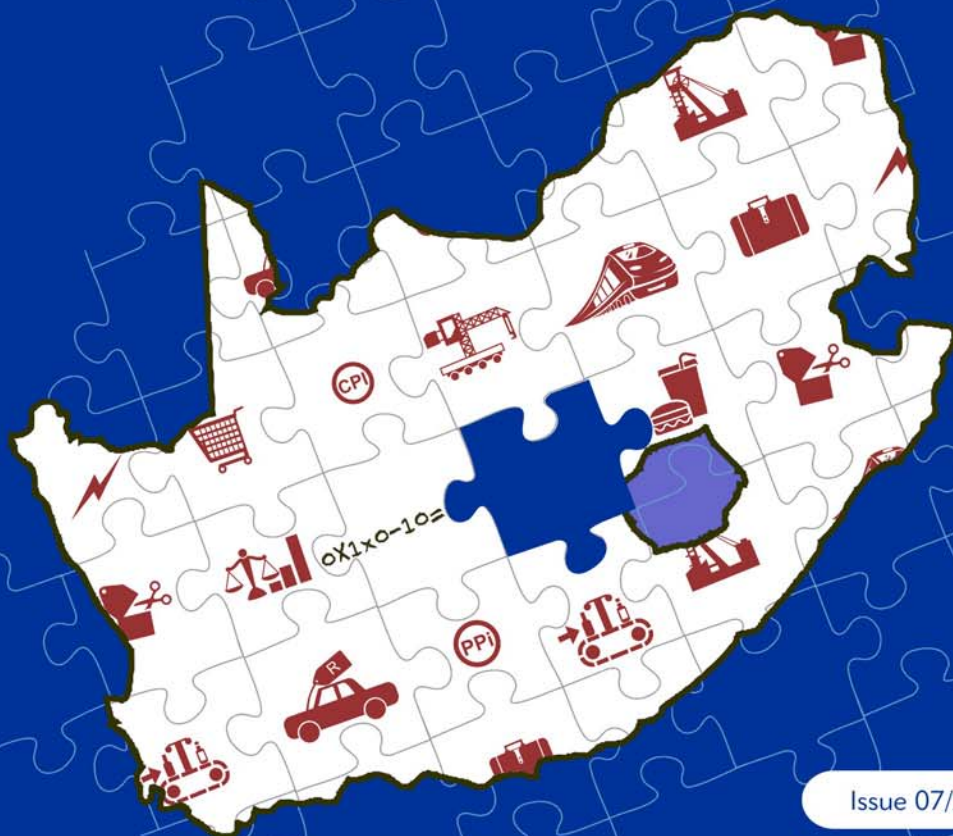


Mbalo Brief



the missing piece of the puzzle

August 2020



Issue 07/2020

IMPROVING LIVES THROUGH DATA ECOSYSTEMS



stats sa

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Editor's comment

Statistics South Africa (Stats SA) is conducting the first ever digital Census trial in preparation for the upcoming Census in 2021. The Census 2021 Trial, which started from 10 August to 06 September 2020 in selected areas around the country, will test online and telephonic data collection to prepare for remote data collection in 2021.

Census 2021 is the first population count to introduce digital Census taking in South Africa through the use of online and telephonic data collection platforms, which will also allow respondents to complete the census questionnaires on their own. The telephonic data collection makes provision for respondents to participate in the census with the assistance of a Stats SA call centre agent. The increased use of cell phones and the current technology-driven digital era will minimise the challenges of reaching hard to access communities, thus allowing more people to participate in the census.

People are encouraged to participate in the Census 2021 Trial. Those who participate must register through a platform that is available on Stats SA online and social media platforms. Respondents may also contact Stats SA via our toll free number 0800 110 248 for further assistance.

Please visit Stats SA website to check if your area has been selected to participate in the Census 2021 Trial.

In this month's issue of *Mbalo Brief*, our educational article is based on the social impact of COVID-19 on education in South Africa.

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

Enjoy the read.



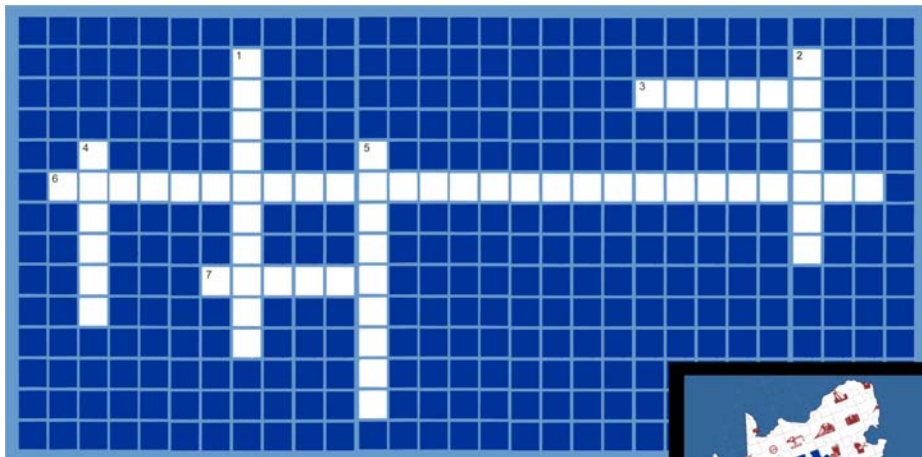


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Crossword puzzle



Across

3. What is the surname of Minister of Justice and Constitutional Development?
6. What does PPE stand for?
7. What is the name of the ocean to the east of Eastern Cape?

