illness. Mental health problems such as depression, bipolar disorder, anxiety and stress are common, and affect individuals, families and the broader community. In addition, they have a direct impact on workplaces through increased absenteeism and reduced productivity, among others. Some mental health problems are the result of a complex interplay between biological, psychological, social and environmental factors. An estimated 400 million people worldwide suffer from mental or neurological disorders or from psychosocial problems. Mental illness can be treated and prevented; however, more often people do not seek treatment due to the stigma attached to the illness. Recently it has been reported that very few South Africans seek treatment for mental disorders. With October being Mental Health Awareness Month, government aims to reach as many people as possible in order to raise awareness about mental health and to reduce the stigma attached to it.

Included in this month's issue of *Mbalo Brief* are our monthly articles such as the *Producer price index (PPI)*, *Mining, Motor trade sales, Tourism and migration* and *Land transport survey*. Once again, we have our monthly crossword puzzle to tickle those brain cells and we also provide the solutions to the September 2017 puzzle.

Articles published in this issue are based on results of industry surveys conducted for the months ranging from July to August 2017.

For more details on any of the surveys, visit our website at:
www.statssa.gov.za

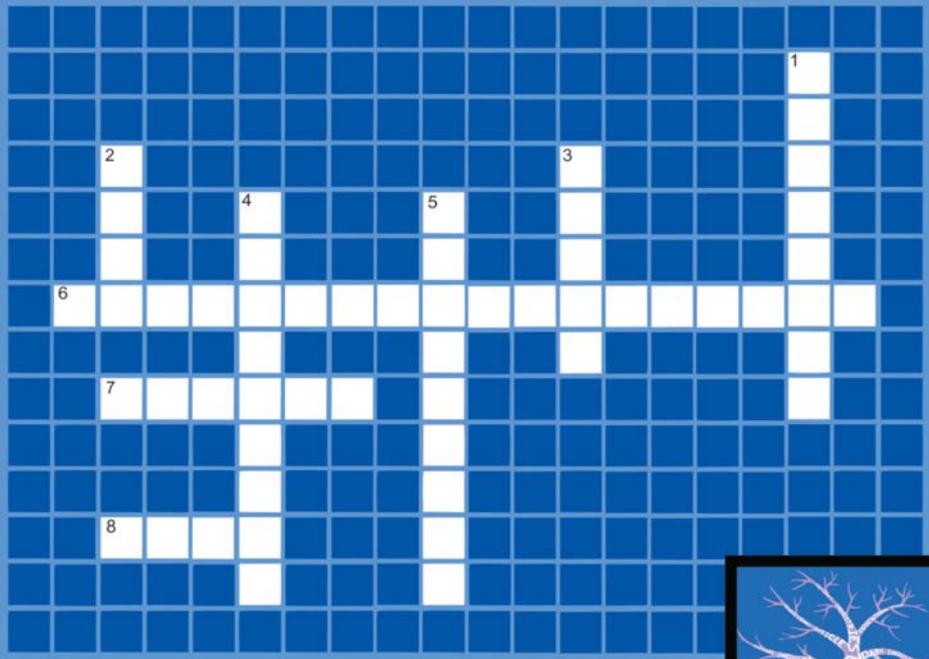




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Crossword puzzle





Across

6. What is the largest known gold area in the world? [Read Mining: production and sales article]
7. Abbreviate South Western Townships.
8. A retailer is an enterprise deriving more than 50% of its turnover from sales of goods to the general public for household use. True or False

Down

1. What was the main purpose of visit for travellers in 2015? [Read educational article for clue]
2. What is the currency of Lesotho?
3. Which country has produced robots that are responsible for locating and moving goods in the warehouse? [Read Wholesale trade sales article]
4.is any person on a trip between two or more countries or between two or more localities within his/her country of residence.
5. Which type of motor vehicles were the highest units to be exported from South Africa? [Read Motor trade sales article]

Solution for September 2017 puzzle

Across

4. September
6. PANSALB
7. False

Down

1. Rescue
2. Ndebele
3. Mogoeng
4. Brazil





Educational article on Domestic Tourism

1. Introduction

Tourism is regarded in the National Development Plan (NDP) 2030 as one of the most important potential drivers of economic growth and job creation in South Africa. Domestic tourism is concerned with travelling within the same country. Tourists do not need passports and visas or conversion of one currency into another when travelling locally. Domestic tourism may range from local excursions, provincial trips to national level travels. This article focuses on domestic tourism and includes information on day and overnight trips relating to: destination, length of trips, purpose of visit, accommodation, transport, activities and trip expenditure.

The information in this article is derived from the *Domestic Tourism Survey (DTS), 2016*, Statistical release P0352.1. This is a large-scale household survey aimed at collecting accurate statistics on the travel behaviour and expenditure of South African residents travelling within the borders of the country. Such information is crucial in determining the contribution of tourism to the South African economy as well as helping with planning, marketing, policy formulation, and regulation of tourism-related activities.

2. Number and types of trips

Generally, there has been a decrease in the total number of day and overnight trips in 2016. The number of day trips decreased from 44,3 million in 2015 to 39,4 million in 2016. Overnight trips also decreased from 45,4 million in 2015 to 43,0 million in 2016.

About 5,2 million day trips were taken in December 2015 compared to 4,6 million day trips taken during the same month in 2016. Day trips that were taken in January 2015 decreased from 4,0 million in to 3,3 million in January 2016. Day trips in March decreased by approximately 1 million trips. September also had a declining trend, with a decrease from 3,2 million day trips in 2015 to 2,9 million in 2016. During the month of June, for both 2015 and 2016, almost the same number of day trips was taken (3,8 million and 3,7 million respectively).

Overnight trips that were taken in December increased from 7,1 million in 2015 to 7,2 million in 2016. In September, there was a decrease of approximately 200 000 overnight trips during this period.





3. Spending trends

Figure 1 – Spending trends of day and overnight travellers in 2015 and 2016

	2015		2016
Accommodation	—		—
	7 578 921		8 261 054
	7 578 921	Total	8 261 054
Food and beverages	5 608 012		6 331 642
	10 029 145		10 256 009
	15 637 157	Total	16 587 651
Domestic transport	8 446 087		7 707 092
	19 651 146		19 970 303
	28 097 233	Total	27 677 395
Recreation and culture	526 668		659 020
	843 809		1 060 099
	1 370 477	Total	1 719 119
Shopping	8 068 469		7 786 442
	20 886 716		21 727 480
	28 955 185	Total	29 513 922
Other¹	2 209 549		950 584
	2 889 805		1 989 180
	5 099 354	Total	2 939 763
Total	24 858 785		23 434 779
	61 879 542		63 264 125
	86 738 327	Grand total	86 698 904



Day trips



Overnight trips



Figure 1 shows the spending trends of day and overnight travellers in 2015 and 2016. In 2016, there was a decrease in the total amount of money spent on domestic tourism from 2015 (from R86,74 billion in 2015 to R86,71 billion in 2016), recording a decrease of R39 million. The amount of money that was spent on day trips decreased from R25 billion in 2015 to R23 billion in 2016. On the other hand, total spending on overnight trips increased by about R1 billion from 2015 to 2016.

An increase has been recorded for all categories of expenditure on both overnight trips and day trips in the two periods (2015 and 2016) with the exception of money spent on domestic transport, and shopping during day trips. Expenditure on these declined by R739 million and R282 million respectively.

In 2015, the most amount of money spent during day trips was on domestic transport (R8,4 billion), while in 2016 shopping expenditure (R7,8 billion) was slightly higher than domestic transport (R7,7 billion). South Africans spent the least on recreation and culture for both overnight and day trips in both 2015 (R527 million) and 2016 (R659 million).

In 2015, the most amount of money was spent in the month of December (R4,7 billion) while in 2016, it was in the month of February (R3,3 billion). The least money was spent in September (R1,1 billion in 2015 and R1,2 billion in 2016).

There was an increase in overnight expenditure between 2015 (R61,9 billion) and 2016 (R63,3 billion). More money was spent in December in both years (R13 billion in 2015 and R12,9 billion in 2016). February reflected the lowest expenditure on overnight trips in 2015 (R3,2 billion) whereas in 2016, November recorded the lowest with R3,2 billion. In total, much of the spending on overnight trips in both 2015 and 2016 was for shopping and domestic transport.

