

Mbalo Brief



the missing piece of the puzzle

November 2017



Issue 10/2017

THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND



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Editor's comment

Black Friday is coming to our stores once again. This is one holiday that is known to usher in the festive season shopping and most shoppers always welcome it with excitement as it gives them a perfect opportunity to do their Christmas shopping or buy the goods they have been eyeing for a while at a discount and save a few Rand. Many stores offer great deals from clothing, gadgets, food and even flight discounts and most retailers have already started sending out the Black Friday catalogues to help shoppers plan their purchases beforehand. Black Friday started in the United States in the 1950s and from 2011, it started catching on in South Africa. With such discount deals, it's always best to budget well and to make a shopping list to avoid spontaneous purchases that will be regretted later.

This Month's issue of *Mballo Brief* is our last issue for the year. We hope that you had as much pleasure in reading our newsletter as we had in producing it for you. To all those in Matric, all the best with your final exams and may your new journey in 2018 be a fruitful and productive one. Ensure to buckle up this festive season, keep safe and most importantly, have lots of fun.

Included in this month's issue of *Mballo Brief* are our monthly articles such as the *Retail trade sales*, *Tourist accommodation*, *Food and beverages* and others. Once again, we have our monthly crossword puzzle to tickle those brain cells and we also provide the solutions to the October 2017 puzzle.

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

For more details on any of the surveys, visit our website at:
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Content

Editor's comment	i
Crossword puzzle	iv
Educational article on status of South African education system	1
Primary industries	8
Mining: Production and sales	8
Secondary industries	10
Manufacturing: Production and sales.....	10
Selected building statistics of the private sector	11
Electricity generated and available for distribution	13
Tertiary industries	15
Wholesale trade sales	15
Retail trade sales	16
Motor trade sales	17
Food and beverages	18
Tourist accommodation.....	19
Tourism and migration	21
Statistics of civil cases for debt	25
Statistics of liquidations and insolvencies	27
Land transport survey	28
Prices	31
Producer price index (PPI)	31
Consumer price index (CPI).....	33
Glossary	36





Across

5. According to the educational article, which municipality has the highest number of universities?
6. Which sports tournament or World Cup will be held in 2023?
7. How many member countries are there in the Southern African Development Community (SADC)? Write out the answer.

Down

1. According to the educational article, which province has the highest number of universities?
2. In which month is Black Friday?
3. Which conference (with the aim of promoting the scientific study of population) was recently hosted by Stats SA in Cape Town? Abbreviate the answer.
4. Who is Stats SA's new Statistician General (SG)? Write surname only.

Solution for October 2017 puzzle

Across

6. Witwatersrand basin
7. Soweto
8. True

Down

1. Shopping
2. Loti
3. China
4. Traveller
5. Passenger





Educational article: Status of the South African education system

Introduction

“Education is the most powerful weapon which you can use to change the world.” These are the words of the first black South African president, the late Mr Nelson Mandela. He valued education as one of the best tools that people should obtain in order to better themselves and participate in activities around the world. This view resonates very well with section 29(1)(a) of the Constitution of South Africa, which states that everyone in South Africa has the right to basic education, and this includes the right to adult basic education and to further education, which the government must make progressively available and accessible to all. In line with the Constitution, chapter 9 of the National Development Plan (NDP) prioritises the improvement in education and training outcomes. The plan consists of 17 targets to be reached by the year 2030 for each phase of the education system, amongst which are early childhood development, primary and secondary schooling, and further education. Amongst the 17 targets, the one worth noting is that about 80% of schools and learners should achieve 50% and more in literacy, mathematics and science in Grades 3, 6 and 9.

This educational article provides an overview of the status of the South African education system by providing more details on access to education, educational attainment and intergenerational educational mobility. The information is drawn from data sourced from the Community Survey (CS) 2016 and the General Household Survey (GHS) 2015.

1. Access to education

There are many challenges that can deprive a child from having full access to basic education, such as poverty, transportation, health and disability. Under the South African Schools Act, (Act No. 84 of 1996), education is compulsory for all South Africans from the age of seven (Grade 1) to age 15, or the completion of Grade 9, depending on which event occurs first. It is for this reason that programmes such as the child support grant, no-fee schools, school nutrition programmes and scholar transport programmes were introduced with the intention to eradicate some of these disparities.





The South African education system consists of three phases, namely the primary, secondary, and post-secondary phases. Learners may spend one to two years in early childhood development centres, and one year in Grade R/0, which is currently part of the primary schooling system. Grade R/0 programmes may be attended either at early childhood development centres or at primary schools. By law, children have to start attending school the year before the calendar year in which they turn seven (age of compulsory schooling). Therefore, they should start Grade 1 by age seven, and spend eight years in primary school, which ends in Grade 7. The primary school phase is followed by five years of secondary school, which should be completed by the time the learner reaches age 18. The duration of the phase is from Grade 8 to Grade 12.

1.2 Gross enrolment rate (GER) in early childhood development (ECD)

Gross enrolment rate includes all learners (also those that may be under or over the official age of a specific educational phase). It is calculated by taking total enrolment in a specific level of education, regardless of age, expressed as a percentage of the eligible official school-age population corresponding to the same level of education in a given school year. Hence, it would include grade repeaters. According to the GHS 2015, early childhood development (ECD) education in South Africa reached only about 39,0% of the eligible population. Free State (52,3%) and Gauteng (52,1%) were the two provinces where the ECD enrolment rate was above 50,0%. The provinces with the lowest ECD enrolment rate were Mpumalanga (33,5%) and KwaZulu-Natal (24,0%).

1.3 Gross enrolment rate (GER) in primary education

In 2016, the national average GER in primary education was high (123,0% of the national average), indicating that the number of pupils participating is closer to the number required for full enrolment of the targeted age group. However, a large number of these enrolments were by learners outside the school-age range, especially in the Eastern Cape, which experienced the highest GER at primary school level (137,1%), followed by Limpopo (128,1%). Northern Cape and North West provinces both had the same percentage of GER in the primary school phase (124,9%). The provinces with the lowest GER in primary schools were Gauteng (116,4%) and KwaZulu-Natal (118,0%).