Down

1. In which province is New Consort Mine located? [Read mining: production and sales article]
2. During the national lockdown, in which province did the majority of respondents reside? [Read educational article for clue]
4. A is an official count or survey of the population of a country. Fill in the missing word.
5. Which holiday does South Africa celebrate on 9 August every year?



Solutions for July 2020 puzzle

Across

3. True
4. Steel
7. Nigeria

Down

1. August
2. Seven
5. Zindzi
6. Mkhize



Educational article on the social impact of COVID-19 on education in South Africa

1. Introduction

The COVID-19 pandemic has had a profound impact on the economies of nations worldwide. Although South Africa's economic future looks uncertain, the bright side is that most of the country's economic activities, such as tourism – including the sale of tobacco and alcohol – have resumed. In order to measure the impact of the pandemic on individuals in South Africa, Statistics South Africa (Stats SA) embarked on a series of three online surveys. The purpose of the surveys is to provide information that could be used by government and other service providers, to better understand the impact of the pandemic and to devise interventions to assist the population. The third and final round of the survey (Wave 3) is titled *Social impact of COVID-19 (Wave 3): Mobility, Migration, and Education in South Africa*. This article will present the background of the survey, the impact the pandemic had on education before and during lockdown, the perceived wellbeing of children during lockdown, the perceived safety for children to return to school as well as how children spent their time during lockdown.

2. Background information on the survey

Data collection for Wave 3 was conducted during level 3 of the national lockdown, between 17 June and 4 July 2020. This was conducted among any person aged 18 years and older and who was present in South Africa during the national lockdown, and who was able to participate and complete the survey. The number of respondents was 1 323.

This survey used a non-probability sample and respondents who chose to respond to this survey are not representative of the entire South African population. The results can, therefore, not be generalised to the entire South African population.

2.1 Demographic characteristics of the respondents in the sample

The survey sample largely consisted of females (56,2%). Black Africans made up 61,3% of the sample, while 25,1% were white, 7,3%, coloureds, 4,2% Indians/Asians, and unspecified population groups made up 2,1% of



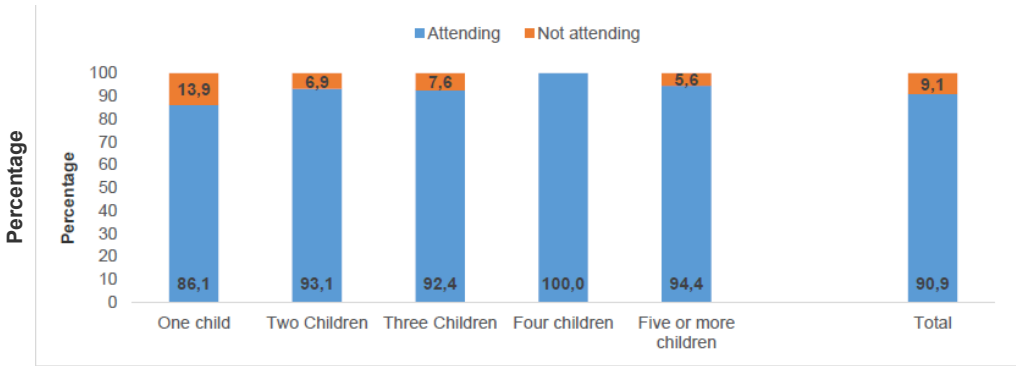


the survey sample. The highest proportion of respondents were aged between 35 and 44 (36,0%), while 23,9% were younger than 35 years. The majority of respondents (53,4%) resided in Gauteng during the national lockdown, followed by 12,8% in Western Cape and 6,9% in Eastern Cape.

3. Education

3.1 Education before lockdown

Figure 1 – Percentage distribution of respondents by number of children in the household who were attending educational institutions before the start of the lockdown



The majority of respondents (90,9%) had children who were attending educational institutions before the start of the lockdown period. Among households that only had one child, 86,1% were attending school, while 94,4% of households had five or more children that were attending school before the start of the lockdown (see Figure 1).

Approximately 45% of respondents had children who were attending primary school before the start of the lockdown, while 32,3% attended secondary schools. Furthermore, 64,3% of respondents had children who attended public schools while 35,7% had children who attended private schools.

3.2 Education during lockdown

The majority of respondents (72,9%) indicated that their children were participating in home schooling during the lockdown. Among respondents



whose children attended public schools, 67,1% reported that their children participated in home schooling compared to 83,5% of those with children in private schools.

The majority of the respondents (59,0%) indicated that mothers were the primary supervisors who were guiding the learners during home education, while 9,2% indicated that fathers were the primary supervisors. Approximately 20% of respondents indicated that both fathers and mothers were equally involved in the supervision of learners. About 2,6% of respondents indicated that nobody supervised the children during home schooling.

3.2.1 Structured programmes and support

More than half of respondents (51,3%) indicated that learners used educational material sent by the school through WhatsApp, email and D6 communicator (a stand-alone application designed to simplify school-parent communication), while more than one-third (34,6%) used interactive online learning through special platforms. About 10% of respondents used materials sent home by the schools before they were closed.