4. Proportion of trips taken per province

Almost a quarter of total day trips undertaken during the period January to December 2016 were trips to Gauteng (24,6%), followed by trips which were taken to Limpopo (17,1%) and Western Cape (16,7%). A larger percentage of trips were taken to Eastern Cape (9,8%) compared to those taken to North West (9,1%), Mpumalanga (7,5%) and KwaZulu-Natal (6,2%). Free State was the least visited province in the country with respect to day trips,



as only 4,5% of the total day trips tourists had this province as their destination.

Between January and December 2016, Limpopo province was the destination of choice for most overnight trips travellers, with just over one fifth of all trips destined for this province (21,6%). They were followed by Gauteng and KwaZulu-Natal, with 15,4% and 13,2% of trips respectively. Northern Cape was the least visited province on overnight trips (3,4%).

5. Main purpose of visit

Of the total day trips undertaken by travellers, the main purposes for these trips in 2015 were for shopping, and visiting friends and relatives (27,4% and 23,8% respectively). In 2016, shopping was the most common reason for undertaking day trips (27,0%), followed by visiting friends and relatives (22,5%). The proportion of day trips undertaken for funeral purposes increased from 6,3% in 2015 to 8,2% in 2016. The least common reason for undertaking day trips was for attendance for studies/ educational institutions in both years 2015 and 2016.

For overnight trips, tourists were more likely to take overnight trips to visit friends and relatives, this represents almost half of all trips undertaken in both years. The proportion of overnight trips undertaken for religious purposes decreased from 6,3% in 2015 to 6,1% in 2016. The percentage of trips undertaken for shopping remained unchanged in 2015 and 2016 (both at 0,6%).

6. Mode of transport

Most day travellers who used buses, used these for shopping purposes. The percentage of people who used buses increased from 29,4% in 2015 to 33,0% in 2016. The use of buses during day trips for visiting friends and relatives decreased by 2,0 percentage points respectively over the two-year period. A decrease from 13,3% to 10,9% was reported by day travellers that used buses for leisure trips.

Most of the day travellers who used cars used this mode to visit friends and relatives (28,4% in 2015 and 28,1% in 2016). The percentage of travellers that used cars for shopping also decreased from 18,0% in 2015 to 17,7% in 2016. The results further indicate that individuals who used cars for leisure decreased by 4,8 percentage points (23,7% in 2015 to 18,9% in 2016).



Furthermore, day trips undertaken by taxi were most commonly used for shopping (45,3% in 2015 and 45,1% in 2016).

Buses were the most popular mode of transport for tourists who visited friends and relatives. They accounted for more than 40% of trips taken in 2015 and 2016. This type of transport was also used to a large extent by those who travelled for religious purposes (10,9% in 2015 and 8,4% in 2016). Taxis were used by tourists who visited friends and relatives with 60,4% in 2015 and 57,4% in 2016.

7. Accommodation

7.1. Type of accommodation

Between January and December 2016, the most popular form of accommodation favoured by tourists was staying with friends and relatives (18,7 million tourists). Of these, 3,5 million stayed in Limpopo, followed by Gauteng (2,7 million) and Eastern Cape (2,5 million). Self-catering establishments were the second most common form of accommodation used by tourists (1,1 million), followed by hotels (1 million).

7.2. Length of stay

The longest length of stay of tourists on overnight trips was up to one week (82,5%). Almost 10% of overnight trips lasted for one to two weeks, while those that lasted for more than two weeks accounted for 7,7% of overnight trips. Overnight trips taken for the main purpose of shopping were the most common reason for staying up to one week (98,0%), followed by trips for sporting activity purposes (96,1%).

Trips taken for visiting friends and relatives (22,7%) were the most likely to last for more than a week, followed by leisure and medical/health purposes at both 19,3%. The trips least likely to last for more than week were trips undertaken for the following purposes: shopping, sporting activities and religious activities.

8. Trips undertaken by travellers categorised by population group

Of the total number of most recent day trips undertaken in South Africa during the reference period, the black African population group travellers undertook most day trips (69,9%), followed by the white (18,0%), coloured



(9,7%) and Indian/Asian (2,4%). Whereas for most recent domestic overnight trips, black Africans undertook 76,1% of the total number of trips, while the coloured and Indian/Asian people recorded the lowest proportions (6,2% and 1,9% respectively).

In relation to overnight trips, black Africans undertook 10,3 million trips to visit friends and relatives, while 1,2 million trips were undertaken by the white population group for the same reason. Furthermore, when compared to other population groups, black Africans (1,7 million) and tourists from the white population group (2,1 million) undertook most of their overnight trips for leisure purposes.

The highest number of most recent day trips was undertaken by travellers who went to Limpopo and Gauteng provinces with 2,6 million trips. Furthermore, most white travellers who undertook day trips were destined for Gauteng and Western Cape with 995 000 and 910 000 trips respectively; while 195 thousand trips undertaken by Indians/Asians, were destined to KwaZulu-Natal (KZN).

Those who undertook overnight trips to Limpopo were mainly black African travellers (4,4 million), followed by white travellers (155 000). The lowest number of overnight trips to Limpopo were undertaken by coloured people (13 000). Tourists undertaking overnight trips to Northern Cape were primarily black Africans (417 000), followed by coloured people (151 000) and whites (63 000). Western Cape registered the highest number of trips among white people (1,3 million), followed by coloured travellers (860 000). In some ways these reflected the country's demographics.

During day trips, over R1,6 billion was spent by black Africans on shopping and R1,4 billion on domestic transport. This group further spent R718 million on food and beverages. Indian/Asian travellers spent the least amount (R320 million) on day trips, compared to other population groups.

The black African population group, on their most recent overnight trips, spent most of their money on shopping (R8,1 billion), and then on domestic transport (R7,6 billion). The white population group spent the highest on domestic transport and accommodation (R3,1 billion for each). The second highest expense item for the white population group was on food and beverages (R2,5 billion). The coloured population spent most money on shopping (R587 million), followed by expenditure on domestic transport (R553 million), and food and beverages (R415 million).



Day travellers spent an average of R1 367 per trip while overnight tourists spent R1 322 on average per trip.

For day trips, white travellers had the highest average expenditure per trip (R1 988) compared to other population groups. They were followed by Indians/Asians with R1 889, while the black African population spent the least amount on average per trip (R1 210).

With more than 75% of most recent overnight trips undertaken by the black African population group, the average expenditure per trip was R1 100, making it the smallest average amount spent per trip. White travellers once again reported the highest amount of money spent on average per trip (R2 655); followed by the Indian/Asian population group (R2 442) who undertook only 1,9% of the trips.

9. Trips by other demographic characteristics

Individuals in the age groups 25 to 34 years and 35 to 44 years made up 40,8% of the total number of day travellers in 2015 and 40,3% in 2016, resulting in a decrease of 0,5 percentage points when comparing both years. These age groups were the most likely to travel over the reference period. Furthermore, day travellers who have never been married travelled the most in the preceding year (45,3%), and in 2016 married travellers were more likely to travel than individuals in other marital status groups (37,3%). When comparing travel patterns by education level, 28,3% of individuals who had completed secondary school were the most likely to undertake day trips in 2015 compared to those in 2016 (28,8%). Individuals with a Grade 7/ Standard 5 qualification were the least likely to travel when comparing both years.

The travel patterns for overnight trips were similar to those of day trips. Individuals between the ages of 25 and 44 undertook almost the same number of overnight trips in 2015 (39,3%) and 2016 (40,1%). Individuals who have never been married were most likely to travel when compared to tourists in other marital status groups (49,2% in 2015 and 33,7% in 2016). Individuals who had completed some secondary school and those having Grade 12, collectively undertook most of the overnight trips in 2015 (52,5%) compared to 51,2% of those in 2016.



10. Conclusion

The Domestic tourism survey (DTS) 2016 findings reflect a general pattern of decline in domestic tourism over the past two years. The number of day and night trips taken between 2015 and 2016 decreased. The total expenditure on domestic overnight trips increased from 2015 to 2016, while a decrease was recorded for day trips. In both 2015 and 2016, Gauteng, Limpopo and Western Cape were the most popular destinations for day travellers, whereas tourists (those who undertook overnight trips) mostly preferred visiting Limpopo. In 2015, the second most visited province by tourists was Eastern Cape followed by KwaZulu-Natal. A different trend was evident in 2016 where Gauteng was the second common province visited by tourists, then Limpopo, and followed by KwaZulu-Natal. A visit to friends and relatives was the most popular reason for undertaking overnight trips and most tourists spent up to one week at their destinations on overnight trips, with an average of five nights. These overnight trips tourists were most likely to have stayed with friends and relatives on their trips, having arrived at their destinations in cars and taxis.