1.4 Gross enrolment rate (GER) in secondary education

Education at secondary phase level is provided by a range of institutional settings to cater for everyone, including learners who had dropped out without completing high school. School dropouts who would like to continue their education can enrol at Technical Vocational Education Training (TVET) colleges, which differ in their admission requirements and the length of the courses. Limpopo experienced the highest gross enrolment rate for secondary-level education (132,1%), pointing towards the high number of pupils outside the official secondary school-age range, and the high impact of grade repetition.

1.5 Gross enrolment rate (GER) in post-secondary education

South Africa has a total number of 26 public universities which are distributed within all nine provinces of South Africa. Each province has at least one university, although Mpumalanga and the Northern Cape only had universities in their provinces since 2014 and 2015, respectively. Enrolment at post-secondary education institutions after the completion of matric or the national senior certificate for individuals aged 17–40 in South Africa was 14% in 2016. Amongst individuals who attained post-secondary education, the peak in enrolment levels occurred amongst young individuals aged 18–19. A decline is noted in enrolment levels for 20-year-olds and older, with a sharp decline after age 23. Levels of participation among those aged 18–24 in post-secondary education were higher in Gauteng (-32%) and Free State (-21,1%). The provinces with the lowest levels of participation in post-secondary education were Northern Cape, Eastern Cape and KwaZulu-Natal with close to 11% GER each.

2. Educational attainment

Poverty and education are linked because most people who are poor may not be able to afford paying school fees. Unfortunately, leaving or dropping out of school leaves most people without the necessary skills that afford them chances for better job opportunities. The information below covers the educational attainment by population group, province and district municipality amongst individuals aged between 25 and 64.

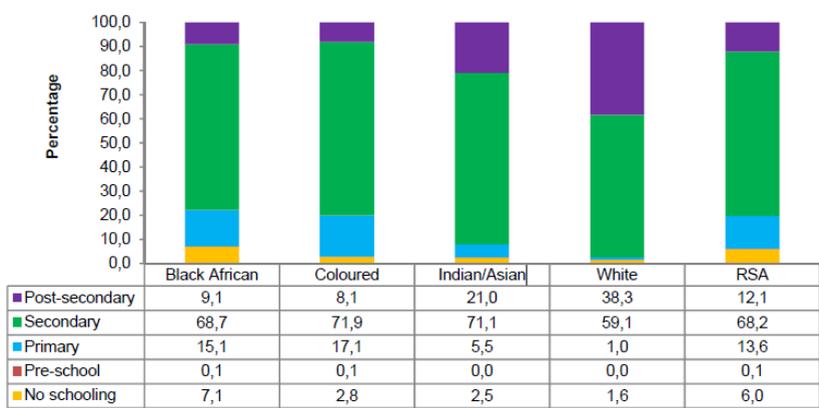


2.1 Educational attainment amongst individuals aged 25–64 by population group

Individuals in the age group 25–64 constitute the labour force of the country. From a total number of 24 945 608 individuals in this age group, 68,2% have attained secondary education, 13,6% have a primary education and only 12,1% have a post-secondary qualification. According to Figure 1 below, coloureds (17,1%) and black Africans (15,1%) have the highest percentage of individuals aged 25–64 who have only a primary school educational attainment. The population group with the lowest primary school educational attainment percentage is whites, with only 1,0%.

Secondary school educational attainment was the most common amongst coloureds with 71,9% attaining secondary education, followed by the Indian/Asian (71,1%) and black African (68,7%) population. The lowest percentage of individuals with secondary educational attainment was found amongst the white population (59,1%). The highest number of individuals with post-secondary educational attainment was recorded for whites and Indians/Asians, with 38,3% and 21,0%, respectively. Post-secondary educational attainment amongst black Africans and coloureds was the lowest, with 9,1% and 8,1%, respectively.

Figure 1: Educational attainment among individuals aged 25–64 by population group, 2016



In addition, females constitute the largest portion across all levels of education as compared to males in this age group. Overall, 50,6% of

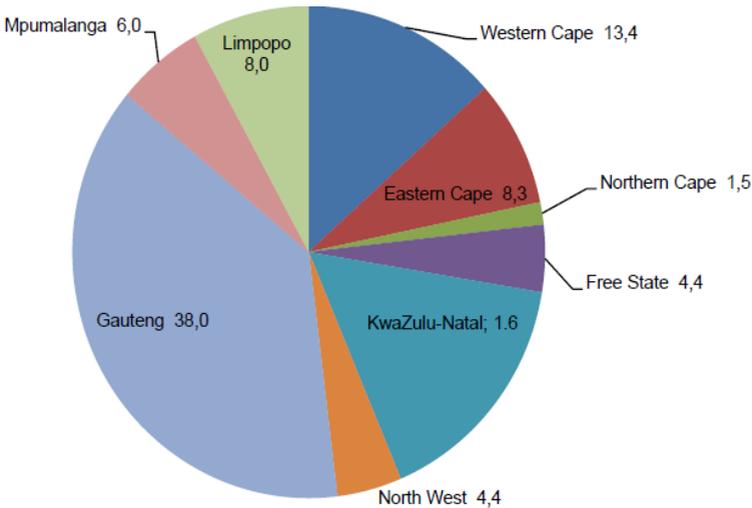


females have attained a primary education while 49,4% of males have the same educational attainment. Amongst those who have post-secondary schooling, 52,0% were females and 48,0% were males.

2.2 Post-secondary educational attainment among individuals aged 25–64 by province

Figure 2 below illustrates the overall distribution of post-secondary educational attainment among individuals aged 25–64 years by province. Gauteng is known as the most populated province in the country and has the highest number of universities; therefore it comes as no surprise that it is the province with the highest percentage of individuals who have a post-secondary education (38,0%) compared to other provinces. Gauteng province is followed by Western Cape with 13,4% of individuals with a post-secondary education. Northern Cape has the lowest percentage of individuals with post-secondary qualifications (1,5%), whereas North West and Free State have the same percentages (4,4%) of individuals with post-secondary qualifications.