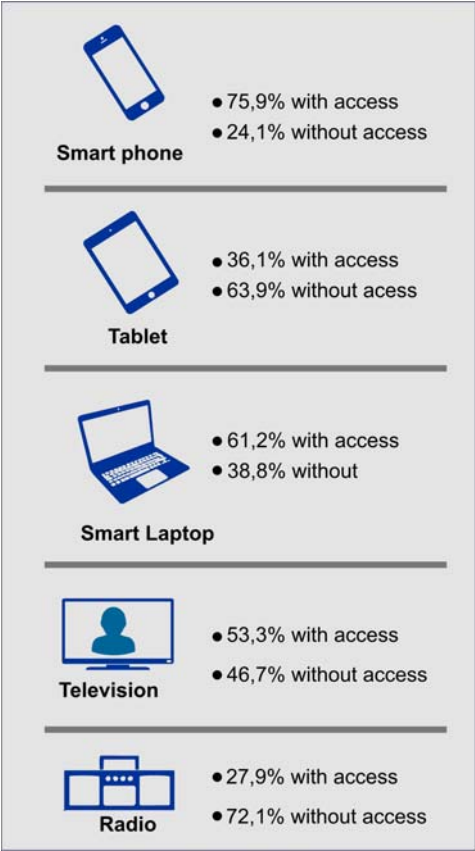
Respondents indicated that they made little use of educational material made available by the Department of Basic Education on radio and television. Approximately 5% of respondents said they used material on radio, while about 28% made use of the material on television and 46% used online materials made available by the Department of Basic Education.

The majority of respondents were satisfied with the support and material they received from the schools for home school education. While 65,3% indicated that they received enough support from the school for home school education, 71% said teachers were generally available for consultations when required. More than two-thirds of respondents (66,9%) specified that the educational material provided by the schools were sufficient.



3.2.2 Access to technology for home learning

Figure 2 – Percentage distribution of respondents by tools available for learning



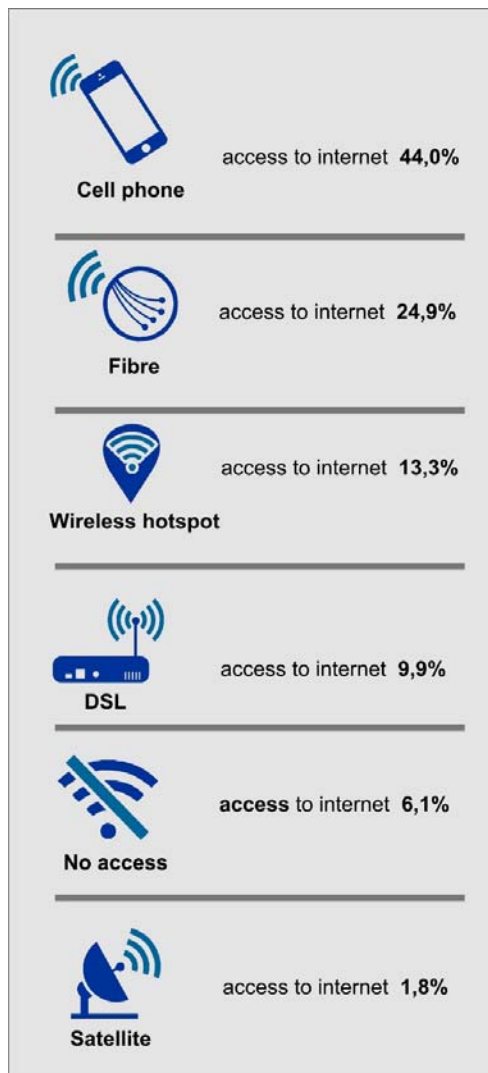
More than three-quarters of respondents (75,9%) indicated that they had smart phones that could be used for home learning while 36,1% had access to tablets, and 61,2% could use laptops. About 53,3% of respondents indicated that learners could access and use television to support home learning and 27,9% could access radio.

About 40,1% of respondents who had access to smart phones for home learning had to share their devices with others, while 41,0% had to share



tablets from time to time and 40,3% of laptop users had to share their devices at some point.

Figure 3 – Percentage distribution of respondents with access to internet for educational purposes





Where internet was concerned, 44% of respondent households used cellular devices to access the internet, while 24,9% had access to fibre. Free Wi-Fi hotspots accounted for 13,3% of access, while 9,9% used DSL access. However, 6,1% of respondent households did not have access to any internet for educational purposes.

Furthermore, 61,8% of respondents indicated that their internet was fast enough to stream videos, while about 34,4% reported that their internet connection was not fast enough to do so. Adequate speed to stream videos was highest for fibre connections (93,4%), DSL (84,7%) and satellite connections (84,6%), and lowest for cellular connections (38,8%).

Almost 40% of respondent households did not have enough data to complete their online learning. Two-thirds (66,6%) of respondent households with cellular connections reported inadequate access to data, compared to 15,4% with satellite access, 14,1% with DSL access, and only 4,4% with fibre.

3.3 Children's wellbeing

The majority of respondents indicated that the children had a quiet area to focus on school work. The availability of a quiet area to focus on school work was highest for respondents with one child (90,1%), and lowest for respondents with five children or more (37,5%).

Furthermore, 63,6% of respondents reported that learners in their households had experienced difficulty to keep up with the amount of school work during the lockdown period, while 68,4% of respondents said that learners in their households were struggling to adapt to the new mode of learning. About 59,4% of respondents reported that learners were anxious about the amount of school work they had to complete. About one half (49%) of respondents reported that children were stressed at home.