Primary industries

Mining: Production and sales

Mining production increases and mineral sales decrease

South Africa is the leading gold producer in Africa and one of the top gold producers in the world. By far, the most gold that has been mined in South Africa has come from the Witwatersrand basin. The Witwatersrand basin is the largest known gold area in the world and the deposits have now been worked for well over 100 years and are believed to have produced about 98% of South Africa's gold. According to Statistics South Africa's (Stats SA) *Environmental Economic Accounts Compendium 2014*, the output levels show that South Africa will exhaust its gold reserves in 39 years. Gold mining has been the biggest driving force behind South Africa's participation in the global economy. Presented in this article is a summary of the Mining: production and sales statistics for July 2017.

Mining production increased by 0,9% year-on-year in July 2017 (see **Table A**). The largest positive contributors were:

- manganese ore (19,3%, contributing 0,9 of a percentage point);
- chromium ore (18,3%, contributing 0,7 of a percentage point);
- diamonds (16,5, contributing 0,7 of a percentage point);
- gold (3,9%, contributing 0,5 of a percentage point); and
- 'other' non-metallic minerals (17,0%, contributing 0,5 of a percentage point).

Iron ore and platinum group metals (PGMs) (each decreasing by 5,0%, contributing -1,0 percentage point) were significant negative contributors.



Table A – Key growth rates in the volume of mining production for July 2017

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Year-on-year % change, unadjusted	3,5	16,5	2,1	3,9	1,3	0,9
Month-on-month % change, seasonally adjusted	0,8	4,8	-1,8	0,5	-1,0	-0,4
3-month % change, seasonally adjusted ^{1/}	-0,9	2,7	4,6	4,9	1,6	0,1

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Mining: Production and sales* (Statistical release P2041) is available on the Stats SA website: www.statssa.gov.za

Mineral sales decreased by 3,9% year-on-year in June 2017. The negative contributors were:

- PGMs (-33,9%, contributing -9,9 percentage points);
- gold (-14,6%, contributing -2,5 percentage points); and
- iron ore (-4,5%, contributing -0,4 of a percentage point).

Manganese ore (95,4% and contributing 4,6 percentage points) was a significant positive contributor.

Table B – Key growth rates in mineral sales at current prices for June 2017

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Year-on-year % change, unadjusted	22,1	10,4	14,5	10,7	-5,8	-3,9
Month-on-month % change, seasonally adjusted	-3,3	-4,1	2,2	-2,3	1,6	-1,4
3-month % change, seasonally adjusted ^{1/}	7,6	0,0	-4,0	-6,0	-2,7	-1,6

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Mining: Production and sales* (Statistical release P2041) is available on the Stats SA website: www.statssa.gov.za



Secondary industries

Manufacturing: Production and sales

Manufacturing production decreases

Water leakages are one of the major causes of water wastage in South Africans. As a result, the Southern African Stainless Steel Development Association (SASSDA), Drakenstein municipality in Western Cape and South African stainless steel product manufacturers are in partnership to evaluate the use of stainless steel products in order to reduce water leakages. According to SASSDA, water leakages have been caused by the use of inferior or inappropriate (system) metals in pipe joints and other fittings used by municipalities including bolts and nuts, all bearing short lifespans. The use of stainless steel could be a potential solution for water leakages that can save millions of Rand currently lost in water leakages and filtration costs. Presented in this article is a summary of the Manufacturing: production and sales statistics for July 2017.

Manufacturing production decreased by 1,4% in July 2017 compared with July 2016 (see **Table C**). The largest contributions were made by the following divisions:

- petroleum, chemical products, rubber and plastic products (-7,2%, contributing -1,8 percentage points); and
- basic iron and steel, non-ferrous metal products, metal products and machinery (6,3%, contributing 1,1 percentage points).

Table C – Key growth rates in the volume of manufacturing production for July 2017

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Year-on-year % change, unadjusted	-3,7	0,3	-4,5	-1,0	-2,2	-1,4
Month-on-month % change, seasonally adjusted	-1,9	0,1	1,8	-0,6	-0,3	1,5
3-month % change, seasonally adjusted ^{1/}	-0,4	-1,1	-1,3	-0,3	0,7	0,9

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Manufacturing: Production and sales* (Statistical release P3041.2) is available on the Stats SA website: www.statssa.gov.za



Selected building statistics of the private sector

Value of recorded building plans passed decreases

Water scarcity, due to physical shortage or lack of adequate infrastructure (reservoirs) can have a negative impact on certain industries such as agriculture and construction. These industries rely on water for sustainability and production processes. As a way of mitigating the impacts that water scarcity may cause, the construction industry is putting proactive measures to save and control the supply of water in buildings. Many of the new buildings today such as office parks, shopping malls and hospitals have water reservoirs to store water for multiple functions. For example, some buildings have specially designed roofs with ponds that store rain water that can be used for cleaning and irrigation purposes, which helps to sustain the environment and the water-saving devices in restrooms and kitchens that are installed on the taps. The water saving devices come with a flow restrictor which can restrict water flow and deliver enough water for the required function such as washing of hands. These measures of storing and saving by the construction industry may help reduce the amount of water that goes to waste and also help to sustain the environment. Presented in this article is a summary of the selected building statistics for July 2017.

The value of recorded building plans passed (at current prices) decreased by 5,2% (-R3 312,8 million) during January to July 2017 compared with January to July 2016 (**see Table D**).

The largest decrease to the total decrease of 5,2% (-R3 312,8 million) of the value were attributed to Gauteng (contributing -4,8 percentage points or -R3 030,0 million) and KwaZulu-Natal (contributing -3,1 percentage points or -R1 932,5 million).

The value of buildings reported as completed (at current prices) increased by 15,4% (R5 219,9 million) during January to July 2017 compared with January to July 2016.

Six provinces reported year-on-year increases in the value of buildings completed during January to July 2017. The largest contributions were recorded for:

- Gauteng (contributing 7,6 percentage points or R2 573,0 million);



- Western Cape (contributing 6,6 percentage points or R2 249,2 million); and
- KwaZulu-Natal (contributing 3,7 percentage points or R1 261,6 million).

Table D – Recorded building plans passed by larger municipalities: January to July 2016 versus January to July 2017

Estimates at current prices	January to July 2016	January to July 2017	Difference in value between January to July 2016 and January to July 2017	% change between January to July 2016 and January to July 2017
	^{1/}	^{1/}		
	R'000	R'000	R'000	
Residential buildings	30 649 785	30 597 380	-52 405	-0,2
-Dwelling houses	18 992 147	18 925 596	-66 551	-0,4
-Flats and townhouses	9 726 079	11 371 383	1 645 304	16,9
-Other residential buildings	1 931 559	300 401	-1 631 158	-84,4
Non-residential buildings	17 501 557	13 615 188	-3 886 369	-22,2
Additions and alterations	15 210 715	15 836 713	625 998	4,1
Total	63 362 057	60 049 281	-3 312 776	-5,2

^{1/} 2015 and 2016 figures should be regarded as preliminary because of possible backlogs and incomplete reporting by municipalities.

A full release on *Selected building statistics of the private sector as reported by local government institutions* (Statistical release P5041.1) is available on the Stats SA website: www.statssa.gov.za



Electricity generated and available for distribution

Electricity produced and consumed increases

Often when there is a power failure, people do not know what could be the cause and what can be done to prevent it. Power failure occurs when there is an interruption to the flow of power/electricity which may be caused by internal and external factors. Internal factors may include malfunctioning of electrical appliances such as refrigerators, kettle and air conditioners sending the power back to the system and tripping the circuit breaker. Many households experience this type of power failure, and usually the electricity is automatically restored and there is supply within minutes by reclosing the tripped circuit breaker. Sometimes a shot in the wiring may also cause an electrical shot as a result of wrong wiring connections. External factors include bad weather conditions such as a lightning storm. During a lightning storm, the high voltage that the lightning induces can cause damage to insulators or equipment connected to the power line, such as transformers, surge arresters or circuit breakers. This damage can cause power failures affecting households and business companies supplied by that particular power line. Repairing such damages may take hours or days because such faults have to be located and repaired before power supply can be restored. Presented in this article is a summary of the electricity generated and distributed in August 2017.

