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## Editor's comment

Freedom Day is a public holiday in South Africa celebrated on 27 April each year. On this day in 1994, South Africa had the first national and non-racial elections where South African citizens of voting age of over 18 years from any race group were allowed to vote. Previously, under the apartheid government, non-whites in general had only limited rights to vote while indigenous black South Africans had no voting rights. Freedom Day also commemorates the heroes and heroines who fought against colonialism and apartheid, many of which served years in prison during the liberation movement. After 25 years since South Africa had its first national and free elections, South Africans will once again cast their votes on 8 May 2019. Eligible voters can go to a local voting station at which they are registered in order to make their mark on the national and provincial ballot papers. For those who will be out of town on election day, they can visit any voting station, however, they will only be allowed to make their mark on the national ballot paper and not the provincial one. The President of South Africa, Cyril Ramaphosa declared 8 May 2019 as a public holiday and encourages citizens to use the day to exercise their right to vote.

In this month's issue of *Mbalo Brief*, our educational article is based on *Higher education and skills in South Africa*, with a focus on individuals aged 18–24, their attendance of educational institutions, participation in post-school education and higher education attainment. Also have a look at our monthly crossword and solutions for the March 2019 puzzle.

Articles published in this issue are based on results of industry surveys conducted for the months ranging from January to February 2019.

For more details on any of the surveys, visit our website at:  
[www.statssa.gov.za](http://www.statssa.gov.za)





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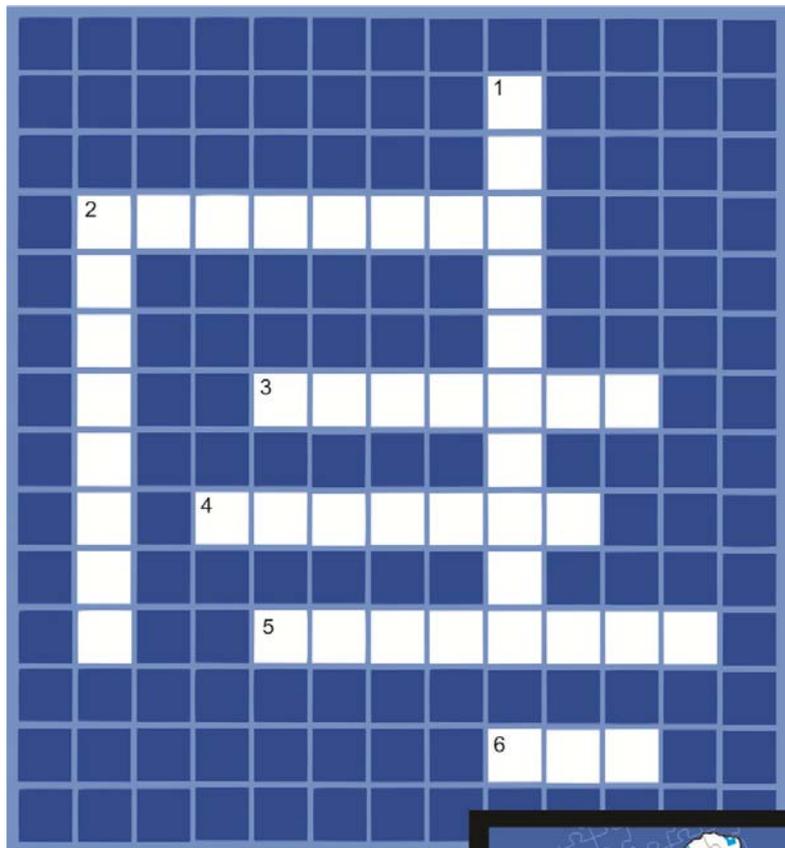
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## Crossword puzzle





### Across

2. What is the capital city of Botswana?
3. Which province had the highest attendance of educational institutions by individuals aged 18–24 by province in 2017? Read educational article for clue.
4. South African Doctors successfully completed the world's first ever middle ear transplant in the world. Give the name of the leading surgeon.
5. A year, occurring once every four years, which has 366 days including 29 February is called?
6. In which month is South Africa going to have its elections in 2019?

### Down

1. Which holiday is celebrated on 27 April yearly?
2. The castle of....is the oldest colonial building in South Africa. Fill in the missing words.

## Solutions for March 2019 puzzle

### Across

1. March
4. Paper
5. Ethiopian
7. Buhari

### Down

2. Baleka Mbete
3. Fifty four
- Gas





# Educational article on higher education and skills in South Africa, 2017

## Introduction

The National Development Plan (NDP) envisages that by 2030, South Africans should have access to education and training of the highest quality. In fulfilling the NDP's vision, the Department of Higher Education and Training (DHET) is busy ensuring that more institutions are established, higher and further education institutions and skills development programmes are improved and education and training institutions are better linked to the working environment. The DHET also strives to ensure that the graduates of the post-school system should have adequate skills and knowledge to meet the current and future needs of the economy and society, and that students never gain a terminal qualification (the highest qualification awarded in a given field) that prevents them from gaining further training in other institutions.

This article is based on the *Education Series Volume V: Higher education and skills in South Africa, 2017*, Report No. 92-01-05 (2017), published on 28 March 2019. The article focuses on individuals aged 18–24, their attendance of educational institutions, participation in post-school education and skills development and higher education attainment. The article uses General Household Survey (GHS) and Higher Education Management Information System (HEMIS) and Technical and Vocational Education and Training Management Information System (TVETMIS) of the Department of Higher Education and Training (DHET).

## Attendance of educational institutions

Attendance is measured through the General Household Survey (GHS) conducted by Statistics South Africa (Stats SA) by asking the respondent if he/she was currently attending an educational institution. The purpose of using the GHS data is to analyse the level of post-school transition by young individuals.

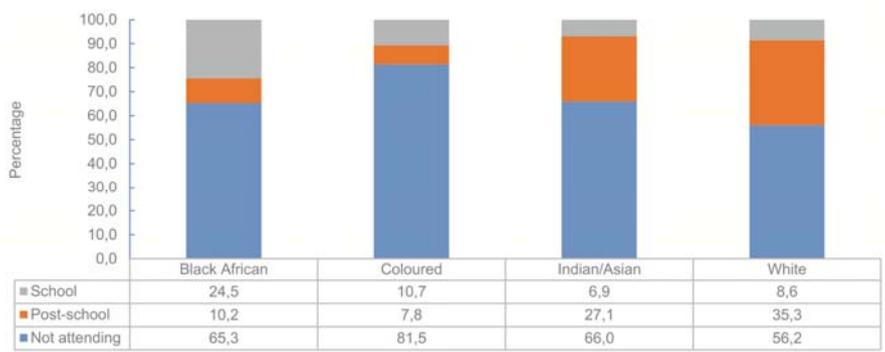




### Attendance of educational institutions by individuals aged 18-24 by population group, 2017

According to the General Household Survey (GHS), in 2017 the white (43,9%), black African (34,7%) and Indian/Asian (34,0%) population groups aged 18–24 years were the most likely to attend educational institutions. Compared to the other population groups, a lower percentage of the coloured population group (18,5%) aged 18–24 years were the least likely to attend educational institutions. Among those attending educational institutions, whites (35,3%) were the most likely to attend post-school educational institutions, followed by Indian/Asians (27,1%), while a lower percentage of black Africans (10,2%) and coloureds (7,8%) were least likely to attend post-school educational institutions.