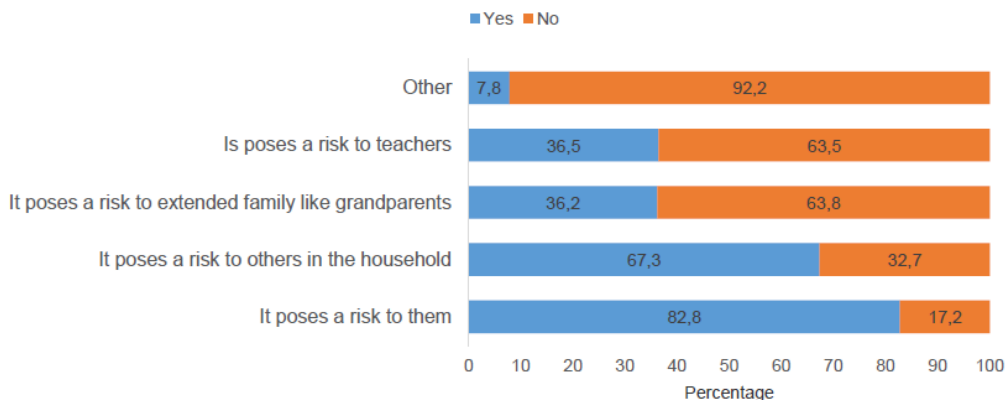
3.3.1 Return to school

Although one-quarter (25,7%) of respondents agreed that it was safe for their children to attend school, 58,6% deemed it unsafe. The perception that it was not safe for children to attend school was highest for respondents with five children or more (92,9%) and lowest for those with only one child (56,6%).



3.3.2 Safety for children to return to school

Figure 4 – Percentage distribution of respondents by reasons given why it was not safe for children to attend school



Amongst respondents who felt it was unsafe to send children back to school, 82,8% were concerned that it would pose a risk to the children's health, while two-thirds (67,3%) were concerned about the infection risk that the attendance of the children posed to others in the households. Compared to the other reasons, the risks to extended family like grandparents and teachers were perceived as low by the majority of respondents (36,2% and 36,5%, respectively) (see Figure 4).

Three out of seven respondents (42,7%) were of the opinion that schools were ready to reopen after the lockdown, compared to 31,1% who thought that schools were not ready to reopen. Approximately one-quarter (26,1%) expressed no opinion about the readiness of the schools.




Of the respondents who felt that schools were ready to reopen immediately, nearly all (close to 99%) said that children should return to school immediately. However, three-quarters (74,8%) of respondents who said that schools were ready to reopen also said that learners should only go to school as soon as all schools are ready to accept all learners back to schools. About 37% of respondents who were of the opinion that children should only be back at school in spring, once the risk of the disease has



subsided, believed that schools were not ready to reopen. Close to 60% among respondents who were of the opinion that children should only be back at school during the next academic year, also believed that schools were not ready to reopen.

3.4 How children spent their time during lockdown

Figure 5 – Percentage distribution of respondents by type of activities spent by children during the lockdown

| | Percentage |
|--|------------|
|  Children playing video games | 50,0% |
|  Children surfing the internet | 60,2% |
|  Children watching TV | 68,5% |

The results further show that 68,5% of respondents strongly agreed that children spent more time watching television during the lockdown than usual. Close to 60% of respondents strongly agreed and close to 19% agreed somewhat that children spent more time on the internet during the lockdown than usual. Furthermore, half of the respondents strongly agreed that



children spent more time playing video games during the lockdown than usual.

4. Conclusion

The article shows that most households experienced a disruption in the education process. Not all learners were participating in home schooling during the lockdown. The percentage of learners who participated in home schooling was much higher among those who were attending private schools before the start of the lockdown than those who were attending public schools. Home schooling was mostly conducted through material sent by schools through WhatsApp/email/D6 Communicator, which require the use of internet. The most common method of internet access by households for educational purposes was through cellular devices, while fibre internet access was also one of the mostly used means of access. Access to fast internet was an issue for close to one-third of respondents, while most of respondents indicated that children did not have enough data for online learning. The majority of the respondents said it was not safe for children to return to school because they were mostly concerned about the risk it poses to the children. The findings of the survey also show that children spent more time watching television, on the internet and playing video games during the lockdown than usual.



Primary industries

Mining: production and sales

Mining production decreases by 28,2% in June 2020

Gold-mining company Pan African Resources (PAN) has announced the discovery of a high-grade gold vein at its New Consort Mine near Barberton in Mpumalanga in May 2020. The orebody (a connected mass of ore in a mine or suitable for mining) is said to contain mineral reserves of 5 000 tons at an average grade of 25 grams per tonne (g/t). According to PAN, the gold is so rich that in many cases the gold can be seen with the naked eye. The current mineral reserves at the New Consort Mine are estimated to have an 8-year remaining Life of Mine (LoM), and PAN projected the mine’s monthly production to increase from 20 kg to 26,38 kg smelted in June 2020 to further increase in 2021. Presented in this article are the key results for the Mining: Production and sales release for June 2020.

Mining production decreased by 28,2% year-on-year in June 2020 (see **Table A**). The largest negative contributors were:

- PGMs (-42,5%, contributing -10,6 percentage points);
- iron ore (-54,2%, contributing -6,7 percentage points);
- coal (-10,9%, contributing -2,7 percentage points); and
- ‘other’ non-metallic minerals (-38,2%, contributing -2,4 percentage points).

Table A – Key growth rates in the volume of mining production for June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | 7,4 | 6,4 | -18,4 | -51,2 | -27,6 | -28,2 |
| Month-on-month % change, seasonally adjusted | 6,4 | -2,3 | -18,6 | -37,8 | 46,6 | -1,4 |
| 3-month % change, seasonally adjusted ^{1/} | -2,1 | -3,1 | -6,2 | -22,7 | -30,9 | -30,2 |

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



Mineral sales decreased by 14,2% year-on-year in June 2020 (see **Table B**). The largest contributors were:

- gold (-45,0%, contributing -5,5 percentage points);
- coal (-9,9%, contributing -2,4 percentage points);
- 'other' non-metallic minerals (-26,5%, contributing -1,2 percentage points); and
- PGMs (-4,5%, contributing -1,1 percentage points).