Figure 2: Post-secondary educational attainment among individuals aged 25–64 by province, 2016





2.3 Educational attainment among individuals aged 25–64 by metropolitan municipality

The municipalities with the largest percentage of individuals with a post-secondary qualification are found in Gauteng province, namely the City of Tshwane with 22,1% and the City of Johannesburg at 16,2%. The two municipalities with the lowest percentages of individuals with a post-secondary qualification are Greater Sekhukhune (Limpopo) with 7,5% and Dr Ruth Mompati (North West) with 5,4%.

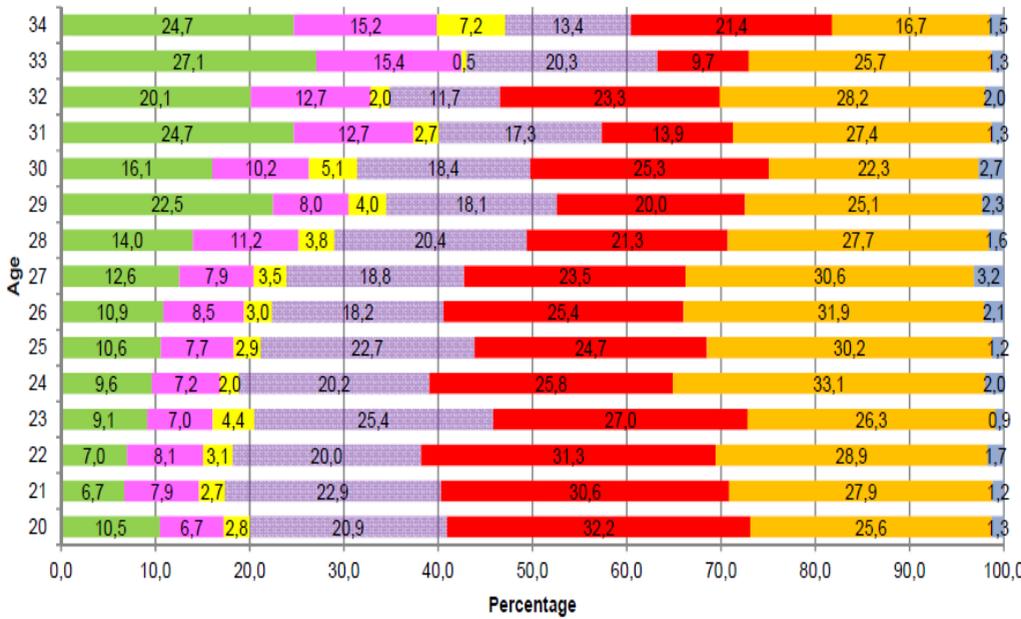
3. Intergenerational educational mobility

In order to understand what intergenerational educational mobility means, one would use the English phrase “like father like son”, meaning that the son is more likely to have the same characteristics as the father. For example, the assumption here is that, if the father has a post-secondary qualification, the son is more likely to obtain the same qualification, which then would be passed on to future generations as well. Policymakers in South Africa insist on increasing adult literacy rates because literate parents would more likely send their children to educational institutions.

Figure 3 shows a general upward educational mobility for all the children currently participating in post-secondary educational institutions. Post-secondary level participants aged 24 have proportionately more educated parents, with 33,1% having post-secondary educational qualifications, followed by participants aged 26 of whom 31,9% of their parents have a post-secondary qualification. Post-secondary level participants aged 34 have the lowest percentage of parents (16,7%) with post-secondary qualifications, and a larger number of the participants in this age category had parents without any educational attainment levels (24,7%).



Figure 3: Current participation in post-secondary education among individuals aged 20–34 by their parents' educational attainment, 2016



■ No schooling ■ Incomplete primary ■ Completed primary ■ Incomplete secondary ■ Completed secondary ■ Post-secondary ■ Other

Conclusion

This report focused on the status of the educational system in South Africa in 2016, with more emphasis on secondary and post-secondary educational attainment. According to the GHS 2015, early childhood development education in South Africa is provided to less than half a percentage of the eligible population, whereas the gross enrolment rate in primary education was higher than the national average. Limpopo province experienced the highest gross enrolment rate for secondary-level education as compared with other provinces. Educational attainment was the highest amongst whites since they mostly hold post-secondary educational qualifications, followed by the Indian/Asian population.



Primary industries

Mining: Production and sales

Mining production increases

Many mines in South Africa are reaching advanced stages in their mine lives. That is, the miners are digging deeper and further away from shafts – which results in operations becoming increasingly expensive, less safe and more difficult. One of the solutions to this matter is the development and implementation of mining modernisation. This is the gradual implementation of new technology and mechanisation in the mining industry that will enable miners to access harder-to-reach minerals. It also involves taking into account South Africa’s mineral resources in the safest, most efficient, cost-effective and sustainable manner possible and conserving natural resources while preserving and restoring the environment. Mining modernisation enables miners to access harder-to-reach orebodies. Presented in this article is a summary of the mining: production and sales statistics for August 2017.

Mining production increased by 6,9% year-on-year in August 2017 (see **Table A**). The largest positive contributors were:

- iron ore (9,0%, contributing 1,3 percentage points);
- diamonds (27,7%, contributing 1,2 percentage points); and
- gold (7,7%, contributing 1,1 percentage points).

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

	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
Year-on-year % change, unadjusted	15,1	-0,2	2,1	1,5	1,9	6,9
Month-on-month % change, seasonally adjusted	4,7	-2,3	1,6	-1,0	0,5	5,3
3-month % change, seasonally adjusted ^{1/}	2,7	4,4	4,9	1,6	1,1	1,4

^{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 increased by 17,7% year-on-year in July 2017 (see Table B). The main positive contributors were:

- coal (36,3%, contributing 9,5 percentage points);
- manganese ore (116,9%, contributing 4,9 percentage points);
- chromium ore (59,8%, contributing 2,1 percentage points); and
- 'other' metallic minerals (106,2%, contributing 1,8 percentage points).