**Figure 1: Attendance of educational institutions by individuals aged 18-24 by population group, 2017**



Source: GHS 2017

### Attendance of educational institutions by individuals aged 18–24 by gender, 2017

In 2017, only 33,8% of individuals aged 18–24 years for both males and females were attending educational institutions. Females (12,9%) were more likely to attend post-school educational institutions than males (10,2%).



## Attendance of educational institutions by individuals aged 18–24 by province, 2017

In 2017, the highest youth attendance rate was observed in Limpopo (47,9%), followed by Eastern Cape (38,6%) and Mpumalanga (36,7%). These youth were most likely to attend secondary school. The lowest percentages of youth attending educational institutions were found in the Northern Cape (19,0%) and Western Cape (20,9%). Gauteng (19,6%) and Western Cape (11,9%) had the highest percentage of individuals attending post-school educational institutions.

## Reasons for not attending educational institutions by individuals aged 18–24 by population group and province, 2017

Of the 2,8 million youth aged 18–24 years who were not attending any educational institutions, half of them (1,4 million) reported that they had no money for fees. Close to 20% (555 019) did not study because they were satisfied with the level of education that they had achieved and 18% (513 553) could not study because of poor academic performance. The remaining 12% (329 449) could not study due to family commitments. Among black African youth, more than half (53%) did not study because they did not have money for fees. By contrast, only 28% of white youth reported not being able to attend educational institutions due to lack of funds. The majority of white youth (53%) reported that they were not studying because they were satisfied with their education level. In addition, 43% of the coloured and Indian/Asian youth gave similar reasons for not attending educational institutions. Among black Africans, only 15% stated that they were not studying because they were satisfied with their level of education and 20% did not study due to their poor academic performance.

The provincial results indicate that the principal reason for the youth aged 18–24 years residing in Free State (67,3%), Gauteng (61,2%), Mpumalanga (56,3%), KwaZulu-Natal (53,5%) and North West (53,3%) not attending any educational institution was lack of money for school fees. In Western Cape, most youth reported that they were not studying because they were satisfied with their level of education (45%), while 42,2% in the same province indicated that they did not have money for fees. In Limpopo, most youth claimed that they did not attend any educational institutions due to poor academic performance (43,5%), while 37,5% indicated that they did not attend due to lack of finances.



## Participation in post-school education and skills development

### Trends in enrolment at universities and technikons, 2000–2016

Enrolment at universities and technikons increased steadily over the past sixteen years. In 2000, there were 578 134 registered students, and by 2016 the number increased to 975 837. The percentage of enrolled students increased by 38,2% between 2000 and 2008 and by 22,0% between 2008 and 2016.

### Trends on enrolment at Technical and Vocational Education and Training (TVET) colleges, 2010–2016

There was generally a large increase in TVET college enrolments from 2010 to 2016, with the highest student enrolment numbers recorded in 2015 (737 880). The biggest increase in enrolment rates (64,3%) took place between 2011 and 2012.

### Enrolment at TVET colleges by qualification category and gender, 2010 and 2016

In 2010, there were 345 566 enrolled students, of which more than half (52,9% or 182 786) were males and 47,1% (or 162 780) were females. Participation in Report 191 (N1-N6) programmes, also referred to as NATED programmes, was higher than any other programme, followed by National Certificate (Vocational) NC(V) programmes (programmes offered at NQF levels 2–4). Adult Education and Training (AET) programmes were the programmes with the lowest enrolment levels. Enrolment in Report 191 programmes was more likely to be chosen by male (52,6%) than female students (47,4%). The majority of enrolments in AET programmes (82,6%) were by male students and around 17,4% were made by female students.



**Table 1: Enrolment at TVET colleges by qualification category and gender, 2010**

Qualification category	Statistics (numbers in thousands)	Gender		Total
		Male	Female	
Report 191 (N1-N6)	Number	222 058	269 968	492 026
	Percent	45,1	54,9	100
NC(V)	Number	65 419	111 842	177 261
	Percent	36,9	63,1	100
Occupational Qualifications	Number	4 985	8 657	13 642
	Percent	36,5	63,5	100
Other	Number	12 066	10 402	22 468
	Percent	53,7	46,3	100
Total	Number	304 528	400 869	705 397
	Percent	43,2	56,8	100

Source: DHET (TVETMIS)

There were 705 397 students enrolled in TVET colleges in 2010, of which more than half (56,8%) were females and 43,2% were males. More female students enrolled for Report 191 (N1–N6) (54,9%), NC(V) (63,1%), and occupational qualifications (63,5%) compared to male students (45,1%, 36,9% and 36,5%, respectively).

## Higher education attainment

In this section, data is presented on the gender and race composition of graduates at different stages of higher education qualifications. The disparity in higher education opportunities for young people from affluent households as compared to those from poor households is also highlighted.

### Graduates of public universities and technikons by gender, 2000-2016

The highest percentage of graduates were female and their percentage relative to males has been rising since 2000. In 2000, more than half of the total graduates were female (56,5%), while the percentage of male graduates was 43,5%. In 2016, close to six out of ten graduates were female.



## Graduates from public universities by qualification type, 2010–2016

The majority of students (40,0%) received bachelor degrees in 2010, while 33,8% received undergraduate certificates and diplomas. By contrast, in 2016, the percentage of those who received bachelor's degrees increased to 46,2%, while the percentage of those who received undergraduate certificates and diplomas decreased to 26,2%.

### Conclusion

The findings show that in 2017, the majority of male individuals aged 18–24 years were attending educational institutions. Most of these individuals were whites, followed by black Africans and Indians/Asians. Although the majority of males attended educational institutions at ages 18–24, females were more likely to attend post-school educational institutions than their male counterparts. Between 2000 and 2016, the majority of graduates at public universities and technikons were females. Furthermore, the majority of graduates received bachelor's degrees, followed by undergraduate certificates and diplomas.