Table B – Key growth rates in mineral sales at current prices for June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | 24,4 | 18,1 | 12,6 | -28,8 | -12,2 | -14,2 |
| Month-on-month % change, seasonally adjusted | 25,2 | -10,3 | 1,7 | -37,0 | 27,9 | -5,1 |
| 3-month % change, seasonally adjusted ^{1/} | 7,3 | 4,9 | 11,1 | -11,3 | -17,5 | -28,5 |

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



Secondary industries

Manufacturing: Production and sales

Manufacturing production decreased by 16,3% in June 2020

On 9 April 2020, President Cyril Ramaphosa indicated that even the world's most developed economies were struggling to find the necessary medical supplies to deal with the COVID-19 pandemic. To address this urgent need, the National Ventilator Project was introduced and different organisations were compelled to assist in ventilator manufacturing. Home appliances manufacturer, Defy, heeded President Ramaphosa's call to focus on the manufacturing of non-invasive ventilators to assist those infected with COVID-19. The company began building the ventilators in May 2020 and will be contributing towards South Africa's National Ventilator Project without any commercial benefit. The manufacturing of ventilators will assist the country to meet the growing demand for medical equipment in combating the pandemic. Presented in this article is a summary of the key results from the Manufacturing: Production and sales release for June 2020.

Manufacturing production decreased by 16,3% in June 2020 compared with June 2019 (**see Table C**). The largest contributions were made by the following divisions:

- basic iron and steel, non-ferrous metal products, metal products and machinery (-19,6%, contributing -3,7 percentage points);
- food and beverages (-11,4%, contributing -3,4 percentage points);
- motor vehicles, parts and accessories and other transport equipment (-38,8%, contributing -3,2 percentage points);
- wood and wood products, paper, publishing and printing (-24,5%, contributing -2,7 percentage points); and
- furniture and 'other' manufacturing (-46,0%, contributing -1,3 percentage points).



Table C – Key growth rates in the volume of manufacturing production for June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | -1,9 | -2,1 | -5,2 | -49,3 | -32,4 | -16,3 |
| Month-on-month % change, seasonally adjusted | 3,0 | -2,6 | -1,1 | -44,4 | 30,4 | 16,8 |
| 3-month % change, seasonally adjusted ^{1/} | -1,9 | -2,5 | -2,1 | -16,9 | -25,4 | -30,2 |

^{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 COVID-19 pandemic has brought many changes in different industries including the design and building industry. This include the provision of fresh air and ventilation, increased monitoring of the internal environment, maintenance and cleaning activities, and different procedures for entering a building and using its facilities. All of these changes are being taken to adhere to the Covid-19 regulations and also to ensure the health and well-being of occupants and visitors of buildings and communities at large. For example, the process of designing and building offices now involves increased distance between desks, installing protective shields, improved boundaries to limit occupant and visitor interaction and automation of internal doors to limit surface contact. Proper outdoor air distribution with increased ventilation rates is also required to reduce germs build-up in the air. Presented in this article is a summary of the selected building statistics for June 2020.

The value of recorded building plans passed (at current prices) decreased by 43,9% (-R23 857,9 million) during January to June 2020 compared with January to June 2019 (**see Table D**).

The largest contributions to the total decrease of 43,9% (-R23 857,9 million) were made by Gauteng (contributing -20,6 percentage points or -R11 210,5 million), Western Cape (contributing -8,6 percentage points or -R4 691,8 million), KwaZulu-Natal (contributing -7,5 percentage points or -R4 086,8 million) and Eastern Cape (contributing -2,9 percentage points or -R1 562,1 million).

Six provinces reported year-on-year increases in the value of buildings completed during January to June 2019, of which Gauteng (contributing 31,3 percentage points or R9 938,3 million), KwaZulu-Natal (contributing 8,0 percentage points or R2 548,5 million) and Western Cape (contributing 3,7 percentage points or R1 158,5 million) were the largest positive contributors.

Decreases were recorded for residential buildings (-48,1% or -R13 809,5 million), additions and alterations (-40,3% or -R5 720,0 million) and non-residential buildings (-37,6% or -R4 328,4 million).



**Table D – Recorded building plans passed by larger municipalities:
January to June 2019 versus January to June 2020**

| Estimates at current prices | January to June 2019 | January to June 2020 | Difference in value between January to June 2019 and January to June 2020 | % change between January to June 2019 and January to June 2020 |
|----------------------------------|-------------------------|-------------------------|--|--|
| | R'000 | R'000 | R'000 | |
| Residential buildings | 28 693 036 | 14 883 505 | -13 809 531 | -48,1 |
| -Dwelling houses | 14 191 770 | 8 566 769 | -5 625 001 | -39,6 |
| -Flats and townhouses | 14 069 348 | 6 163 808 | -7 905 540 | -56,2 |
| -Other residential buildings | 431 918 | 152 928 | -278 990 | -64,6 |
| Non-residential buildings | 11 499 904 | 7 171 495 | -4 328 409 | -37,6 |
| Additions and alterations | 14 205 397 | 8 485 439 | -5 719 958 | -40,3 |
| Total | 54 398 337 | 30 540 439 | -23 857 898 | -43,9 |

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

Electricity generated and available for distribution

Electricity production decreased

Many people use electricity on a daily basis for different reasons such as boiling water, warming or cooling off a room and to charge their mobile devices. Although electricity is an essential part of life, it can be dangerous when safety measures are not followed. For example, in instances where unsafe usage of electricity occurs (a connected electrical plug being in contact with water), this may cause injuries and fatalities to the person involved. In trying to address safe electricity usage, the national electricity supplier Eskom has declared the month of August a National Electricity



Safety Month. During this month, Eskom encourages communities to use electricity in a manner that will not bring any harm to them, such as not overloading the network as this may lead to explosions and injuries or fatalities. This year, there have been nine (9) fatalities reported due to contact with electricity, compared to four (4) fatalities in 2019. As part of ensuring public safety and also relieving the network of unwarranted strain, Eskom removes illegal connections and pleads with communities to uphold all safety standards to ensure maximum and continued safety for themselves and their loved ones. Presented in this article is a summary of the electricity generated and available for distribution statistics for June 2020.