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

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

^{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

The manufacturing industry is essential for economic growth. However, the manufacturing industry in South Africa has been faced with some challenges that have hampered its growth. One of these is the massive imports of manufactured goods (especially machinery and equipment) from countries such as China. While increased trade is not always a bad thing, it does affect numerous local industries (in both positive and negative ways). On the positive side one might get superior quality goods, or cheaper prices due to competitive advantage of other countries. On the negative side, an increase in the import of these goods can cause a decrease in the demand of locally manufactured goods. Thus, for the manufacturing industry to remain relevant and essential, the key players have to look at how to best secure the long term sustainability of the manufacturing industry, and in so doing, contribute to the economic growth of our country. This can be done by improving the quality of products manufactured in South Africa which will increase the demand in locally manufactured goods. Presented in this article is a summary of the manufacturing: production and sales statistics for August 2017.

Manufacturing production increased by 1,5% in August 2017 compared with August 2016 (**see Table C**).

This increase was mainly due to higher production in the basic iron and steel, non-ferrous metal products, metal products and machinery division (11,3%, contributing 2,0 percentage points).



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

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

^{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

The South African government has published the proposed Property Practitioners Bill, 2016 on 31 March 2017 in order to protect property buyers and regulate property practitioners. Currently, some property practitioners are not disclosing all defects (such as a leaking roof, wall cracks, faulty geyser etc., which can lead to a potential buyer not buying the property) but once the Bill has come into law, property practitioners will be required to inform buyers of all defects or potential defects on the property, even if the property is being sold *voetstoots* (in current condition). The Bill will make it mandatory for sellers to attach a disclosure form (a form that permits the disclosure of private information acquired during an insurance-related assessment). Presented in this article is a summary of the selected building statistics for August 2017.

The value of recorded building plans passed (at current prices) decreased by 2,4% (-R1 759,1 million) during January to August 2017 compared with January to August 2016 (see **Table D**).

The largest negative contribution to the total decrease of 2,4% (-R1 759,1 million) was made by Gauteng (contributing -4,8 percentage points or -



R3 438,5 million), and the largest positive contribution was made by Western Cape (contributing 2,4 percentage points or R1 746,1 million).

The value of buildings reported as completed (at current prices) increased by 16,4% (R6 294,2 million) during January to August 2017 compared with January to August 2016.

The largest increase was recorded for residential buildings (18,4% or R3 805,7 million), followed by non-residential buildings (14,6% or R1 613,3 million) and additions and alterations (13,3% or R875,1 million).

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

- Gauteng (contributing 7,7 percentage points or R2 936,9 million);
- Western Cape (contributing 7,3 percentage points or R2 809,0 million); and
- KwaZulu-Natal (contributing 3,7 percentage points or R1 411,4 million).



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

Estimates at current prices	January to August 2016	January to August 2017	Difference in value between January to August 2016 and January to August 2017	% change between January to August 2016 and January to August 2017
	1/	1/		
	R'000	R'000	R'000	
Residential buildings	35 073 526	34 789 575	-283 951	-0,8
- Dwelling houses	21 762 685	21 984 645	221 960	1,0
- Flats and townhouses	11 309 901	12 314 863	1 004 962	8,9
- Other residential buildings	2 000 940	490 067	-1 510 873	-75,5
Non-residential buildings	19 350 784	16 581 263	-2 769 521	-14,3
Additions and alterations	17 501 884	18 796 304	1 294 420	7,4
Total	71 926 194	70 167 142	-1 759 052	-2,4

- 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

South Africa's electricity supply industry comprises the generation, transmission, distribution and sale of electricity. According to Eskom's 2016/2017 Integrated Report released on 31 March 2017, the power utility operates 29 power stations which produce a total nominal capacity of 44 134 megawatts (mW) of electricity. This capacity comprises coal-fired (36 441 mW), nuclear (1 860 mW), gas-fired (2 409 mW), pumped storage (2 724 mW), hydro (600 mW) and wind (100 mW) stations. The electricity produced is delivered to suppliers such as municipalities and distributed to local



business and residential customers, as well as Southern African Development Community (SADC) countries. 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 illegal tobacco trade is causing the wholesale trade in tobacco to lose billions of rands in revenue. Illegal trade is the supply, distribution and sale of smuggled or counterfeit tobacco products (such as cigarettes, cigars, hubble-bubble pipes, etc.) on which the necessary duties and taxes have not been paid. According to the Tobacco Institute of Southern Africa (TISA), an estimated 23% of all cigarettes consumed in the country were illicit in 2015, and 60% of these cigarettes are manufactured in South Africa and not declared for taxes. TISA believes those who choose to use or trade in tobacco products, should only use products that comply with government legislation and commit to rejecting and reporting illicit cigarettes. Presented in this article is a summary of the wholesale trade sales statistics for August 2017.

Wholesale trade sales increased by 2,5% in August 2017 compared with August 2016 (**see Table G**). The main contributor to this increase was dealers in solid, liquid and gaseous fuels and related products (10,0%, contributing 1,8 percentage points).

Wholesale trade sales increased by 1,7% in the three months ended August 2017 compared with the three months ended August 2016. The main positive contributors to this increase were dealers in solid, liquid and gaseous fuels and related products (5,1%, contributing 0,9 of a percentage point) and fee or contract basis dealers (21,0%, contributing 0,8 of a percentage point).



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

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

^{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

A retailer performs the dual functions of buying and assembling of goods. The retailer identifies the most economic sector (e.g. manufacturer) for obtaining goods from the suppliers and selling to the consumers. Some of the goods in the retail stores are graded and stored for the customer’s convenience. The prime focus of a retailer is on maximising customer satisfaction by delivering quality products and services on a cash as well as credit basis. In order to ensure customer satisfaction, a retailer also gathers information regarding the changing tastes and preferences of the consumers, then passes on the customer feedback to the manufacturers for continuous improvement in service delivery. Presented in this article is a summary of the retail trade sales for August 2017.