# Primary industries

## Mining: production and sales

### *Mining production decreases and sales increase*

Platinum group metals (PGMs) are amongst the mining minerals that contribute to South Africa's mining production and sales. The PGMs comprise of six metals, namely ruthenium, rhodium, palladium, osmium, iridium and platinum, and all of them are silvery-white in appearance. The PGMs are useful in many technological devices such as computer hard disks and mobile phones, amongst others. These metals are also known for their durability, quality, and the artistic appeal of silvery-white platinum and palladium, which is used in jewellery. The Bushveld Complex found in the northern part of South Africa (which comprises the Rustenburg Layered suite, the Lebowa Granites and the Rooiberg Felsics) hosts more than half of the world's PGMs. Presented in this article is a summary of the Mining: production and sales statistics for January 2019.

Mining production decreased by 3,3% year-on-year in January 2019 (see **Table A**). The negative contributors were:

- iron ore (-27,7%, contributing -4,3 percentage points);
- gold (-22,5%, contributing -3,1 percentage points);
- diamonds (-37,0%, contributing -1,9 percentage points);
- coal (-6,4%, contributing -1,7 percentage points); and
- chromium ore (-7,3%, contributing -0,3 of a percentage point).

The largest positive contributor was PGMs (28,1%, contributing 5,2 percentage points).





**Table A – Key growth rates in the volume of mining production for January 2019**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Year-on-year % change, unadjusted	-6,7	-1,8	0,2	-5,2	-4,1	-3,3
Month-on-month % change, seasonally adjusted	3,4	0,8	2,6	-5,7	-1,6	0,2
3-month % change, seasonally adjusted <sup>1/</sup>	2,2	-2,2	-0,4	-0,4	-0,2	-4,7

<sup>1/</sup> 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](http://www.statssa.gov.za)

Mineral sales increased by 20,9% year-on-year in January 2019 (see **Table B**). The three largest contributors were:

- PGMs (45,4%, contributing 7,9 percentage points);
- iron ore (41,1%, contributing 3,9 percentage points); and
- coal (11,8%, contributing 3,8 percentage points).

**Table B – Key growth rates in mineral sales at current prices for January 2019**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Year-on-year % change, unadjusted	5,1	-2,9	3,7	10,5	17,7	20,9
Month-on-month % change, seasonally adjusted	6,3	-4,4	9,5	2,3	4,5	-2,0
3-month % change, seasonally adjusted <sup>1/</sup>	5,0	0,3	3,3	4,9	11,9	9,5

<sup>1/</sup> 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](http://www.statssa.gov.za)



## Secondary industries

### Manufacturing: Production and sales

#### *Manufacturing production increases*

Transnet National Ports Authority (TNPA) is one of five operating divisions of Transnet SOC Ltd. The TNPA is responsible for the safe, effective and efficient economic functioning of the national ports system. One of TNPA's ports, the Port of Ngqura (a deep-water port on the east coast of South Africa, in Port Elizabeth), recently hosted the launch of the first ever locally manufactured aluminium vessels by a local boat manufacturer, Legacy Marine. Legacy Marine's shipyard is based in Perseverance in Port Elizabeth. In the past, the low bridges blocked the route to the Port of Port Elizabeth, restricting the building of larger vessels. When the new Port of Ngqura became an alternative port in 2007, it contributed to the expansion of boat manufacturing in the Eastern Cape, allowing the manufacturing of new vessels and providing a boost to the boat manufacturing sector. Presented in this article is a summary of the manufacturing production and sales statistics for January 2019.

Manufacturing production increased by 0,3% in January 2019 compared with January 2018 (**see Table C**). The largest positive contributions were made by the following divisions:

- food and beverages (2,9%, contributing 0,8 of a percentage point); and
- petroleum, chemical products, rubber and plastic products (0,9%, contributing 0,2 of a percentage point).

**Table C – Key growth rates in the volume of manufacturing production for January 2019**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Year-on-year % change, unadjusted	1,6	-0,1	3,1	0,9	0,0	0,3
Month-on-month % change, seasonally adjusted	0,2	-0,9	1,4	-0,2	1,0	-2,0
3-month % change, seasonally adjusted <sup>1/</sup>	1,9	1,7	1,0	0,6	1,1	0,4

<sup>1/</sup> 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](http://www.statssa.gov.za)

## Selected building statistics of the private sector

### *Value of recorded building plans passed decreases*

The Leonardo, which currently rises 150 metres above Sandton’s skyline, will soon become the new holder of the ‘tallest building in Africa’ title once it is completed later this year. It is set to be at least 230 metres tall, pushing past the Carlton Centre, the current tallest building in Africa. The Leonardo is a mixed-use development that will include luxury residential units, office space, a conference centre, gym, spa, a crèche as well as a lifestyle and recreation zone. It will also be technologically advanced and environmentally friendly. With this new transformation, the skyscraper will boost the area’s appeal as a live, work and play destination. Presented in this article is a summary of the key findings from the Selected building statistics of the private sector release for February 2019.

### **Total value of recorded building plans passed at current prices**

The value of recorded building plans passed decreased by 1,6% (-R107,6 million) in January 2019 compared with January 2018 (**see Table D**). Decreases were recorded for additions and alterations (-10,7% or -R219,7 million) and residential buildings (-5,0% or -R172,8 million). Non-residential buildings rose by 21,5% (R284,9 million).



The largest negative contributions to the total decrease of 1,6% (-R107,6 million) were made by the following provinces:

- Gauteng (contributing -8,1 percentage points or -R552,5 million);
- Free State (contributing -5,2 percentage points or -R355,6 million); and
- Eastern Cape (contributing -3,1 percentage points or -R207,7 million).

KwaZulu-Natal (contributing 14,8 percentage points or R1 005,7 million) was the largest positive contributor.