Electricity generation (production) decreased by 5,8 year-on-year in June 2020 (see Table E).

Table E – Key growth rates in the volume of electricity generated for June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | -2,5 | 1,0 | -4,0 | -22,8 | -13,2 | 5,8 |
| Month-on-month % change, seasonally adjusted | 1,4 | -0,3 | -2,3 | -16,3 | 9,8 | 7,8 |
| 3-month % change, seasonally adjusted ^{1/} | -1,8 | -1,9 | -1,0 | -6,7 | -10,0 | -10,0 |

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

Electricity distribution (consumption) decreased by 4,9% year-on-year in June 2020 (see Table F).

Table F – Key growth rates in the volume of electricity distributed for June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | -3,6 | 0,0 | -5,0 | -23,3 | -13,6 | -4,9 |
| Month-on-month % change, seasonally adjusted | 1,4 | -1,2 | -2,6 | -16,1 | 10,2 | 8,1 |
| 3-month % change, seasonally adjusted ^{1/} | -1,4 | -2,1 | -1,7 | -7,6 | -10,6 | -9,9 |

^{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



Tertiary industries

Wholesale trade sales

Wholesale trade sales decreases

Wholesale trade sales survey is a survey that is conducted by Statistics South Africa (Stats SA) and covers many different enterprises in the wholesale trade industry. This survey includes enterprises such as wholesale trade in agricultural raw materials and livestock, food, beverages and tobacco and trade in textiles, clothing and footwear amongst others. These dealers are registered at the South African Revenue Service (SARS) for value added tax (VAT) and also for income tax (IT). The purpose of this survey is to provide monthly results of the wholesale trade sales which are used to compile estimates for the gross domestic product (GDP). The results from this survey are also useful in monitoring the state of the economy and formulation of economic policy in the country. Presented in this article is a summary of the wholesale trade sales statistics for June 2020.

Wholesale trade sales decreased by 6,0% in June 2020 compared with June 2019 (see **Table G**). The main negative contributor to this decrease was dealers in solid, liquid and gaseous fuels and related products (-37,6%, contributing -9,7 percentage points).

The main positive contributors were dealers in:

- 'other' household goods except precious stones (17,6%, contributing 2,0 percentage points); and
- agricultural raw materials and livestock (19,5%, contributing 1,4 percentage points)

Table G – Key growth rates in wholesale trade sales at current prices for June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | 7,7 | 6,1 | -1,0 | -43,1 | -22,9 | -6,0 |
| Month-on-month % change, seasonally adjusted | 6,8 | -1,5 | -5,2 | -38,3 | 33,4 | 13,1 |
| 3-month % change, seasonally adjusted ^{1/} | -1,0 | 0,3 | 1,2 | -13,7 | -22,0 | -24,1 |

^{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

After a few months of restrictive COVID-19 lockdown measures, communities are facing challenges such as increased taxi fares, job losses and higher food prices amongst others. In an effort to find innovative solutions to these challenges, an App called Yethu was developed to turn the taxi industry into a logistics engine which offers grocery delivery service to townships. Households in Township can now order their weekly or monthly shopping from retailers such as Pick n Pay and FutureLife to be delivered to their door by a taxi. Instead of 2 or 3 family members going to town to buy groceries and paying a taxi fare for each, only one fare can be paid to have the groceries delivered and saving them money. Customers and taxi drivers register online via the Yethu landing page, after installing the App they will be able to order and make payment online. So far, the App has rolled out its pilot in Soweto and about 2000 customers have engaged with the service. About 7000 taxis are part of this initiative across the taxi associations. Presented in this article is a summary of the retail trade sales for June 2020.

The COVID-19 pandemic and lockdown regulations since 27 March 2020 have had an extensive impact on economic activity. Retail trade sales decreased by 7,5% year-on-year in June 2020 (**see Table H**). The largest negative annual growth rates were recorded for:

- all 'other' retailers (-46,3%);
- retailers in food, beverages and tobacco in specialised stores (-11,0%); and
- retailers in textiles, clothing, footwear and leather goods (-7,6%).

The main contributors to the 7,5% decrease were:

- all 'other' retailers (contributing -5,8 percentage points); and
- retailers in textiles, clothing, footwear and leather goods (contributing -1,3 percentage points).