Retail trade sales increased by 5,5% year-on-year in August 2017 (see **Table H**). The highest annual growth rates were recorded for:

- all ‘other’ retailers (25,3%);
- retailers in household furniture, appliances and equipment (9,0%); and
- retailers in food, beverages and tobacco in specialised stores (5,7%).

The main contributors to the 5,5% increase were all ‘other’ retailers (contributing 2,7 percentage points), and general dealers (contributing 1,1 percentage points).

Retail trade sales increased by 3,4% in the three months ended August 2017 compared with the three months ended August 2016. The main



contributors to this increase were all ‘other’ retailers (17,1%, contributing 1,8 percentage points) and retailers in food, beverages and tobacco in specialised stores (6,5%, contributing 0,5 of a percentage point).

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

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

^{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 increase

We have heard quite a lot about flying cars – which already sound like a futuristic idea – but we haven’t heard much about flying taxis until Uber introduced their plan to launch flying taxis by 2020. The battery-powered aircraft looks like a cross between a small plane and a helicopter, with fixed wings and rotors. The vehicle is intended to fly over traffic congestion, reducing city travel times. Thus, commuters of the future could get some relief from congested roads if Uber’s plans for flying taxis work out. Presented in this article is a summary of the motor trade sales for August 2017.

Motor trade sales increased by 4,1% year-on-year in August 2017 (see **Table I**). The largest annual growth rates were recorded for:

- new vehicle sales (7,7%); and
- used vehicle sales (6,1%).

Motor trade sales increased by 2,1% in the three months ended August 2017 compared with the three months ended August 2016. The main



contributor was new vehicle sales (6,0%, contributing 1,5 percentage points).

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

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

^{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

Food prices are constantly fluctuating. One of the reasons for this is the relationship between drought and food prices. When a severe drought strikes, certain agricultural products are affected as water becomes scarce to sustain such products. As a result, even the food that farmers feed their livestock during the drought period is in short supply and even more expensive as there is less water to sustain them. Therefore, farmers need to find alternative ways to make their livestock economically sustainable even during drought season. Some farmers do so by slaughtering a portion of their livestock, leaving them with fewer livestock to feed. Although this does not guarantee profits, it makes it much cheaper for them as they will spend less money on taking care of the remaining livestock. This means that they will have more meat to sell, causing the meat price in retail outlets to decrease as the supply will be higher than the demand. However, as the drought subsides, farmers will have to re-grow their livestock, and consequently, they will have fewer available for slaughtering. This means that the demand for meat will be higher than the supply and will ultimately cause the price to increase. Presented in this article is a summary of the Food and beverages statistics for August 2017.



The total income generated by the food and beverages industry increased by 1,8% in August 2017 compared with August 2016 (see Table J). Positive annual growth rates were recorded for bar sales (2,7%) and food sales (2,0%).

In August 2017, positive annual growth rates were recorded for restaurants and coffee shops (5,0%, contributing 2,5 percentage points) and takeaway and fast-food outlets (0,9%, contributing 0,3 of a percentage point).

Total income increased by 1,3% in the three months ended August 2017 compared with the three months ended August 2016. The main contributor to this increase was restaurants and coffee shops (3,6%, contributing 1,8 percentage points).

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

Type of income	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
Food sales	0,1	2,0	-2,2	0,4	1,8	2,0
Bar sales	-2,3	7,6	-3,2	1,2	2,9	2,7
Other income	-8,1	0,7	-2,4	0,9	-8,8	-13,4
Total	-0,3	2,4	-2,3	0,4	1,7	1,8

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 increases

South Africa is a diverse country with a climate that varies from province to province. This can also determine the time at which tourists can visit the country, depending on what they want to do. For example, the drier winter months between May and October are the best time for game viewing as animals are concentrated around water sources and are easier to spot in the thinned-out bush. There is also little to no rainfall at this time of the year, so the game drives won't be disturbed. For a sunny beach holiday, November to March is the best time to visit. Tourists should book accommodation early



if they want to visit over Christmas or New Year, as many South Africans flock to the coast around this time. Presented in this article is a summary of the Tourist accommodation statistics for August 2017.

Total income for the tourist accommodation industry increased by 0,1% in August 2017 compared with August 2016 (see Table K).

Income from accommodation increased by 4,9% year-on-year in August 2017, the result of a 2,3% decrease in the number of stay unit nights sold and a 7,3% increase in the average income per stay unit night sold.

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

- guest-houses and guest-farms (31,4%);
- ‘other’ accommodation (3,0%); and
- hotels (2,4%).

The main contributors to the 4,9% year-on-year increase in income from accommodation in August 2017 were guest-houses and guest-farms (contributing 2,5 percentage points) and hotels (contributing 1,5 percentage points).

Income from accommodation increased by 5,3% in the three months ended August 2017 compared with the three months ended August 2016.

The main contributors to this increase were ‘other’ accommodation (8,1%, contributing 2,2 percentage points) and hotels (3,2%, contributing 2,1 percentage points).

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

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

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 August 2017

The festive season is approaching and many people from around the world will be travelling to South Africa to enjoy the warm weather as well as the many tourist attractions like Table Mountain, the historic Robben Island and the beautiful beaches, to name a few. This season is the busiest in the tourism industry and according to the Tourism and Migration Survey published by Statistics South Africa (Stats SA) in March 2017, there was a total number of 4,5 million travellers who passed through the country's ports of entry in December 2016, of which 98,3% were in the country for holiday purposes. Such a high number of travellers requires the industry to intensify safety measures at all ports of entry to ensure legal arrivals and departures, as well as providing good hospitality services to accommodate the different types of travellers. Presented in this article is a summary of the tourism and migration statistics for August 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 shows that a total of 3 466 363 travellers (arrivals, departures and transits) passed through South African ports of entry in August 2017 (**see Table L**). These travellers were made up of 913 087 South African residents and 2 553 276 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 447 146 arrivals, 465 024 departures and 917 travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 302 312, 1 170 476 and 80 488, respectively.