**Table D – Recorded building plans passed by larger municipalities: January 2018 versus January 2019**

Estimates at current prices	January 2018 1/	January 2019 1/	Difference in value between January 2018 and January 2019	% change between January 2018 and January 2019
	R'000	R'000	R'000	
<b>Residential buildings</b>	3 423 823	3 251 014	-172 809	-5,0
- Dwelling houses	2 204 998	1 741 708	-463 290	-21,0
- Flats and townhouses	1 187 871	1 474 019	286 148	24,1
- Other residential buildings	30 954	35 287	4 333	14,0
<b>Non-residential buildings</b>	<b>1 326 388</b>	<b>1 611 299</b>	<b>284 911</b>	<b>21,5</b>
<b>Additions and alterations</b>	<b>2 048 834</b>	<b>1 829 140</b>	<b>-219 694</b>	<b>-10,7</b>
<b>Total</b>	<b>6 799 045</b>	<b>6 691 453</b>	<b>-107 592</b>	<b>-1,6</b>

1/ 2018 and 2019 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 at [www.statssa.gov.za](http://www.statssa.gov.za)



## Electricity generated and available for distribution

### Electricity generation decreases

The Eskom electricity tariffs increased by 14% on 1 April 2019. The National Energy Regulator of South Africa (NERSA) granted Eskom consecutive increase allowances totalling 22,7% by 2022. These increases are broken down into: 9,41% increase for 2019/2020; 8,10% for 2020/2021 and a further 5,83% for the 2021/2022 financial year. The increases are in addition to the 4,41% that NERSA had already granted Eskom as part of its Regulatory Clearing Account (RCA) grant. The RCA refers to funds that Eskom can recover due to an electricity shortfall or an escalation in operating costs. This means that consumers such as businesses and labour and civil society will be paying more for their electricity. Presented in this article is a summary of the key findings of the Electricity generated and available for distribution release for February 2019.

Electricity generation (production) decreased by 1,9% year-on-year in February 2019 (see Table E).

**Table E – Key growth rates in the volume of electricity generated for February 2019**

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Year-on-year % change, unadjusted	-0,8	0,8	-0,2	-1,6	-2,1	-1,9
Month-on-month % change, seasonally adjusted	0,4	0,8	-0,5	-0,3	-0,9	-0,1
3-month % change, seasonally adjusted <sup>1/</sup>	-0,4	-0,5	0,4	0,4	-0,3	-1,0

<sup>1/</sup> 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](http://www.statssa.gov.za)

Electricity distribution (consumption) decreased by 1,0% year-on-year in February 2019 (see Table F).



**Table F – Key growth rates in the volume of electricity distributed for February**

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Year-on-year % change, unadjusted	0,7	2,2	0,9	0,1	0,1	-1,0
Month-on-month % change, seasonally adjusted	-0,3	0,8	-1,2	0,9	-0,7	-1,2
3-month % change, seasonally adjusted <sup>1/</sup>	0,2	-0,2	0,0	0,1	-0,4	-0,5

<sup>1/</sup> 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](http://www.statssa.gov.za)



# Tertiary industries

## Wholesale trade sales

### *Wholesale trade sales increase*

One of the biggest developments in the wholesale industry is the transformation of warehouses into smart warehouses. In these smart warehouses, wholesalers make use of robotics. Robots pick up, move goods and then transport them to the operatives (workers), who pack and distribute the orders. These robots use WIFI to receive instructions and are embedded with laser sensors that enable them to avoid collisions. They are said to save workers a lot of time and effort as well as contribute to an increase in efficiency and output, as they allow wholesalers to process more orders. Presented in this article is a summary of the key results from the Wholesale trade sales release for January 2019.

Wholesale trade sales increased by 5,0% in January 2019 compared with January 2018 (**see Table G**). The main positive contributors were dealers in:

- solid, liquid and gaseous fuels and related products (12,8%, contributing 2,9 percentage points); and
- precious stones, jewellery and silverware (75,9%, contributing 1,7 percentage points).

Wholesale trade sales increased by 4,3% in the three months ended January 2019 compared with the three months ended January 2018. The main contributors to this increase were dealers in:

- solid, liquid and gaseous fuels and related products (15,4%, contributing 3,3 percentage points); and
- machinery, equipment and supplies (13,4%, contributing 1,7 percentage points).



**Table G – Key growth rates in wholesale trade sales at current prices for January 2019**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Year-on-year % change, unadjusted	12,2	14,1	14,0	7,8	-0,5	5,0
Month-on-month % change, seasonally adjusted	2,8	2,2	1,5	-2,3	-8,0	4,1
3-month % change, seasonally adjusted <sup>1/</sup>	4,3	5,8	5,5	4,5	-0,4	-4,7

<sup>1/</sup> 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](http://www.statssa.gov.za)

## Retail trade sales

### *Retail trade sales increased*

As technology continues to change, so do business practices and marketing strategies. Take the retail industry for instance; it has transformed from just a brick-and-mortar store with shelves, aisles and queues to e-commerce where consumers can make purchases at any time, any store, any item, from different countries and have their purchases delivered right to their doors. However, this shift in the operations of the retail industry might have future consequences: for instance, if more stores decide to go online, it might result in job losses as there would not be a need for cashiers, store assistants, cleaners, security guards, etc. E-commerce also threatens the social or human interaction aspect of shopping. Thus, a shift from traditional retail to e-commerce has its pros and cons. Presented in this article are the key results of the Retail trade sales release for January 2019.

Retail trade sales increased by 1,2% year-on-year in January 2019 (**see Table H**). The largest positive annual growth rates were recorded for:

- retailers in pharmaceuticals and medical goods, cosmetics and toiletries (6,0%); and
- all 'other' retailers (3,0%).

The main contributors to the 1,2% increase were:

- retailers in pharmaceuticals and medical goods, cosmetics and toiletries (contributing 0,5 of a percentage point); and
- general dealers (contributing 0,5 of a percentage point).



Retail trade sales increased by 0,6% in the three months ended January 2019 compared with the three months ended January 2018. The main contributors to this increase were:

- retailers in household furniture, appliances and equipment (5,5%, contributing 0,3 of a percentage point); and
- all 'other' retailers (2,2%, contributing 0,3 of a percentage point).

**Table H – Key growth rates in retail trade sales for January 2019 at constant 2015 prices**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Year-on-year % change, unadjusted	2,5	0,6	2,1	2,9	-1,6	1,2
Month-on-month % change, seasonally adjusted	0,7	-0,7	0,6	2,9	-5,1	1,5
3-month % change, seasonally adjusted <sup>1/</sup>	0,5	1,4	1,1	1,7	0,6	0,2

<sup>1/</sup> 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](http://www.statssa.gov.za)

## Motor trade sales

### *Motor trade sales increase*

As the Easter holiday approaches, some people will be using their motor vehicles to embark on short or long trips to their holiday destinations for the long weekend. The Minister of Transport, Blade Nzimande, officially launched the 2019 Easter Road Safety Campaign on 8 April 2019 at a media and stakeholder breakfast held at the Golden Horse Hotel in Pietermaritzburg, KwaZulu-Natal. The campaign is aimed at reducing road accidents by creating awareness of the impact of alcohol on road users' behaviour and its contribution to road fatalities. Since alcohol abuse remains a big factor in road accidents, an Evidential Breathalyser machine was also launched at this event. Motorists will be required to blow two or three times into the machine, and the lowest level will be taken as the official result. The Evidential Breathalyser machine gives instant results, meaning a motorist can be charged and sentenced immediately. This is different from the previously used breathalyser machines, which had longer waiting periods for laboratory results that used to take up to six months. Presented in this article is a summary of the motor trade sales statistics for January 2019.