Table H – Key growth rates in retail trade sales for June 2020 at constant 2015 prices

| | Jan -20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|---|---------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | 1,3 | 1,9 | 2,9 | -49,9 | -11,9 | -7,5 |
| Month-on-month % change, seasonally adjusted | 2,6 | -0,7 | 0,8 | -49,0 | 68,7 | 6,4 |
| 3-month % change, seasonally adjusted ^{1/} | 0,5 | -1,1 | 0,5 | -16,1 | -20,0 | -23,5 |

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

Motor trade sales

Motor trade sales decreased by 12,8% year-on-year in June 2020

South African motor vehicle sales for July 2020 saw a very modest improvement from June 2020 numbers, with overall volumes rising from 31 867 units to 32 396, according to the National Association of Automobile Manufacturers of South Africa (Naamsa). According to Naamsa, the passenger car market was by far the most severely hit in July 2020, registering a 35,8% year-on-year decline. The rental industry accounted for just 1,4% of car sales in July 2020, light commercial vehicles were down by 19,7%, while medium and heavy commercial vehicles registered declines of 12,9% and 13,3%, respectively. Naamsa reported that South Africa's vehicle exports also declined by just under 30%, although this was a welcome improvement from June 2020. Presented in this article is a summary of the key results of the Motor trade sales release for June 2020.

Motor trade sales decreased by 12,8% year-on-year in June 2020 (see **Table I**). The largest negative annual growth rates were recorded for:

- fuel sales (-34,1%);
- convenience store sales (-22,3%); and
- workshop income (-11,5%).

Motor trade sales decreased by 49,1% in the second quarter of 2020 compared with the second quarter of 2019. The main contributors to this decrease were:

- fuel sales (-51,8%, contributing -15,7 percentage points);



- new vehicle sales (-52,0%, contributing -12,8 percentage points);
- used vehicle sales (-50,7%, contributing -9,0 percentage points); and
- sales of accessories (-40,1%, contributing -6,8 percentage points).

Table I – Key growth rate figures in motor trade sales for June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | 1,3 | 4,8 | -16,2 | -84,0 | -50,1 | -12,8 |
| Month-on-month % change, seasonally adjusted | 1,6 | 1,1 | -19,0 | -75,9 | 166,8 | 59,1 |
| 3-month % change, seasonally adjusted ^{1/} | -1,7 | 0,4 | -4,8 | -31,8 | -48,5 | -44,8 |

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

Food and beverages

Total income generated by the food and beverages industry decreases

The decision to ban the sale of alcohol had a disastrous economic impact on the beverage industry. On 3 August 2020, South African Breweries (SAB) announced that it had halted R5 billion in investments in the country over the next two years because of the ban on alcohol sales. The SAB said it had cancelled R2,5 billion in investments for 2020 and another R2,5 billion was being reviewed for 2021. According to SAB, the funds were previously scheduled as part of its capital allocation programme for this financial year, while an additional R2,5 billion for planned expenditure for the next financial year was now under review. The cancellation of this planned expenditure is a direct consequence of having lost 12 full trading weeks, which effectively equates to some 30% of annual production as of 3 August 2020. Presented in this article is a summary of the key results from the release on the Food and beverages industry for the month of June 2020.

Total income generated by the food and beverages industry decreased by 50,3% in June 2020 compared with June 2019 (**see Table J**). The largest decreases were recorded for:

- bar sales (-86,6%); and



- 'other' income (-59,8%).

In June 2020, the main contributors to the 50,3% year-on-year decrease were:

- restaurants and coffee shops (-72,6%, contributing -37,4 percentage points); and
- catering services (-51,5%, contributing -7,7 percentage points).

Total income decreased by 78,0% in the second quarter of 2020 compared with the second quarter of 2019. The main contributors to this decrease were restaurants and coffee shops (-90,2%, contributing -46,6 percentage points) and takeaway and fast-food outlets (-66,7%, contributing -22,1 percentage points).

Table J – Year-on-year percentage change in food and beverages income at constant prices by type of income – June 2020

| Type of income | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|----------------|------------|------------|--------------|--------------|--------------|--------------|
| Food sales | 3,1 | 1,2 | -29,4 | -95,8 | -87,3 | -47,2 |
| Bar sales | 0,9 | -4,3 | -44,8 | -100,0 | -100,0 | -86,6 |
| Other income | -9,8 | -26,8 | -44,3 | -81,8 | -75,1 | -59,8 |
| Total | 2,6 | 0,1 | -30,8 | -95,7 | -87,8 | -50,3 |

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 the tourist accommodation industry decreases by 95,3% in June 2020

The tourist establishment industry breathed a sigh of relief after the easing of COVID-19 lockdown restrictions. On 15 August 2020, President Cyril Ramaphosa announced that South Africa will move from Level 3 to Level 2 lockdown. During Level 2, accommodation establishments are permitted to operate leisure intra-provincially, subject to not accommodating more than two people per room except for a nuclear family (parents and their children), and that establishments are already legally obliged to require and keep a



copy of proof of identity, among others. The permission of accommodation establishments to operate could see an uptick in business since the lockdown started on 27 March 2020. Presented in this article is a summary of the key results of the Tourist and accommodation release for June 2020.

Total income for the tourist accommodation industry decreased by 95,3% in June 2020 compared with June 2019 (see Table K). Income from accommodation decreased by 94,5% year-on-year in June 2020, the result of a 92,3% decrease in the number of stay unit nights sold and a 29,5% decrease in the average income per stay unit night sold.

In June 2020, all accommodation types recorded large negative year-on-year growth in income from accommodation. The main contributors to the 94,5% year-on-year decrease in income from accommodation were:

- hotels (-93,9%, contributing -61,9 percentage points); and
- 'other' accommodation (-95,2%, contributing -27,3 percentage points).