A comparison between the movements in August 2016 and August 2017 indicates that the volume of arrivals and departures increased for South African residents while for foreign travellers, both the volume of arrivals and departures decreased. The volume of travellers in transit decreased for both South Africans and foreign travellers. For South African residents, the volume of arrivals increased by 2,3% (from 436 996 in August 2016 to 447 146 in August 2017), departures increased by 0,8% (from 461 320 in August 2016 to 465 024 in August 2017), and transits decreased by 8,8% (from 1 006 in August 2016 to 917 in August 2017). For foreign travellers,



arrivals decreased by 1,6% (from 1 323 775 in August 2016 to 1 302 312 in August 2017), departures decreased by 0,9% (from 1 181 138 in August 2016 to 1 170 476 in August 2017), and transits decreased by 13,3% (from 92 835 in August 2016 to 80 488 in August 2017).

A comparison between the movements in July 2017 and August 2017 indicates that the volume of arrivals and departures decreased for both South African residents and foreign travellers, while the volume of travellers in transit increased for both. For South African residents, the volume of arrivals decreased by 22,6% (from 578 028 in July 2017 to 447 146 in August 2017), departures decreased by 12,3% (from 530 077 in July 2017 to 465 024 in August 2017), and transits increased by 10,2% (from 832 in July 2017 to 917 in August 2017). For foreign travellers, arrivals decreased by 3,3% (from 1 347 125 in July 2017 to 1 302 312 in August 2017), departures decreased by 1,3% (from 1 186 438 in July 2017 to 1 170 476 in August 2017), and transits increased by 17,6% (from 68 437 in July 2017 to 80 488 in August 2017).

Mode of travel

In August 2017, road transport was the most common mode of travel used by 2 445 344 (70,5%) of the 3 466 363 travellers. The total number of travellers who used air transport was 1 014 793 (29,3%). Compared to use of air and land transport, a smaller number of travellers, 6 226 (0,2%) used sea transport. The arrivals data for South African residents show that 173 127 (38,7%) came by air, 273 894 (61,3%) came by road and 125 (less than 0,1%) arrived by sea transport. For departures, 186 569 (40,1%) used air, 278 235 (59,8%) used road and 220 (less than 0,1%) left by sea transport. All travellers in transit [917 (100,0%)] used air transport.

In the case of foreign travellers, 280 754 (21,6%) arrived by air, 1 018 451 (78,2%) came by road and 3 107 (0,2%) arrived by sea transport. When departing South Africa, 292 938 (25,0%) foreign travellers left by air, 874 764 (74,7%) left by road and 2 774 (0,2%) left by sea transport. All travellers in transit [80 488 (100,0%)] used air transport. Table 2 on page 10 further shows that of the 367 847 same-day visitors, an overwhelming majority [341 658 (92,9%)] arrived in the country by road. Only 26 167 (7,1%) of same-day visitors flew into the country. Data on tourists show that 614 955 (72,1%) used road transport, 237 287 (27,8%) came by air transport and 97 (less than 0,1%) arrived by sea transport.



Purpose of visit

In August 2017, the majority of tourists [825 015 (96,8%)] were in South Africa for holiday compared to 20 850 (2,4%) and 6 474 (0,8%) who were in South Africa for business and study purposes, respectively. A total of 12 035 (98,3%) tourists from Australasia, 6 780 (97,8%) from Central and South America, 36 281 (97,3%) from North America, 6 839 (97,1%) from the Middle East, 119 332 (96,7%) from Europe and 24 659 (93,3%) from Asia were in South Africa for holiday. Compared to other overseas regions, Europe had the highest number of tourists who came for business [2 920 (2,4%)] and study purposes [1 127 (0,9%)]. However, Asia had the highest proportions of tourists who came to South Africa for business [5,6% (1 473)] and study purposes [1,1% (296)].

Sex and age distribution

In August 2017, there were 466 872 (54,8%) male and 385 467 (45,2%) female tourists. Overseas tourists were made up of 112 060 (52,5%) male tourists and 101 234 (47,5%) female tourists. There were 344 919 (55,4%) male and 278 112 (44,6%) female tourists from the SADC countries. Tourists from 'other' African countries were made up of 9 258 (61,8%) male and 5 711 (38,2%) female tourists. Overseas tourists were made up of 96 129 (56,1%) male tourists and 75 288 (43,9%) female tourists. There were 333 825 (57,5%) male and 247 157 (42,5%) female tourists from the SADC countries. Tourists from 'other' African countries were made up of 9 163 (67,3%) male and 4 452 (32,7%) female tourists.



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

Travel direction	August 2016	July 2017	August 2017	% change between July and August 2017	% change between August 2016 and August 2017
Total	3 497 070	3 710 937	3 466 363	-6,6%	-0,9%
South African residents	899 322	1 108 937	913 087	-17,7%	1,5%
Arrivals	436 996	578 028	447 146	-22,6%	2,3%
Departures	461 320	530 077	465 024	-12,3%	0,8%
Transit	1006	832	917	10,2%	-8,8%
Foreign travellers	2 597 748	2 602 000	2 553 276	-1,9%	-1,7%
Arrivals	1 323 775	1 347 125	1 302 312	-3,3%	-1,6%
Departures	1 181 138	1 186 438	1 170 476	-1,3%	-0,9%
Transit	92 835	68 437	80 488	17,6%	-13,3%
Foreign arrivals	1 323 775	1 347 125	1 302 312	-3,3%	-1,6%
Non-visitors	89 276	85 207	82 126	-3,6%	-8,0%
Visitors	1 234 499	1 261 918	1 220 186	-3,3%	-1,2%
Visitors	1 234 499	1 261 918	1 220 186	-3,3%	-1,2%
Arrivals only	302 421	325 791	316 938	-2,7%	4,8%
Single trips	434 658	423 096	435 026	-2,8%	0,1%
Multiple trips	497 420	513 031	468 222	-8,7%	-5,9%
Visitors	1 234 499	1 261 918	1 220 186	-3,3%	-1,2%
Same-day	400 861	400 187	367 847	-8,1%	-8,2%
Tourists	833 638	861 731	852 339	-1,1%	2,2%