Motor trade sales increased by 0,8% year-on-year in January 2019 (see **Table I**). Positive annual growth rates were recorded for:

- used vehicle sales (4,2%);
- workshop income (2,3%);
- sales of accessories (1,3%); and
- convenience store sales (0,3%).

Motor trade sales showed no growth in the three months ended January 2019 compared with the three months ended January 2018. Fuel sales increased by 8,4% (contributing 2,3 percentage points) while new vehicle sales decreased by 5,8% (contributing -1,5 percentage points).

**Table I – Key growth rate figures in motor trade sales for January 2019**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Year-on-year % change, unadjusted	6,6	1,2	6,1	3,0	-4,0	0,8
Month-on-month % change, seasonally adjusted	2,0	-0,8	1,7	-0,5	-4,2	1,3
3-month % change, seasonally adjusted <sup>1/</sup>	0,9	2,3	1,9	1,1	0,0	-2,1

<sup>1/</sup> 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.za](http://www.statssa.gov.za)

## Food and beverages

### ***Total income generated by the food and beverages industry increased***

In an effort to fight hunger and create sustainable food gardens, the Shoprite Group joined forces with community organisations to enable communities to sell food items from their gardens through an annual initiative called “Market Day”. This year’s Market Day was held on 4 April 2019 at many selected Shoprite and Checkers stores across South Africa. Presented in this article is a summary on food and beverage statistics for January 2019.



Total income generated by the food and beverages industry increased by 2,0% in January 2019 compared with January 2018 (see Table J). Positive annual growth rates were recorded for:

- food sales (2,0%); and
- bar sales (1,5%).

In January 2019, positive annual growth rates were recorded for:

- restaurants and coffee shops (3,5%, contributing 1,8 percentage points); and
- takeaway and fast-food outlets (1,3%, contributing 0,4 of a percentage point).

Total income increased by 5,3% in the three months ended January 2019 compared with the three months ended January 2018. The main contributor to this increase was restaurants and coffee shops (9,1%, contributing 4,6 percentage points).

**Table J – Year-on-year percentage change in food and beverages income at constant prices by type of income – January 2019**

Type of income	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Food sales	4,2	1,0	3,0	7,7	8,2	2,0
Bar sales	-6,9	-7,1	-9,8	-5,9	-6,2	1,5
Other income	-1,2	-6,8	-8,8	-24,3	-7,3	-1,9
<b>Total</b>	<b>3,5</b>	<b>0,4</b>	<b>2,1</b>	<b>6,3</b>	<b>7,0</b>	<b>2,0</b>

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



## Tourist accommodation

### ***Total income for tourist accommodation industry decreased by 3,7%***

A timeshare, commonly known as a vacation ownership, is a property with a divided form of ownership or rights of use. These properties are usually located in high-demand holiday destinations such as beaches and resorts to provide accommodation for tourists. Each owner of the unit at the timeshare property is allocated time to use their units for accommodation during different periods and seasons in the year. For example, there is a minimum purchase of a one-week ownership, whereby the owner can stay at their unit during a specific allocated and arranged date. Some of these units are leased to tenants during a period when the owner is not using the unit. South Africa has one of the fastest-growing timeshare markets. According to the Vacation Ownership Association of Southern Africa (VOASA), timeshare comprises 63% of the beachfront properties in Umhlanga, 60% of the properties in the Drakensberg and 70% of the properties in the Hazyview/Kruger Park area. Presented in this article is a summary of the tourist accommodation statistics for January 2019.

Total income for the tourist accommodation industry decreased by 3,7% in January 2019 compared with January 2018 (**see Table K**).

Income from accommodation decreased by 3,7% year-on-year in January 2019, the result of a 2,4% decrease in the number of stay unit nights sold and a 1,4% decrease in the average income per stay unit night sold.

The main contributors to the 3,7% year-on-year decrease in income from accommodation in January 2019 were:

- guest-houses and guest-farms (contributing -1,6 percentage points); and
- 'other' accommodation (contributing -1,3 percentage points).

In January 2019, the types of accommodation that recorded the largest negative year-on-year growth in income from accommodation were:

- guest-houses and guest-farms (-21,9%); and
- caravan parks and camping sites (-16,5%).



**Table K – Year-on-year percentage change in tourist accommodation statistics for January 2019**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Stay units available	0,2	-0,1	-0,1	-0,2	-0,1	-0,2
Stay unit nights sold	-0,8	-0,7	-0,9	-3,4	-3,0	-2,4
Average income per stay unit night sold	2,7	5,2	0,5	8,3	0,9	-1,4
Income from accommodation	1,9	4,5	-0,4	4,6	-2,1	-3,7
<b>Total income <sup>1/</sup></b>	<b>4,8</b>	<b>3,9</b>	<b>-0,8</b>	<b>2,7</b>	<b>-3,3</b>	<b>-3,7</b>

<sup>1/</sup> Includes restaurant and bar sales and 'other' income.  
 A full release on *Tourist accommodation* (Statistical release P6410) is available on the Stats SA website: [www.statssa.gov.za](http://www.statssa.gov.za)

## Tourism and migration

### ***More than four million travellers passed through South Africa's ports of entry in January 2019***

Cruise tourism is boosting the economy of the country as many international cruise travellers visit South African coasts. Cruise tourism is a form of travelling for leisure purposes, involving an all-inclusive holiday on a cruise ship. A cruise can be a one-way or a round trip and entails several visits to harbours where passengers can explore and experience the tourist attractions, activities, shopping, etc. in a city or region. Cape Town has been deemed tourism hotspot as it continues to welcome most of the cruise ships. According to Beverly Schäfer, a Member of the Executive Committee (MEC) of Economic Opportunities in Western Cape, a total of 17 518 cruise travellers have landed in the city between October 2018 and 20 January 2019. These vessels were also carrying 6 562 crew members. MEC Schäfer said "We're seeing cruising growing in popularity around the world, and we're also starting to see both an increase in local cruising along our coast, as well as increased numbers of international operators using Cape Town as a turn-around port." For the 2019/2020 season, 30 vessels are expected to make 49 stops in Cape Town, while for the 2020/21 season, 32 vessels making 67 stops have already been confirmed. Presented in this article is a summary of the tourism and migration statistics for January 2019.