Electricity generation (production) increased by 0,8% year-on-year in August 2017 (see Table E).

Table E – Key growth rates in the volume of electricity generated for August 2017

	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
Year-on-year % change, unadjusted	2,7	0,8	4,6	1,6	-1,8	0,8
Month-on-month % change, seasonally adjusted	0,9	1,3	2,3	-3,0	-1,4	1,3
3-month % change, seasonally adjusted ^{1/}	-0,7	0,0	1,9	2,2	1,0	-1,5

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Electricity generated and available for distribution* (Statistical release P4141) is available on the Stats SA website: www.statssa.gov.za



Electricity distribution (consumption) increased by 1,7% year-on-year in August 2017 (see Table F).

Table F – Key growth rates in the volume of electricity distributed for August 2017

	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
Year-on-year % change, unadjusted	2,7	0,1	3,4	1,6	-1,5	1,7
Month-on-month % change, seasonally adjusted	1,1	0,4	1,8	-2,7	-1,4	1,7
3-month % change, seasonally adjusted ^{1/}	0,1	0,9	2,0	1,4	0,1	-1,8

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated.



Tertiary industries

Wholesale trade sales

Wholesale trade sales increase

The wholesale industry plays an important role in the distribution process of goods. However, the challenge that this industry faces is to maintain an efficient and effective distribution process. This is because the distribution process can be negatively affected by impacts on the time taken to locate goods in the warehouse before they are distributed to retailers. Such delays may have a negative impact on the efficiency of the wholesaler. For example, warehouses store enormous amounts of different goods, and locating a specific one can take hours; in worst cases it can take days. The good news is that with the introduction of technology for goods location, the challenge of locating goods will soon be a thing of the past. One example is that of China where it has produced Wi-Fi-equipped, self-charging robots that are responsible for locating and moving goods in the warehouse. The robots receive instructions through Wi-Fi signals to locate the goods (which saves human workers time) and move them to the designated drop-off points to be packed and distributed to customers. Presented in this article is a summary of the wholesale trade sales statistics for July 2017.

Wholesale trade sales increased by 1,2% in July 2017 compared with July 2016 (**see Table G**). The main positive contributor to this increase was dealers in food, beverages and tobacco (6,8%, contributing 1,0 percentage point).

Wholesale trade sales increased by 1,3% in the three months ended July 2017 compared with the three months ended July 2016. The main contributor to this increase was dealers in food, beverages and tobacco (7,9%, contributing 1,2 percentage points).



Table G – Key growth rates in wholesale trade sales at current prices for July 2017

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Year-on-year % change, unadjusted	-5,9	5,9	1,8	1,1	1,7	1,2
Month-on-month % change, seasonally adjusted	-2,6	2,3	3,2	-3,6	1,2	1,0
3-month % change, seasonally adjusted ^{1/}	1,0	-0,9	-0,6	0,6	1,8	0,3

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Wholesale trade sales* (P6141.2) is available on the Stats SA website: www.statssa.gov.za.

Retail trade sales

Retail trade sales increase

During the apartheid era there were no retail parks, shopping centres or malls in the townships of South Africa. This meant that people living in the townships had to spend money on transport to travel to the nearest retail stores. As it was commonly known, most township residents were not financially well off during that time and therefore could not go to shopping centres as often as they wanted to. However, things began to change in 1994 when Dobsonville became the first township in Soweto (South Western Townships) to have its own formal shopping centre. The shopping centre brought changes to the residents of Dobsonville and surrounding areas by creating jobs and offering different retail services to them. Since the opening of the shopping centre, about 94% of the people that are employed are residents from Dobsonville and the surrounding areas. More hope and job opportunities are set for the residents as the centre recently completed its R114 million extension and upgrade project with the size of the centre increasing from 23 000 m² to 27 000 m². The development of shopping centres in South Africa continues to grow as there are many shopping centres creating job opportunities and retail services in townships across the country today. Presented in this article is a summary of the retail trade sales for July 2017.

Retail trade sales increased by 1,8% year-on-year in July 2017 (see **Table H**). The highest annual growth rates were recorded for:

- all 'other' retailers (12,4%);



- retailers in food, beverages and tobacco in specialised stores (7,1%); and
- retailers in household furniture, appliances and equipment (6,8%).

The main contributor to the 1,8% increase was all ‘other’ retailers (contributing 1,4 percentage points).

Retail trade sales increased by 2,1% in the three months ended July 2017 compared with the three months ended July 2016. The main contributors to this increase were:

- all ‘other’ retailers (10,8%, contributing 1,2 percentage points); and
- retailers in food, beverages and tobacco in specialised stores (7,1%, contributing 0,5 of a percentage point).

Table H – Key growth rates in retail trade sales for July 2017 at constant 2012 prices

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Year-on-year % change, unadjusted	-1,2	0,9	1,8	1,4	3,2	1,8
Month-on-month % change, seasonally adjusted	0,9	0,3	0,6	0,9	0,6	-0,6
3-month % change, seasonally adjusted ^{1/}	-0,5	-0,2	0,4	1,5	1,8	1,5

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Retail trade sales* (Statistical release P6242.1) is available on the Stats SA website: www.statssa.gov.za

Motor trade sales

Motor trade sales decrease

The majority of motor vehicles produced in South Africa are exported. According to the Automotive Industry Export Council (AIEC), in 2016 a record number of 344 859 left- and right-hand drive South African manufactured motor vehicles were exported to 85 countries. Of the 344 859 units exported in 2016, passenger motor vehicles exports comprised 238 536 units, light commercial vehicles comprised 105 219 units and medium and heavy commercial vehicles and buses comprised 1 104 units. The top export destinations for passenger motor vehicles and light commercial vehicles were the United Kingdom, United States, Japan and Australia.



Mercedes-Benz, with its C-Class model, was the pace-setter in terms of exported vehicles in 2016. Presented in this article is a summary of the motor trade sales statistics for July 2017.

Motor trade sales decreased by 2,3% year-on-year in July 2017 (see **Table I**). All types of activities showed negative annual growth rates with the largest recorded for:

- fuel sales (-3,5%);
- workshop income (-3,1%); and
- sales of accessories (-2,9%).

Motor trade sales increased by 1,6% in the three months ended July 2017 compared with the three months ended July 2016. The main contributor was new vehicle sales (4,0%, contributing 1,0 percentage point).

Table I – Key growth rate figures in motor trade sales for July 2017

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Year-on-year % change, unadjusted	1,5	10,3	-7,2	3,0	4,2	-2,3
Month-on-month % change, seasonally adjusted	0,5	0,3	-2,4	1,6	-0,3	-2,1
3-month % change, seasonally adjusted ^{1/}	2,6	1,6	0,5	-0,4	-1,0	-0,8

^{1/} Percentage change between the previous 3 months and the 3 months ending in the month indicated. A full release on *Motor trade sales* (Statistical release P6343.2) is available on the Stats SA website: www.statssa.gov.

Food and beverages

Total income generated by the food and beverages industry increases

South Africa is one of the world's best wine and spirit producers. South African wines scooped over 40 medals, including "Gold Outstanding" (the competition's highest medal honour) at the International Wine and Spirit Competition (IWSC) held in London in July 2017. The IWSC is a wine competition held each year and receives entries from over 80 countries worldwide. The awards given by the competition are considered as high honours in the industry. Red wines made from Pinotage grapes are popular



and the most favoured. According to Wines of South Africa (WOSA), which is the body that represents local wine producers, red wine exports increased by 2,1% to account for 41,1% of all natural wine exports. The total exports of wine increased by 2,0% to 428,5 million litres in 2016. Presented in this article is a summary on food and beverage statistics for July 2017.

Total income generated by the food and beverages industry increased by 0,2% in July 2017 compared with July 2016 (see Table J). Bar sales grew by 5,6% while 'other' income declined by 14,1%.