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



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

Actual estimates	August 2017	% change between August 2016 and August 2017	% change between June to August 2016 and June to August 2017
Number of civil summonses issued for debt	48 208	-12,7	-16,0
Number of civil judgements recorded for debt	21 119	-8,0	-10,4
Value of civil judgements recorded for debt (R million)	380,0	9,9	5,6

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 civil cases for debt

Number of civil judgements for debt decreases

South African consumers who have judgements on their credit report can remove those judgements before the elapse of their five year time period. In order to remove judgments, consumers have to obtain a credit bureau copy, contact the attorney who listed the judgements against them to request the outstanding balance and negotiate for a settlement amount and payment arrangements. After the consumers have settled the outstanding amount, the court will grant an order to cancel judgement. This court order to cancel judgement should be submitted to the involved credit bureau and the judgements will be deleted accordingly. Presented in this article is a summary of the statistics of civil cases for debt for August 2017.

The number of civil summonses issued for debt

The total number of civil summonses issued for debt decreased by 16,0% in the three months ended August 2017 compared with the three months ended August 2016 (**see Table M**).

The largest contributors to the 16,0% decrease were civil summonses relating to:

- money lent (contributing -6,8 percentage points);
- services (contributing -3,0 percentage points);
- 'other' debts (contributing -3,0 percentage points); and
- promissory notes (contributing -2,1 percentage points).



The number of civil judgements recorded for debt

The total number of civil judgements recorded for debt decreased by 10,4% in the three months ended August 2017 compared with the three months ended August 2016.

The largest negative contributors to the 10,4% decrease were civil judgements relating to:

- services (contributing -6,1 percentage points);
- money lent (contributing -4,0 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 5,6% in the three months ended August 2017 compared with the three months ended August 2016.

The largest positive contributors to the 5,6% increase were the value of judgements relating to:

- promissory notes (contributing 4,2 percentage points);
- money lent (contributing 2,6 percentage points); and
- goods sold (contributing 2,5 percentage points).

There were 21 119 civil judgements for debt in August 2017 amounting to R380,0 million. The largest contributors to the total value of judgements were:

- money lent (R99,1 million or 26,1%);
- 'other' debts (R71,3 million or 18,8%); and
- services (R70,3 million or 18,5%).



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

Actual estimates	August 2017	% change between August 2016 and August 2017	% change between June to August 2016 and June to August 2017
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Number of civil judgements recorded for debt	21 119	-8,0	-10,4
Value of civil judgements recorded for debt (R million)	380,0	9,9	5,6

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

When a company is liquidated, in most cases its assets are auctioned off and the proceeds are used to pay off outstanding debt. If any funds are left over, they are distributed amongst the company's shareholders. One of the reasons why an auction is the preferred method of getting money is because it usually offers the highest return. Any part of the business can be sold at auction, including but not limited to office equipment, unsold inventory, contracts, and even property. Presented in this article is a summary of the liquidations and insolvencies statistics for September 2017.

The total number of liquidations decreased by 6,4% in September 2017 compared with September 2016 (**see Table N**). Voluntary liquidations decreased by 27 cases while compulsory liquidations increased by 16 cases.

Six out of the ten industries decreased year-on-year, with construction showing the largest decrease, from 12 to 2 (10 fewer liquidations). A noteworthy increase was recorded in the trade, catering and accommodation industry, from 32 to 42 (10 more liquidations).

Liquidations decreased by 13,0% in the third quarter of 2017 compared with the third quarter of 2016. During the first nine months of 2017, the number of liquidations reflected a year-on-year decrease of 10,0%. Company



liquidations decreased by 15,2% (from 775 to 657) and close corporation liquidations decreased by 4,0% (from 692 to 644) during this period.

Table N – Total number of liquidations for September 2017

Number of liquidations September 2017	% change between September 2016 and September 2017	% change between July to September 2016 and July to September 2017	% change between January to September 2016 and January to September 2017
161	-6,4	-13,0	-10,0

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 24,5% in August 2017 compared with August 2016 (**see Table O**). A 19,0% increase was estimated between the three months ended August 2016 and the three months ended August 2017. There was a decrease of 4,4% in the first eight months of 2017 compared with the first eight months of 2016.

Table O – Total number of insolvencies for August 2017

Number of insolvencies 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
290	24,5	19,0	-4,4

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

Sandton, one of the major economic hubs in the city of Johannesburg, is famously known for its exclusive retail stores, art galleries and restaurants. Most of these exclusive outlets that attract both local and international consumers are found at the Nelson Mandela Square, which is also famous for the huge statue of the late and first black president of South Africa. However, getting access to the Square and nearby outlets on Rivonia Road



is a challenge for most people, as private motorists, taxis and buses are often caught up in the same traffic congestion. As a way of creating easy access and promoting the use of public transport, the City of Johannesburg has introduced the Sandton Public Transport Loop, which will consist of dedicated lanes to allow free traffic flow for public transport to help ease congestion. This dedicated public transport loop will mostly benefit public transport commuters as they will enjoy shorter travelling times, and it will also encourage private motorists to use public transportation. The Loop will also include bus stops with shelters for the safety of commuters as well as easy connection to other transport services such as the Gautrain. Presented in this article is a summary of the land transport survey results for August 2017.

The volume of goods transported (payload) increased by 7,6% in August 2017 compared with August 2016. The corresponding income increased by 9,5% over the same period (**see Table P**).

Income from freight transportation increased by 13,2% in the three months ended August 2017 compared with the three months ended August 2016. The main contributors to this increase were:

- primary mining and quarrying products (14,1% and contributing 4,9 percentage points);
- manufactured food, beverages and tobacco products (26,5% and contributing 3,7 percentage points); and
- agriculture and forestry primary products (25,1% and contributing 1,9 percentage points).

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

	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
Freight payload	9,4	6,5	12,9	11,9	9,3	7,6
Freight income	12,5	8,6	14,5	16,5	13,8	9,5

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 4,2% in August 2017 compared with August 2016. The corresponding income showed no growth over the same period (see **Table Q**).