## Number of travellers

A total of 3 818 462 travellers (arrivals, departures and transits) passed through South African ports of entry in January 2019. These travellers were made up of 1 032 021 South African residents and 2 786 441 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 626 128 arrivals, 405 062 departures and 831 travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 561 510, 1 169 796 and 55 135, respectively.

A comparison between the movements in January 2018 and January 2019 indicates that the volume of arrivals and departures decreased for both South African residents and foreign travellers. Travellers in transit increased for both groups. For South African residents, the volume of arrivals decreased by 2,0% (from 638 928 in January 2018 to 626 128 in January 2019), departures decreased by 2,5% (from 415 543 in January 2018 to 405 062 in January 2019), and transits increased by 4,3% (from 797 in January 2018 to 831 in January 2019). For foreign travellers, arrivals decreased by 2,3% (from 1 598 893 in January 2018 to 1 561 510 in January 2019), departures decreased by 3,3% (from 1 209 841 in January 2018 to 1 169 796 in January 2019), and transits increased by 2,3% (from 53 909 in January 2018 to 55 135 in January 2019).

A comparison between the movements in December 2018 and January 2019 indicates that the volume of arrivals, departures and travellers in transit decreased for both South African residents and foreign travellers. For South African residents, the volume of arrivals decreased by 0,7% (from 630 785 in December 2018 to 626 128 in January 2019), departures decreased by 52,0% (from 843 975 in December 2018 to 405 062 in January 2019), and transits decreased by 11,5% (from 939 in December 2018 to 831 in January 2019). For foreign travellers, arrivals decreased by 2,0% (from 1 594 112 in December 2018 to 1 561 510 in January 2019), departures decreased by 27,1% (from 1 605 326 in December 2018 to 1 169 796 in January 2019), and transits decreased by 9,3% (from 60 757 in December 2018 to 55 135 in January 2019).

## Mode of travel

In January 2019, road transport was the most common mode of travel used by 2 669 646 (69,9%) of the 3 818 462 travellers. The total number of travellers who used air transport was 1 103 754 (28,9%). Compared to the



use of air and land transport, a small number of travellers, 45 062 (1,2%) used sea transport. Information on arrivals of South African residents shows that 240 931 (38,5%) came by air, 373 942 (59,7%) came by road and 11 255 (1,8%) arrived by sea transport. For departures, 163 896 (40,5%) used air, 230 293 (56,9%) used road and 10 873 (2,7%) left by sea transport. All travellers in transit, 831 (100,0%) used air transport.

In the case of foreign travellers, 308 409 (19,8%) arrived by air, 1 242 408 (79,6%) came by road and 10 693 (0,7%) arrived by sea transport. When departing South Africa, 334 552 (28,6%) foreign travellers left by air, 823 003 (70,4%) left by road and 12 241 (1,0%) left by sea transport. All travellers in transit 55 135 (100,0%) used air transport. The 383 332 same-day visitors, an overwhelming majority, 365 774 (95,4%) arrived in the country by road, 17 350 (4,5%) flew into the country; and 208 (0,1%) arrived by sea transport. Information on tourists shows that 793 850 (74,3%) used road transport, 270 105 (25,3%) came by air transport and 4 235 (0,4%) arrived by sea transport.

### **Purpose of visit**

In January 2019, the majority of tourists, 1 036 173 (97,0%), were in South Africa for holiday compared to 18 845 (1,8%); 12 604 (1,2%) and 568 (0,1%) who were in South Africa for business, study and for medical treatment respectively.

### **Sex and age distribution**

In January 2019, there were 601 691 (56,3%) male and 466 499 (43,7%) female tourists. Overseas tourists were made up of 123 506 (53,0%) male tourists and 109 366 (47,0%) female tourists. There were 468 038 (57,1%) male and 351 857 (42,9%) female tourists from SADC countries. Tourists from 'other' African countries were made up of 9 565 (65,9%) male and 4 941 (34,1%) female tourists.



**Table L – Number of South African residents and foreign travellers by travel direction: January 2019**

Travel direction	January 2018	December 2018	January 2019	% change between December 2018 and January 2019	% change between January 2018 and January 2019
<b>Total</b>	<b>3 917 911</b>	<b>4 735 894</b>	<b>3 818 462</b>	<b>-19,4%</b>	<b>-2,5%</b>
<b>South African residents</b>	<b>1 055 268</b>	<b>1 475 699</b>	<b>1 032 021</b>	<b>-30,1%</b>	<b>-2,2%</b>
Arrivals	638 928	630 785	626 128	-0,7%	-2,0%
Departures	415 543	843 975	405 062	-52,0%	-2,5%
Transit	797	939	831	-11,5%	4,3%
<b>Foreign travellers</b>	<b>2 862 643</b>	<b>3 260 195</b>	<b>2 786 441</b>	<b>-14,5%</b>	<b>-2,7%</b>
Arrivals	1 598 893	1 594 112	1 561 510	-2,0%	-2,3%
Departures	1 209 841	1 605 326	1 169 796	-27,1%	-3,3%
Transit	53 909	60 757	55 135	-9,3%	2,3%
<b>Foreign arrivals</b>	<b>1 598 893</b>	<b>1 594 112</b>	<b>1 561 510</b>	<b>-2,0%</b>	<b>-2,3%</b>
Non-visitors	95 904	78 764	109 988	39,6%	14,7%
Visitors	1 502 989	1 515 348	1 451 522	-4,2%	-3,4%
<b>Visitors</b>	<b>1 502 989</b>	<b>1 515 348</b>	<b>1 451 522</b>	<b>-4,2%</b>	<b>-3,4%</b>
Arrivals only	586 277	368 845	577 621	56,6%	-1,5%
Single trips	424 946	569 018	412 844	-27,4%	-2,8%
Multiple trips	491 766	577 485	461 057	-20,2%	-6,2%
<b>Visitors</b>	<b>1 502 989</b>	<b>1 515 348</b>	<b>1 451 522</b>	<b>-4,2%</b>	<b>-3,4%</b>
Same-day	399 049	508 193	383 332	-24,6%	-3,9%
Tourists	1 103 940	1 007 155	1 068 190	6,1%	-3,2%