In July 2017, the largest contributor to the increase of 0,2% was restaurants and coffee shops (3,5%, contributing 1,8 percentage points).

Total income decreased by 0,6% in the three months ended July 2017 compared with the three months ended July 2016. The main contributor to this decrease was catering services (-5,9%, contributing -0,8 of a percentage point).

Table J – Year-on-year percentage change in food and beverages income at constant prices by type of income – July 2017

Type of income	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Food sales	2,4	0,1	2,0	-2,2	0,4	0,0
Bar sales	-1,1	-2,2	7,5	-3,2	1,1	5,6
Other income	-5,6	-8,1	0,7	-2,4	1,1	-14,1
Total	1,9	-0,3	2,4	-2,3	0,4	0,2

A full release on *Food and beverages* (Statistical release P6420) is available on the Stats SA website: www.statssa.gov.za



Tourist accommodation

Total income for tourist accommodation industry increases by 2,9%

Owing to the declining Rand, travellers and tourists are skipping traditional hotels in favour for alternative accommodation such as vacation rentals. Vacation rental is the renting out of someone's furnished apartment, house or professionally managed apartment blocks for few days by tourists or travellers. With this type of accommodation, travellers and tourists get apartments which are more affordable than a hotel. Some of the travellers and tourists live-in with a local family to learn their culture, customs and taste traditional food, among others. Presented in this article is a summary of the tourist accommodation statistics for July 2017.

Total income for the tourist accommodation industry increased by 2,9% in July 2017 compared with July 2016 (**see Table K**).

Income from accommodation increased by 4,9% year-on-year in July 2017, the result of a 1,4% decrease in the number of stay unit nights sold and a 6,4% increase in the average income per stay unit nights sold.

In July 2017, the types of accommodation that recorded the highest year-on-year growth in income from accommodation were:

- caravan parks and camping sites (36,3%);
- 'other' accommodation (8,8%); and
- guest-houses and guest-farms (6,8%).

The main contributors to the 4,6% year-on-year increase in income from accommodation in July 2017 were:

- 'other' accommodation (contributing 2,4 percentage points);
- hotels (contributing 1,7 percentage points).



Table K – Year-on-year percentage change in tourist accommodation statistics for July 2017

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Stay units available	0,5	0,0	0,0	0,0	0,0	0,0
Stay unit nights sold	-1,3	-2,5	-0,9	-3,5	-1,3	-1,4
Average income per stay unit nights sold	7,0	6,0	10,4	6,1	8,2	6,4
Income from accommodation	5,6	3,3	9,4	2,4	6,8	4,9
Total income ^{1/}	3,2	1,4	5,8	-2,8	2,5	2,9

A full release on *Tourist accommodation* (Statistical release P6410) is available on the Stats SA website: www.statssa.gov.za

Tourism and migration

More than three million travellers passed through South Africa’s ports of entry in July 2017

Recently, there were reports of a group of Dutch tourists who were robbed on their way from OR Tambo International Airport to their accommodation in Fourways, Johannesburg. Reports of this kind of crime as well as hijackings, murder, etc., may have a negative effect on the tourism industry as they may discourage tourist from visiting our country. It is therefore important for the government and players in the tourism sector, as well as other crime prevention units in the country, to come up with strategies for dealing with crime. Beefing up security systems and personnel and ensuring police visibility in all places, particularly at these tourist attractions, should be considered. Presented in this article is a summary of the tourism and migration statistics for July 2017.

Number of travellers

The routine data collected by the Department of Home Affairs (DHA) immigration officers at the ports of entry into South Africa show that a total of 3 710 937 travellers (arrivals, departures and transits) passed through South African ports of entry in July 2017 (**see Table L**). These travellers were made up of 1 108 937 South African residents and 2 602 000 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 578 028 arrivals, 530 077 departures and 832



travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 347 125, 1 186 438 and 68 437, respectively.

A comparison between the movements in July 2016 and July 2017 indicates that the volume of arrivals and departures increased for both South African residents and foreign travellers, while the volume of travellers in transit decreased for both. For South African residents, the volume of arrivals increased by 6,3% (from 543 725 in July 2016 to 578 028 in July 2017), departures increased by 13,3% (from 467 673 in July 2016 to 530 077 in July 2017), and transits decreased by 5,5% (from 880 in July 2016 to 832 in July 2017). For foreign travellers, arrivals increased by 2,1% (from 1 319 955 in July 2016 to 1 347 125 in July 2017), departures increased by 3,6% (from 1 145 550 in July 2016 to 1 186 438 in July 2017), and transits decreased by 16,9% (from 82 331 in July 2016 to 68 437 in July 2017).

A comparison between the movements in June 2017 and July 2017 indicates that the volume of arrivals, departures and travellers in transit increased for both South African residents and foreign travellers. For South African residents, the volume of arrivals increased by 34,8% (from 428 773 in June 2017 to 578 028 in July 2017), departures increased by 9,8% (from 482 804 in June 2017 to 530 077 in July 2017), and transits increased by 4,4% (from 797 in June 2017 to 832 in July 2017). For foreign travellers, arrivals increased by 16,6% (from 1 155 058 in June 2017 to 1 347 125 in July 2017), departures increased by 11,3% (from 1 066 296 in June 2017 to 1 186 438 in July 2017), and transits increased by 15,7% (from 59 130 in June 2017 to 68 437 in July 2017).

In July 2017, 85 207 (6,3%) of foreign arrivals were classified as non-visitors while 1 261 918 (93,7%) were classified as visitors. The visitors were categorised into three groups:

- i. Arrivals only – comprising visitors who entered the country in July 2017 but did not depart in July 2017 [325 791 (25,8%)];
- ii. Single trips – visitors who came to South Africa once in July 2017 and left in July 2017 [423 096 (33,5%)]; and
- iii. Multiple trips – visitors who came to and left South Africa more than once in July 2017 [513 031 (40,7%)].



Visitors were further grouped as same-day visitors and overnight visitors (tourists). In July 2017, there were 400 187 (31,7%) same-day visitors and 861 731 (68,3%) tourists. Between July 2016 and July 2017, the volume of same-day visitors decreased by 2,7% (from 411 461 in July 2016 to 400 187 in July 2017) and that of tourists increased by 4,8% (from 822 416 in July 2016 to 861 731 in July 2017). Between June 2017 and July 2017, the volume of same-day visitors increased by 7,1% (from 373 697 in June 2017 to 400 187 in July 2017), while tourists increased by 21,5% (from 708 978 in June 2017 to 861 731 in July 2017).

Mode of travel

In July 2017, road transport was the most common mode of travel used by 2 661 135 (71,7%) of the 3 710 937 travellers. The total number of travellers who used air transport was 1 042 501 (28,1%). Compared to use of air and land transport, a smaller number of travellers, 7 301 (0,2%) used sea transport. The arrivals data for South African residents show that 241 388 (41,8%) came by air, 336 092 (58,1%) came by road and 548 (0,1%) arrived by sea transport. For departures, 205 044 (38,7%) used air, 324 651 (61,2%) used road and 382 (0,1%) left by sea transport. All travellers in transit 832 (100,0%) used air transport.

In the case of foreign travellers, 277 061 (20,6%) arrived by air, 1 066 727 (79,2%) came by road and 3 337 (0,2%) arrived by sea transport. When departing South Africa, 249 739 (21,0%) foreign travellers left by air, 933 665 (78,7%) left by road and 3 034 (0,3%) left by sea transport. All travellers in transit 68 437 (100,0%) used air transport.

Furthermore, in July 2017, 182 715 (88,4%) of the 206 737 overseas tourists arrived in the country by air, whilst 23 858 (11,5%) came in by road and 164 (0,1%) arrived by sea. Tourists from the Southern African Development Community (SADC) countries, on the other hand, came predominantly by road, 599 509 (93,6%), followed by air travel, 40 680 (6,4%) and 4 (less than 0,1%) arriving by sea. The number of tourists who came into South Africa by air from 'other' African countries was 12 585 (91,2%), with 1 191 (8,6%) using road transport and 16 (0,1%) using sea transport.



Purpose of visit

In July 2017, the majority of tourists, 829 532 (96,3%), were in South Africa for holiday compared to 20 264 (2,4%) and 11 935 (1,4%) who were in South Africa for business and for study purposes, respectively.