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

	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
Passenger journeys	-1,0	-14,3	-4,4	-5,6	-12,1	-4,2
Passenger income	2,0	-4,4	0,9	-0,5	1,1	0,0

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 at 5,2% in September 2017

Wheat is the second most important grain crop produced in South Africa and plays an important role in national food security. In order to expand the wheat industry, the Minister of Science and Technology, Naledi Pandor, launched the national Wheat Breeding Platform (WBP) on 31 October 2017 at the Welgevallen Experimental Farm in Stellenbosch. The aim of the WBP is to assist South African farmers to increase their wheat yields and profitability. According to Pandor, the WBP will provide smallholder farmers with access to seed technology to enhance yields, productivity, income and growth opportunities, and farmers will have access to the latest seed technology. Most of the wheat produced in South Africa is bread and durum (which is used to produce pasta). Presented in this article is a summary of the Producer price index statistics for September 2017.

The annual percentage change in the PPI for final manufactured goods was 5,2% in September 2017 (compared with 4,2% in August 2017). From August 2017 to September 2017 the PPI for final manufactured goods increased by 0,7% (**see Table R**).

The main contributors to the annual rate of 5,2% were coke, petroleum, chemical, rubber and plastic products (2,4 percentage points), food products, beverages and tobacco products (0,9 of a percentage point) and wood and paper products (0,7 of a percentage point).

The main contributor to the monthly increase of 0,7% was coke, petroleum, chemical, rubber and plastic products (0,6 of a percentage point).

Intermediate manufactured goods

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

The main contributors to the annual rate of 2,1% were recycling and



manufacturing n.e.c. (1,4 percentage points), sawmilling and wood (0,6 of a percentage point) and basic and fabricated metals (0,5 of a percentage point).

The main contributor to the monthly increase of 0,1% was basic and fabricated metals (0,5 of a percentage point).

Electricity and water

The annual percentage change in the PPI for electricity and water was 6,0% in September 2017 (compared with 2,6% in August 2017). From August 2017 to September 2017 the PPI for electricity and water decreased by 22,0% (**see Table R**).

The contributors to the annual rate of 6,0% were electricity (4,5 percentage points) and water (1,5 percentage points).

The contributor to the monthly decrease of 22,0% was electricity (-22,0 percentage points).

Mining

The annual percentage change in the PPI for mining was 9,5% in September 2017 (compared with 1,1% in August 2017). From August 2017 to September 2017 the PPI for mining increased by 9,2% (**see Table R**).

The main contributors to the annual rate of 9,5% were coal and gas (4,9 percentage points) and stone quarrying, clay and diamonds (1,2 percentage points).

The main contributors to the monthly increase of 9,2% were stone quarrying, clay and diamonds (5,9 percentage points), coal and gas (1,6 percentage points) and non-ferrous metal ores (1,2 percentage points).

Agriculture, forestry and fishing

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

The contributors to the annual rate of 2,0% were agriculture (0,9 of a



percentage point), forestry (0,9 of a percentage point) and fishing (0,2 of a percentage point).

The contributor to the monthly increase of 2,2% was agriculture (2,2 percentage points).

Table R – Key PPI figures for September 2017

Product	Weight	Index (2016=100)			% change	
		September 2016	August 2017	September 2017	September 2017 vs August 2017	September 2017 vs September 2016
Final manufactured goods	100,00	98,3	102,7	103,4	0,7	5,2
Intermediate manufactured goods	100,00	99,3	101,3	101,4	0,1	2,1
Electricity and water	100,00	106,6	144,8	113,0	-22,0	6,0
Mining	100,00	103,7	104,0	113,6	9,2	9,5
Agriculture, forestry and fishing	100,00	96,8	96,6	98,7	2,2	2,0

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

Headline CPI at 5,1% in September 2017

Many South Africans are already feeling the warm temperatures of the summer season, and the intake of cold drinks to cool off the heat may soon be on the increase. But for the lovers of Coke (a product of the Coca Cola Company) will have to consume less as the size of the 500 ml bottle decreased to 440 ml since the beginning of November. This decrease, however, did not have an effect on the price as it remained the same, although many consumers would expect that when the quantity or size of a product decreases, its price should also decrease. According to the Coca Cola Company, they are reconsidering many of their drinks and package sizes around the world to reduce the intake of calories and sugar by their consumers, following concerns over high sugar consumption levels and poor



health conditions such as obesity. Presented in this article is the CPI for September 2017.

Annual consumer price inflation was 5,1% in September 2017, up from 4,8% in August 2017 (**see Table S**). The consumer price index increased by 0,5% month-on-month in September 2017.

The following contributed to the annual headline consumer price inflation:

- Food and non-alcoholic beverages decreased from 1,0 percentage point in August to 0,9 of a percentage point in September. The index increased by 5,5% year-on-year.
- Housing and utilities increased from 1,1 percentage points in August to 1,2 percentage points in September. The index increased by 4,9% year-on-year.
- Transport increased from 0,6 of a percentage point in August to 0,8 of a percentage point in September. The index increased by 5,6% year-on-year.
- Miscellaneous goods and services increased from 1,1 percentage points in August to 1,2 percentage points in September. The index increased by 7,6% year-on-year

The following contributed to monthly consumer price inflation:

- Housing and utilities contributed 0,2 of a percentage point in September. The index increased by 0,9% month-on-month.
- Transport contributed 0,2 of a percentage point in September. The index increased by 1,7% month-on-month.

In September the CPI for goods increased by 4,4% year-on-year (up from 4,0% in August), and the CPI for services increased by 5,8% year-on-year (up from 5,6% in August).



Provincial annual inflation rates ranged from 3,8% in Mpumalanga to 6,3% 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	103,8				
	Rate	6,6	6,3	6,1	5,3	5,4	5,1	4,6	4,8	5,1				

^{1/} Annual average.

A full release on the *Consumer price index* (Statistical release P0141) is available on the Stats SA website:



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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