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



## Statistics of civil cases for debt

### *Total number of civil summonses issued for debt decreases*

Reckless lending is one of the many causes of over-indebtedness. According to the National Credit Act, 2005 (Act No. 4 of 2005), reckless lending is when a credit provider does not conduct an affordability assessment before entering into a credit agreement with a consumer. If a consumer does not understand and acknowledge the risks, costs or obligations of the credit agreement he or she enters into, such an agreement is also considered reckless lending. Lastly, if a consumer becomes over-indebted as a result of entering into a credit agreement, this too is classified as reckless lending. Any credit agreement entered into after 31 May 2007 can qualify for reckless lending if it falls within the definition of reckless lending. However, the reckless lending rule does not apply to credit agreements in a company name, nor do they apply to school or student loans, pawn transactions and incidental credit agreements (Credit offered to consumers stipulating a date for payment, where after, a fee, charge or interest will be payable if the payment is not received on the agreed date). It is therefore the responsibility of the credit provider to conduct a thorough affordability assessment before granting any credit to the consumer, and equally so, it is the responsibility of the consumer to fully and truthfully answer questions to enable the credit provider to make a proper assessment to avoid reckless lending. If the court declares that a credit agreement was a case of reckless lending, the consumer can have the debt written off. Presented in this article is a summary of the key results for the Statistics of civil cases for debt release for January 2019.

### **The number of civil summonses issued for debt**

The total number of civil summonses issued for debt decreased by 9,9% in the three months ended January 2019 compared with the three months ended January 2018 (**see Table M**). The largest contributors to the 9,9% decrease for civil summonses issued were:

- 'other' debts (contributing -2,5 percentage points);
- services (contributing -2,4 percentage points);
- money lent (contributing -1,9 percentage points); and
- promissory notes (contributing -1,8 percentage points).



## **The number of civil judgements recorded for debt**

The total number of civil judgements recorded for debt decreased by 3,4% in the three months ended January 2019 compared with the three months ended January 2018. The largest negative contributions to the 3,4% decrease were civil judgements relating to:

- money lent (contributing -2,3 percentage points);
- promissory notes (contributing -2,1 percentage points); and
- 'other' debts (contributing -0,1 of a percentage point).

## **The value of civil judgements recorded for debt**

The total value of civil judgements recorded for debt decreased by 7,0% in the three months ended January 2019 compared with the three months ended January 2018. The largest negative contributions to the 7,0% decrease were the value of judgements relating to:

- promissory notes (contributing -3,3 percentage points);
- 'other' debts (contributing -1,7 percentage points); and
- money lent (contributing -1,4 percentage points).

In January 2019, 16 359 civil judgements for debt amounting to R270,6 million were recorded. The largest contributors to the total value of judgements were:

- money lent (R75,0 million or 27,7%);
- 'other' debts (R58,7 million or 21,7%); and
- services (R56,2 million or 20,8%).



**Table M – Key figures for civil summonses and judgements for January 2019**

Actual estimates	January 2019	% change between January 2018 and January 2019	% change between November 2017 to January 2018 and November 2018 to January 2019
Number of civil summonses issued for debt	39 262	-1,0	-9,9
Number of civil judgements recorded for debt	16 359	8,3	-3,4
Value of civil judgements recorded for debt (R million)	270,6	0,9	-7,0

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

## Statistics of liquidations and insolvencies

### ***Number of liquidations decreased and insolvencies increased***

Company administration is another formal insolvency procedure that takes place for the same reason as a liquidation process. However, there is a difference between the two, both in objective and application. Company administration is entered into with a view to business rescue and recovery so that the company can avoid insolvency. In the pursuit to avoid the shutting down of the company, a company administration process prevents any legal action against the company and provides valuable time to use the expertise of a licensed insolvency practitioner to try and turn the company around. On the other hand, the company liquidation process is used to realise a company’s assets with the objective to shut down the company, with no consideration given to rescue or recovery. Presented in this article is the summary of the liquidation and insolvency statistics for the month of January 2019.

The total number of liquidations recorded decreased by 12,6% (21 fewer cases) in February 2019 compared with February 2018 (**see Table N**). Liquidations of companies decreased by 16 cases, while liquidations of close corporations decreased by 5 cases.



There was an increase of 5,2% in the three months ended February 2019 compared with the three months ended February 2018.

**Table N – Total number of liquidations for February 2019**

Number of liquidations February 2019	% change between February 2018 and February 2019	% change between December 2017 to February 2018 and December 2018 to February 2019	% change between January to February 2018 and January to February 2019
146	-12,6	5,2	6,3

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

The number of insolvencies estimated increased by 20,3% in January 2019 compared with January 2018 (**see Table O**). A 38,3% decrease was estimated in the three months ended January 2019 compared with the three months ended January 2018.

**Table O – Total number of insolvencies for January 2019**

Number of insolvencies January 2019	% change between January 2019 and January 2018	% change between November 2017 to January 2018 and November 2018 to January 2019
166	20,3	38,3

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

## Land transport

### *Volume of goods transported increases*

Road traffic accidents are a leading cause of death around the world and remain a problem globally. In order to curb the high incidents of road accidents, the Road Traffic Management Corporation (RTMC) intends to overhaul South Africa's current testing and driving rules. According to the RTMC, a complete overhaul of the K53 driving test will require motorists to undertake a retest every five years when renewing their driver's licences. On the other hand, newly qualified drivers may not make long road trips in their



first year (more than 150 km or more) and they must still be accompanied by an experienced driver for the first six months after they have attained their driver's licence. Additional testing will also be required for truck, bus and taxi drivers. The RTMC will make submissions to the Minister of Transport, Blade Nzimande, and to Parliament for approval once proposals are completed. Presented in this article is a summary of the land transport survey results for January 2019.

The volume of goods transported (payload) increased by 6,9% in January 2019 compared with January 2018 (**see Table P**).

Income from freight transportation increased by 9,4% in the three months ended January 2019 compared with the three months ended January 2018. The main contributors to this increase were:

- primary mining and quarrying products (17,5%, contributing 6,1 percentage points); and
- chemicals, coke, petroleum, rubber, plastic and other mineral products (11,8%, contributing 0,9 of a percentage point).

**Table P – Year-on-year percentage change in freight transportation: January 2019**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-18
Freight payload	7,9	6,2	7,0	13,3	5,2	6,9
Freight income	8,7	7,5	8,3	13,3	6,4	8,1

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

The number of passenger journeys decreased by 10,4% in January 2019 compared with January 2018. The corresponding income decreased by 0,4% over the same period (**see Table Q**).