The majority of African tourists, 630 536 (96,4%) came to South Africa for holiday. However, there were differences between tourists from the SADC countries and 'other' African countries, namely: Whereas 618 609 (96,6%) of tourists from the SADC countries were on holiday; 11 927 (86,5%) of tourists from 'other' African countries came for the same purpose. Data on the regions of 'other' African countries show that tourists on holiday constituted 89,1% (5 805); 84,3% (5 060); and 83,0% (1 062) for West Africa, East and Central Africa and North Africa, respectively.

Sex and age distribution

In July 2017, there were 475 180 (55,1%) male and 386 551 (44,9%) female tourists. Overseas tourists were made up of 110 269 (53,3%) male tourists and 96 468 (46,7%) female tourists. There were 355 480 (55,5%) male and 284 713 (44,5%) female tourists from the SADC countries. Tourists from 'other' African countries were made up of 8 862 (64,3%) male and 4 930 (35,7%) female tourists.

The ages of the tourists were categorised into three broad groups: Those younger than 15 years, 15 to 64 years, and 65 years and older. The overall results show that 51 711 (6,0%) tourists were aged less than 15 years; 780 170 (90,5%) were aged between 15 and 64 years; and 29 850 (3,5%) were aged 65 years and older.



Table L – Number of South African residents and foreign travellers by travel direction: July 2017

Travel direction	July 2016	June 2017	July 2017	% change between June and July 2017	% change between July 2016 and July 2017
Total	3 560 114	3 192 858	3 710 937	16,2%	4,2%
South African residents	1 012 278	912 374	1 108 937	21,5%	9,5%
Arrivals	543 725	428 773	578 028	34,8%	6,3%
Departures	467 673	482 804	530 077	9,8%	13,3%
Transit	880	797	832	4,4%	-5,5%
Foreign travellers	2 547 836	2 280 484	2 602 000	14,1%	2,1%
Arrivals	1 319 955	1 155 058	1 347 125	16,6%	2,1%
Departures	1 145 550	1 066 296	1 186 438	11,3%	3,6%
Transit	82 331	59 130	68 437	15,7%	-16,9%
Foreign arrivals	1 319 955	1 155 058	1 347 125	16,6%	2,1%
Non-visitors	86 078	72 383	85 207	17,7%	-1,0%
Visitors	1 233 877	1 082 675	1 261 918	16,6%	2,3%
Visitors	1 233 877	1 082 675	1 261 918	16,6%	2,3%
Arrivals only	305 522	263 230	325 791	23,8%	6,6%
Single trips	421 228	373 950	423 096	13,1%	0,4%
Multiple trips	507 127	445 495	513 031	15,2%	1,2%
Visitors	1 233 877	1 082 675	1 261 918	16,6%	2,3%
Same-day	411 461	373 697	400 187	7,1%	-2,7%
Tourists	822 416	708 978	861 731	21,5%	4,8%

A full release on *Tourism and migration* (Statistical release P0351) is available on the Stats SA website: www.statssa.gov.za



Statistics on civil cases for debt

Number of civil judgements for debt decreases

Food is one of the necessary living expenses that many households have on their weekly or monthly budget. That is why whenever there is a change in the food prices, consumers are likely to notice as it may have an impact on their finances. Since the South African economy dived into a technical recession, the price of food items such as meat, maize meal and vegetables increased significantly. This increase forced some customers to cut down on the consumption quantity of food items that they consider not basic to them or substitute them for other affordable ones. This led to some supermarkets opting to sell food on credit to their customers as a way of creating access for them to buy the food items they want. One of the major retail store to join Woolworths and other stores in offering its customers the option of buying food items on credit is Pick 'n Pay. This store is one of the biggest retail stores in South Africa and its loyalty card known as the 'Smart Shopper' card will be used for both earning points on cash sales and buying on credit to the qualifying customers. For many years, people were committed to debts such as home loans, motor vehicle loans and educational fees, but now they can also accumulate food debt. Presented in this article is a summary of the statistics of civil cases for debt for July 2017.

The number of civil summonses issued for debt

Civil summonses issued for debt decreased by 14,7% in the three months ended July 2017 compared with the three months ended July 2016 (**see Table M**). The largest contributors to the 14,7% decrease were civil summonses relating to:

- money lent (contributing -6,1 percentage points);
- services (contributing -3,6 percentage points);
- 'other' debts (contributing -2,2 percentage points); and
- promissory notes (contributing -1,7 percentage points).

The number of civil judgements recorded for debt

The total number of civil judgements recorded for debt decreased by 9,1% in the three months ended July 2017 compared with the three months ended July 2016. The largest negative contributors to the 9,1% decrease were civil judgements relating to:

- services (contributing -5,6 percentage points);



- money lent (contributing -2,5 percentage points); and
- 'other' debts (contributing -1,7 percentage points).

The value of civil judgements recorded for debt

The total value of civil judgements recorded for debt increased by 8,0% in the three months ended July 2017 compared with the three months ended July 2016. The largest positive contributors to the 8,0% increase were the value of judgements relating to:

- money lent (contributing 5,4 percentage points);
- promissory notes (contributing 3,8 percentage points); and
- rent (contributing 1,3 percentage points).

In July 2017, there were 20 051 civil judgements for debt amounting to R363,6 million. The largest contributors to the total value of judgements were:

- money lent (R108,0 million or 29,7%);
- 'other' debts (R77,1 million or 21,2%); and
- services (R57,8 million or 15,9%).

Table M – Key figures for civil summonses and judgements for July 2017

Actual estimates	July 2017	% change between July 2016 and July 2017	% change between May to July 2016 and May to July 2017
Number of civil summonses issued for debt	46 902	-18,2	-14,7
Number of civil judgements recorded for debt	20 051	-12,5	-9,1
Value of civil judgements recorded for debt (R million)	363,6	5,4	8,0

A full release on *Statistics of civil cases for debt* (Statistical release P0041) is available on the Stats SA website: www.statssa.gov.za



Statistics of liquidations and insolvencies

Number of liquidations increases while insolvencies decrease

When a company is liquidated and deregistered with the Companies and Intellectual Property Commission (CIPC), it implies that the company no longer has legal standing since it is not doing any business nor does it have assets or liabilities. However, there are many ways to completely close down business after liquidation. Once a company is liquidated, a company should also ensure it deregisters all the various types of tax such as value added tax (VAT), turnover tax, etc. with the South African Revenue Service (SARS). SARS will finalise the cancellation of taxes when all outstanding liabilities and obligations in terms of the respective tax legislations have been settled or met. Presented in this article is a summary of the statistics of liquidations for August 2017 and of insolvencies for July 2017.

The total number of liquidations showed a decrease of 1,1% in August 2017 compared with August 2016 (**see Table N**). Voluntary liquidations decreased by 14 cases while compulsory liquidations increased by 12 cases.

There was a decrease of 5,5% in the three months ended August 2017 compared with the three months ended August 2016. The total number of liquidations recorded for the first eight months of 2017 decreased by 10,4% compared with the first eight months of 2016.

Table N – Total number of liquidations for August 2017

Number of liquidations August 2017	% change between August 2016 and August 2017	% change between June to August 2016 and June to August 2017	% change between January to August 2016 and January to August 2017
179	-1,1	-5,5	-10,4

A full release on *Statistics of liquidations and insolvencies* (Statistical release P0043) is available on the Stats SA website: www.statssa.gov.za

The estimated number of insolvencies increased by 13,7% year-on-year in July 2017 (**see Table O**). A 6,0% increase was estimated in the three months ended July 2017 compared with the three months ended July 2016.



Table O – Total number of insolvencies for July 2017

Number of insolvencies July 2017	% change between July 2016 and July 2017	% change between May to July 2016 and May to July 2017	% change between January to July 2016 and January to July 2017
249	13,7	6,0	-8,5

A full release on *Statistics of liquidations and insolvencies* (Statistical release P0043) is available on the Stats SA website: www.statssa.gov.za

Land transport survey

Volume of goods transported increases

Public transport is important for the growth of the economy in South Africa as it contributes to socio-economic development that will lead to job creation and improved access to markets and services. It also helps to reduce the carbon footprint and fuel consumption levels. Because of the important role that public transport plays, the government has taken several measures to make it more efficient and effective so as to attract more commuters. These measures include, having lanes that are exclusively for Rapid transit buses to avoid traffic congestion and also subsidising some services such as Gautrain, Metrorail, and Metro buses to make them more affordable for commuters. Presented in this article is a summary of the Land transport survey for July 2017.

The volume of goods transported (payload) increased by 9,5% in July 2017 compared with July 2016 (**see Table P**). The corresponding income increased by 13,9% over the same period.

Income from freight transportation increased by 15,0% in the three months ended July 2017 compared with the three months ended July 2016. The main contributors to this increase were:

- primary mining and quarrying products (15,2%, contributing 5,3 percentage points);
- manufactured food, beverages and tobacco products (29,5%, contributing 4,1 percentage points); and
- agriculture and forestry primary products (27,0%, contributing 2,1 percentage points).



Table P – Year-on-year percentage change in freight transportation: July 2017

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Freight payload	10,7	9,4	6,5	12,9	11,9	9,5
Freight income	13,0	12,5	8,6	14,5	16,5	13,9

A full release on the *Land transport survey* (Statistical release P7162) is available on the Stats SA website: www.statssa.gov.za

The number of passenger journeys decreased by 11,6% in July 2017 compared with July 2016 (**see Table Q**). The corresponding income increased by 2,9% over the same period.

Table Q – Year-on-year percentage change in passenger transportation: July 2017

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Passenger journeys	-10,0	-1,0	-14,3	-4,4	-5,6	-11,6
Passenger income	-0,5	2,0	-4,4	0,9	-0,5	2,9

A full release on the *Land transport survey* (Statistical release P7162) is available on the Stats SA website: www.statssa.gov.za



Prices

Producer price index (PPI)

PPI at 4,2% in August 2017

The drought that hit South Africa in 2015 was recorded as the worst one in 26 years history in the country. As a result industries such as agriculture were negatively affected when the production quantity decreased, resulting in rapid increase in the price of products that producers charged the consumers. Unfortunately, these changes also affected many households as they had to spend more money on basic food items such as bread, maize-meal and vegetables. However, the relief from the drought after the rains arrived brought some relief to consumers as some of the food items recorded a decrease in the first eight months of 2017 as the producers in the agriculture industry were able to pass on the gains to consumers. According to the consumer price index (CPI) published on 20 September 2017, the price of vegetables fell by 3,6% whereas bread and cereal decreased by 4,0% in August 2017. Presented in this article is a summary of the Producer price index statistics for August 2017.

The annual percentage change in the PPI for final manufactured goods was 4,2% in August 2017 (compared with 3,6% in July 2017). From July 2017 to August 2017 the PPI for final manufactured goods increased by 0,4%. (**see Table R**).

The main contributors to the annual rate of 4,2% were coke, petroleum, chemical, rubber and plastic products (1,6 percentage points), food products, beverages and tobacco products (1,0 percentage point) and wood and paper products (0,7 of a percentage point).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 2,0% in August 2017 (compared with 1,5% in July 2017). From July 2017 to August 2017 the PPI for intermediate manufactured goods increased by 0,3%. (**see Table R**).



The main contributors to the annual rate of 2,0% were recycling and manufacturing n.e.c. (1,4 percentage points) and saw-milling and wood (1,2 percentage points).

The main contributors to the monthly increase of 0,3% were basic and fabricated metals (0,4 of a percentage point) and recycling and manufacturing n.e.c. (0,4 of a percentage point).

Electricity and water

The annual percentage change in the PPI for electricity and water was 2,6% in August 2017 (compared with 3,5% in July 2017). From July 2017 to August 2017 the PPI for electricity and water increased by 0,5%. (**see Table R**).

The contributors to the annual rate of 2,6% were electricity (1,1 percentage points) and water (1,1 percentage points).

The main contributor to the monthly increase of 0,5% was electricity (0,5 of a percentage point).

Mining

The annual percentage change in the PPI for mining was 1,1% in August 2017 (compared with -0,9% in July 2017). From July 2017 to August 2017 the PPI for mining increased by 3,9%. (**see Table R**).

The main contributor to the annual rate of 1,1% was coal and gas (2,7 percentage points).

The main contributors to the monthly increase of 3,9% were gold and other metal ores (2,2 percentage points), non-ferrous metal ores (1,5 percentage points) and coal and gas (1,0 percentage point).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was -0,9% in August 2017 (compared with 0,3% in July 2017). From July 2017 to August 2017 the PPI for agriculture, forestry and fishing decreased by 1,2%. (**see Table R**).



The main contributor to the annual rate of -0,9% was agriculture (-2,2 percentage points).

Again agriculture was the main contributor to the monthly decrease of 1,2% (contributing -1,4 percentage points).

Table R – Key PPI figures for August 2017

Product	Weight	Index (2016=100)			% change	
		August 2017	July 2017	August 2017	August 2017 vs July 2017	August 2017 vs August 2016
Final manufactured goods	100,00	98,6	102,3	102,7	0,4	4,2
Intermediate manufactured goods	100,00	99,3	101,0	101,3	0,3	2,0
Electricity and water	100,00	141,1	144,1	144,8	0,5	2,6
Mining	100,00	102,9	102,9	104,0	3,9	1,1
Agriculture, forestry and fishing	100,00	97,5	97,5	96,6	-1,2	-0,9

A full release on the *Producer price index* (Statistical release P0142.1) is available on the Stats SA website: www.statssa.gov.za

Consumer price index (CPI)

CPI at 4,8% in August 2017

South African consumers have been faced with several hikes in the price of fuel. In August 2017, the price of fuel increased by 19 cents per litre, followed by an increase of 67 cents per litre in September and finally, 31,3 cents per litre increase in October. This increase in fuel prices (which is included in the transport index), was among the major contributors to the increase in the CPI rate in August 2017. The increase in fuel prices is caused by an increase in the price of international fuel prices. Presented in this article is a summary of the Consumer price index for August 2017.

Headline consumer price index (CPI for all urban areas)

Annual consumer price inflation was 4,8% in August 2017, up from 4,6% in July 2017. The consumer price index increased by 0,1% month-on-month in August 2017.



The following items contributed to the headline annual consumer price inflation:

- Food and non-alcoholic beverages decreased from 1,1 percentage points in July to 1,0 percentage point in August. The index increased by 5,7% year-on-year.
- Alcoholic beverages and tobacco increased from 0,2 of a percentage point in July to 0,3 of a percentage point in August. The index increased by 4,3% year-on-year.
- Transport increased from 0,1 of a percentage point in July to 0,6 of a percentage point in August. The index increased by 3,9% year-on-year.
- Recreation and culture decreased from 0,2 of a percentage point in July to 0,1 of a percentage point in August. The index increased by 2,4% year-on-year.
- Miscellaneous goods and services decreased from 1,2 percentage points in July to 1,1 percentage points in August. The index increased by 7,5% year-on-year.

The following items contributed to the monthly consumer price inflation.

- Alcoholic beverages and tobacco contributed 0,1 of a percentage point in August. The index increased by 1,2% month-on-month.
- Transport contributed 0,1 of a percentage point in August. The index increased by 0,5% month-on-month.

In August 2017, the CPI for goods increased by 4,0% year-on-year (up from 3,4% in July), and the CPI for services increased by 5,6% year-on-year (unchanged from July). Provincial annual inflation rates ranged from 3,5% in Northern Cape and North West to 5,7% in Western Cape.