**Table Q – Year-on-year percentage change in passenger transportation: January 2019**

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-18
Passenger journeys	-9,6	-10,4	-12,5	-5,0	-9,7	-10,4
Passenger income	-1,6	-5,2	2,9	3,0	3,6	-0,4

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



# Prices

## Producer price index (PPI)

### *Headline PPI at 4,7%*

In March last year (2018), South African pork producers encountered a challenging time as a result of the listeriosis outbreak. Since the announcement that traces of listeria were found in some ready-to-eat meats such as polony and other processed meat, consumers were wary of purchasing these products. As a result, pork producers were forced to drop the prices of pork from R28 per kilogram to R19 per kilogram and in some cases, R10 per kilogram due to a decrease in demand. However, this challenge opened up a new market for producers: the decrease in prices meant that fresh pork as well as quality cuts of pork, were now more affordable. This ultimately increased the exposure and demand for fresh pork, increasing sales of fresh pork and providing an opportunity for a new customer base. Presented in this article is a summary of the key results from the Producer price index (PPI) release for February 2019.

### **Final manufactured goods – headline PPI**

The annual percentage change in the PPI for final manufactured goods was 4,7% in February 2019 (compared with 4,1% in January 2019) (**see Table R**).

From January 2019 to February 2019, the PPI for final manufactured goods increased by 0,3%. The main contributors to the annual rate of 4,7% were:

- coke, petroleum, chemical, rubber and plastic products (1,3 percentage points);
- food products, beverages and tobacco products (1,1 percentage points); and
- paper and printed products (0,6 of a percentage point).

The main contributor to the monthly increase of 0,3% was food products, beverages and tobacco products (0,2 of a percentage point).



## Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 3,9% in February 2019 (compared with 3,8% in January 2019) **(see Table R)**. The main contributors to the annual rate of 3,9% were basic and fabricated metals (2,0 percentage points) and chemicals, rubber and plastic products (1,4 percentage points).

From January 2019 to February 2019, the PPI for intermediate manufactured goods decreased by 0,3%. The main contributor to the monthly decrease of 0,3% was chemicals, rubber and plastic products (-0,5 of a percentage point).

## Electricity and water

The annual percentage change in the PPI for electricity and water was 7,5% in February 2019 (compared with 5,5% in January 2019) **(see Table R)**. The contributors to the annual rate of 7,5% were electricity (5,9 percentage points) and water (1,6 percentage points).

From January 2019 to February 2019 the PPI for electricity and water increased by 3,3%. The contributor to the monthly increase of 3,3% was electricity (3,3 percentage points).

## Mining

The annual percentage change in the PPI for mining was 10,6% in February 2019 (compared with 7,7% in January 2019) **(see Table R)**. The main contributors to the annual rate of 10,6% were:

- gold and other metal ores (5,3 percentage points);
- non-ferrous metal ores (4,1 percentage points); and
- coal and gas (4,0 percentage points).

From January 2019 to February 2019 the PPI for mining increased by 1,7%. The main contributor to the monthly increase of 1,7% was gold and other metal ores (1,1 percentage points).

## Agriculture, forestry and fishing



The annual percentage change in the PPI for agriculture, forestry and fishing was -2,2% in February 2019 (compared with -3,0% in January 2019) (see **Table R**). The main contributor to the annual rate of -2,2% was agriculture (-3,2 percentage points).

From January 2019 to February 2019 the PPI for agriculture, forestry and fishing decreased by 0,7%. The main contributor to the monthly decrease of 0,7% was agriculture (-0,9 of a percentage point).

**Table R – Key PPI figures for February 2019**

Product	Weight	Index (Dec 2016=100)			% change	
		February 2018	January 2019	February 2019	February 2019 vs January 2019	February 2019 vs February 2018
Final manufactured goods	100,00	105,2	109,8	110,1	0,3	4,7
Intermediate manufactured goods	100,00	102,5	106,8	106,5	-0,3	3,9
Electricity and water	100,00	106,0	110,4	114,0	3,3	7,5
Mining	100,00	103,3	112,4	114,3	1,7	10,6
Agriculture, forestry and fishing	100,00	103,7	102,1	101,4	-0,7	-2,2

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

## Consumer price index (CPI)

### **Headline CPI at 4,1% in February 2019**

Have you ever thought what drives the South Africa's inflation and why the country's inflation rate is struggling to decline? When the South African Reserve Bank's (SARB) Deputy Governor Daniel Mminele was delivering his keynote address titled 'Understanding the core drivers of inflation in South Africa' at the S&P Dow Jones Indices South African Seminar on 12 February 2019, he stated that there are several factors that steer inflation. According to Mminele, factors such as the rand's long depreciation caused by positive inflation differentials (differences) with trading partners as well as structural current account imbalance and tariff hikes (such as electricity tariffs) by municipalities and state-owned enterprises which often exceeded the



headline rate of inflation play a role. Mminele said the SARB strives to keep inflation low, but demand, which remains weak and sluggish (slow moving), and credit creation are some of the risks to securing a decline in the inflation rate. Presented in this article is a summary of the consumer price index for February 2019.

Annual consumer price inflation was 4,1% in February 2019, up from 4,0% in January 2019 (**see Table S**). The consumer price index increased by 0,8% month-on-month in February 2019.

The following contributed to the headline annual consumer price inflation:

- Transport increased from 0,4 of a percentage point in January 2019 to 0,5 of a percentage point in February 2019. The index increased by 3,6% year-on-year.
- Miscellaneous goods and services increased from 0,8 of a percentage point in January 2019 to 0,9 of a percentage point in February 2019. The index increased by 5,4% year-on-year.

The following contributed to monthly consumer price inflation:

- Transport contributed 0,1 of a percentage point. The index increased by 0,4% month-on-month.
- Miscellaneous goods and services contributed 0,7 of a percentage point. The index increased by 4,3% month-on-month, mainly due to insurance (6,4%).

In February 2019 the CPI for goods increased by 3,0% year-on-year (up from 2,8% in January), and the CPI for services increased by 5,2% (unchanged from January).

Provincial annual inflation rates ranged from 3,3% in North West to 4,7% in Western Cape.



**Table S – Consumer price index: Index numbers and year-on-year rates**  
**Base year: Dec 2016 = 100**

Year		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg <sup>1/</sup>
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	104,1	104,2	104,7	103,0
	Rate	6,6	6,3	6,1	5,3	5,4	5,1	4,6	4,8	5,1	4,8	4,6	4,7	5,3
2018	Index	105,0	105,8	106,2	107,0	107,2	107,6	108,5	108,4	108,9	109,4	109,6	109,4	107,8
	Rate	4,4	4,0	3,8	4,5	4,4	4,6	5,1	4,9	4,9	5,1	5,2	4,5	4,7
2019	Rate	109,2	110,1											
	Index	4,0	4,1											

<sup>1/</sup> Annual average.

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