Table S – Consumer price index: Index numbers and year-on-year rates
Base year: Feb 2012 = 100

Year		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg ^{1/}
2010	Index	86,4	87,0	87,7	87,8	88,0	88,0	88,6	88,6	88,7	88,9	89,0	89,2	88,2
	Rate	6,2	5,7	5,1	4,8	4,6	4,2	3,7	3,5	3,2	3,4	3,6	3,5	4,3
2011	Index	89,6	90,2	91,3	91,6	92,0	92,4	93,2	93,4	93,8	94,2	94,5	94,6	92,6
	Rate	3,7	3,7	4,1	4,2	4,5	5,0	5,3	5,3	5,7	6,0	6,1	6,1	5,0
2012	Index	95,2	95,7	96,8	97,2	97,2	97,5	97,8	98,0	98,9	99,5	99,8	100,0	97,8
	Rate	6,3	6,1	6,0	6,1	5,7	5,5	4,9	5,0	5,5	5,6	5,6	5,7	5,6
2013	Index	100,3	101,3	102,5	102,9	102,6	102,9	104,0	104,3	104,8	105,0	105,1	105,4	103,4
	Rate	5,4	5,9	5,9	5,9	5,6	5,5	6,3	6,4	6,0	5,5	5,3	5,4	5,7
2014	Index	106,1	107,3	108,7	109,2	109,4	109,7	110,6	111,0	111,0	111,2	111,2	111,0	109,7
	Rate	5,8	5,9	6,0	6,1	6,6	6,6	6,3	6,4	5,9	5,9	5,8	5,3	6,1
2015	Index	110,8	111,5	113,1	114,1	114,4	114,9	116,1	116,1	116,1	116,4	116,5	116,8	114,7
	Rate	4,4	3,9	4,0	4,5	4,6	4,7	5,0	4,6	4,6	4,7	4,8	5,2	4,6
2016	Index	117,7	119,3	120,2	121,2	121,4	122,1	123,1	123,0	123,2	123,8	124,2	124,7	122,0
	Rate	6,2	7,0	6,3	6,2	6,1	6,3	6,0	5,9	6,1	6,4	6,6	6,8	6,4
2017	Index	100,6	101,7	102,3	102,4	102,7	102,9	103,2	103,3					
	Rate	6,6	6,3	6,1	5,3	5,4	5,1	4,6	4,8					

^{1/} Annual average.

A full release on the *Consumer price index* (Statistical release P0141) is available on the Stats SA website: www.statssa.gov.za



Glossary

Primary industries

Gigawatt-hour (gWh): one gigawatt-hour of electricity is equal to one million kilowatt-hours. A kilowatt-hour is the basic unit of electrical energy equal to one kilowatt of power supplied to or taken from an electric circuit steadily for one hour. One kilowatt-hour equals one thousand watt-hours.

Index of physical volume of manufacturing production: also known as a production index, is a statistical measure of the change in the volume of production. The production index of a major group is the ratio between the volume of production of a major group in a given period and the volume of production of the same major group in the base period.

Index of physical volume of mining production: a statistical measure of the change in the volume of production. The production index of a mineral group is the ratio between the volume of production of a mineral group in a given period and the volume of production of the same mineral group in the base period.

Index of the physical volume of electricity production: a statistical measure of the change in the volume of production of electricity in a given period and the volume of production of electricity in the base period.

Industry: a group of establishments engaged in the same or similar kinds of economic activity.

PGMs – Platinum group metals: include platinum; iridium; osmiridium, palladium; rhodium; ruthenium and osmium.

Sales: total value of sales and transfers-out of goods mined by the mining establishments and the amounts received for installation, erection or assembly or other services.



Secondary industries

Additions and alterations: extensions to existing buildings as well as internal and external alterations of existing buildings.

Blocks of flats: a structure, usually multi-storey, consisting of a number of dwellings sharing the same residential address, and usually sharing a common entrance, foyer or staircase.

Dwelling houses: a free-standing, complete structure on a separate stand or a self-contained dwelling-unit, e.g. granny flat, on the same premises as existing residence. Out-buildings and garages are included.

Other residential buildings: include institutions for the disabled, boarding houses, old age homes, hostels, hotel, motels, guest houses, holiday chalets, bed and breakfast accommodation, entertainment centres and casinos.

Residential buildings: dwelling houses, flats, townhouses and other residential buildings.

Tertiary industries

Acknowledgements of debt: a statement by a person/debtor in which he admits that he owes money to an individual or a company or a bank.

Acting household head: any member of the household acting on behalf of the head of the household.

Average income per stay unit night sold: average rate per stay unit (i.e. rate per room in a hotel or powered site in a caravan park) is calculated by dividing the total income from accommodation by the number of stay unit nights sold in the survey period.

Catering services: enterprises involved in the sale and supply of meals and drinks prepared on the premises on a contract basis and brought to other premises chosen by the person ordering them, to be served for immediate consumption to guests or customers. Include bars, taverns, other drinking places, ice-cream parlours, etc.

Civil judgements: decisions taken in a civil matter or a dispute between two people or parties.



Civil summonses: notices to appear before the court of law where a dispute between two parties or people has to be heard, i.e. not for criminal offence.

Day trip: a trip outside of the respondent's usual environment, where they leave and return within the same day (i.e. do not stay overnight).

Domestic tourism: a trip within the boundaries of South Africa but outside of the respondent's usual environment.

Note: The following categories are excluded from the definition of domestic visitor:

- persons travelling to another place within the country with the intention of setting up their usual residence in that place.
- Persons who travel to another place within the country and are remunerated from within the place visited.
- Persons who travel regularly or frequently between neighbouring localities as defined by the 'usual environment' rule.

Dwelling unit: structure or part of a structure or group structures occupied or meant to be occupied by one or more than one household.

Enterprise: a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its sales activities.

Expenditure: the total consumption expenditure made by a visitor or on behalf of a visitor during his/her trip and stay at a destination.

Foreign traveller: a person who resides outside South Africa and visits the country temporarily.

Household: a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

Household head: the main decision-maker, or the person who owns or rents the dwelling, or the person who is the main breadwinner.

Income from accommodation industry: income from amounts charged for rooms or equivalent. Other income is excluded (e.g. income from meals).

Income from bar sales: refers to income from liquor sales.



Income from food sales: refers to income from the sale of meals and non-alcoholic drinks.

Income from restaurant and bar sales: income from meals, banqueting and beverages and tobacco sales.

Insolvency: refers to an individual or partnership which is unable to pay its debt and is placed under final sequestration. The number of insolvencies does not refer to the number of persons involved, as a partnership which is unable to pay its debt is regarded as one insolvency, irrespective of the number of partners.

Liquidation: refers to the winding-up of the affairs of a company or close corporation when liabilities exceed assets and it can be resolved by voluntary action or by an order of the court.

Main purpose of trip: this is the purpose in the absence of which the trip would not have been made.

Microdata: data gathered on a small scale, such as data on an individual.

'Other' African countries: refers to all non SADC African countries.

Other income: includes all income not earned from food sales or bar sales.

Other SADC: refers to the thirteen countries, excluding South Africa, that belong to the Southern African Development Community.

Professional services: refer to medical doctors, dentists, advocates, attorney, auditors, accountants, architects, engineers, hospital services etc.

Promissory notes: written undertaking, signed by a person or party, to pay money to another person or to be the bearer of such a note on a specific date or on demand.

Restaurants and coffee shops: enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for immediate consumption and with provided seating.

Retailer: a retailer is an enterprise deriving more than 50% of its turnover from sales of goods to the general public for household use.



Retail trade: includes the resale (sale without transformation) of new and used goods and products to the general public for household use.

Stay unit: unit accommodation available to be charged out to guests, for example, a powered site in a caravan park or a room in a hotel.

Stay unit night sold: total number of stay units occupied on each night during the survey period.

Takeaway and fast-food outlets: enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for takeaway purposes in a packaged format, at a stand or in a location, with or without provided seating.

Total income: includes income from food sales, income from bar sales and other income.

Tourism: comprises the activities of persons travelling to, and staying in places outside their usual environment, for not more than one consecutive year, for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.

Tourist: a visitor who stays at least one night in the place visited.

Tourist accommodation: any facility that regularly (or occasionally) provides 'paid' or 'unpaid' overnight accommodation for tourists.

Traveller: any person on a trip between two or more countries or between two or more localities within his/her country of residence.

Voluntary liquidation: takes place when a company or close corporation, by own choice, resolves to wind-up its affairs.

Wholesale trade: Includes the resale (sale without transformation) of new and used goods and products to other wholesalers, retailers, agricultural, industrial, commercial, institutional and professional users either directly or through agents on a fee or contract basis.



Prices

Annual percentage change: change in the index of the relevant month of the current year compared with the index of the same month in the previous year expressed as a percentage.

Consumer price index (CPI): an index that measures the price of a fixed basket of consumer goods and services.

Inflation rate: annual percentage change in the CPI for all items of the relevant month of the current year compared with the CPI for all items of the same month in the previous year expressed as a percentage.

Monthly percentage change: change in the index of the relevant month compared to the index of the previous month expressed as a percentage.

Year-on-year: A term used frequently in investment research and other reports to mean 'compared with the same period in the previous fiscal year'.



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