Table K – Year-on-year percentage change in tourist accommodation statistics for June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|--|------------|------------|--------------|--------------|--------------|--------------|
| Stay units available | 0,0 | -0,1 | -0,1 | -0,2 | -0,2 | -0,2 |
| Stay unit nights sold | 0,7 | 1,8 | -38,9 | -97,1 | -97,3 | -92,3 |
| Average income per stay unit nights sold | 4,0 | 6,2 | -4,6 | -29,8 | -28,9 | -29,5 |
| Income from accommodation | 4,7 | 8,1 | -41,7 | -98,0 | -98,1 | -94,5 |
| Total income ^{1/} | 4,9 | 6,4 | -33,6 | -98,6 | -97,9 | -95,3 |

1/ 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

Tourism and migration

Volume of arrivals and departures decrease in June 2020

After months of restrictions on interprovincial travel, on 15 August 2020 President Cyril Ramaphosa announced the move to lockdown Level 2, lifting the ban on leisure-related interprovincial travel. This move could not have come at a better time than now when the country is edging closer to the month of September, which is not only Tourism Month, but also the start of



spring. Hopefully, this will support a recovery in the tourism industry as the weather conditions and the easing of travel restrictions have the potential of making domestic tourism more appealing to some South Africans. Although this is exciting news, the opening of borders has not yet received the green light which means that international travel is still not permitted, with the exception of repatriation flights into/out of South Africa. Presented in this article is a summary of the key results from the Tourism and migration survey for the month of June 2020.

Number of travellers

The number of travellers between June 2019 and June 2020 as well as between May 2020 and June 2020 are not necessarily comparable due to the hard lockdown level 5 which the country introduced on 26 March 2020. A general expectation is that no visitors would be observed, as we may see in the analysis that follows, where foreign arrivals coming into and leaving the country during this period were fewer than can be expected.

The routine data collected by the Department of Home Affairs' (DHA) immigration officers at the ports of entry into and out of South Africa shows that a total of 192 376 travellers (arrivals, departures and transits) passed through South African ports of entry/exit in June 2020 (**see Table L**). These travellers were made up of 64 674 South African residents and 127 702 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 31 245 arrivals, 33 429 departures and no travellers in transit. The corresponding volume for foreign arrivals, departures and travellers in transit was 62 841, 64 721 and 140, respectively.

A comparison between the movements in June 2019 and June 2020 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 93,7% (from 495 461 in June 2019 to 31 245 in June 2020). Departures decreased by 94,3% (from 584 008 in June 2019 to 33 429 in June 2020), and transits decreased by 100,0% (from 836 in June 2019 to 0 in June 2020). For foreign travellers, arrivals decreased by 94,6% (from 1 163 574 in June 2019 to 62 841 in June 2020), departures decreased by 93,8% (from 1 044 833 in June 2019 to 64 721 in June 2020) whereas transits decreased by 99,8% (from 67 192 in June 2019 to 140 in June 2020).



A comparison between the movements in May 2020 and June 2020 indicates that the volume of arrivals and departures increased for both groups of travellers. Travellers in transit increased for foreign travellers and there were no South African residents in transit in both May 2020 and June 2020. For South African residents, the volume of arrivals increased by 20,6% (from 25 915 in May 2020 to 31 245 in June 2020) and departures increased by 42,3% (from 23 499 in May 2020 to 33 429 in June 2020). For foreign travellers, arrivals increased by 27,0% (from 49 481 in May 2020 to 62 841 in June 2020), departures increased by 18,6% (from 54 551 in May 2020 to 64 721 in June 2020) whereas transits increased by 3 400,0% (from 4 in May 2020 to 140 in June 2020).

Mode of travel

In June 2020, road transport was the most common mode of travel used by 173 159 (90,0%) of the 192 376 travellers. The total number of travellers who used air transport was 18 582 (9,7%). Compared to the use of air and land transport, a smaller number of travellers [635 (0,3%)] used sea transport. Information on arrivals of South African residents shows that 5 256 (16,8%) came by air, 25 573 (81,8%) came by road and 416 (1,3%) arrived by sea transport. For departures, 7 546 (22,6%) used air, 25 804 (77,2%) used road and 79 (0,2%) left by sea transport.

In the case of foreign travellers, 337 (0,5%) arrived by air, 62 392 (99,3%) came by road and 112 (0,2%) arrived by sea transport. When departing South Africa, 5 303 (8,2%) foreign travellers left by air, 59 390 (91,8%) left by road and 28 (less than 0,1%) left by sea transport. A small number of travellers in transit [140 (100,0%)] used air transport.

Sex and age distribution

In June 2020, there were 59 911 (95,3%) male and 2 930 (4,7%) female foreign arrivals. Foreign arrivals from overseas were made up of 360 (65,6%) male foreign arrivals and 189 (34,4%) female foreign arrivals. There were 59 486 (95,6%) male and 2 718 (4,4%) female foreign arrivals from SADC countries. Foreign arrivals from 'other' African countries were made up of 43 (87,8%) male and 6 (12,2%) female foreign arrivals. The majority of foreign arrivals were aged between 35 and 44 years [28 546 (45,4%)], followed by the age group 45 and 54 years [13 869 (22,1%)] and age group 25 and 34 years [13 574 (21,6%)].



Table L – Number of South African residents and foreign travellers by travel direction: June 2020

| Travel direction | June 2019 | May 2020 | June 2020 | % change between May to June 2020 | % change between Jun 2019 and Jun 2020 |
|--------------------------------|------------------|----------------|----------------|-----------------------------------|--|
| Total | 355 904 | 153 450 | 192 376 | 25,4% | -94,3% |
| South African residents | 1 080 305 | 49 414 | 64 674 | 30,9% | -94,0% |
| Arrivals | 495 461 | 25 915 | 31 245 | 20,6% | -93,7% |
| Departures | 584 008 | 23 499 | 33 429 | 42,3% | -94,3% |
| Transit | 836 | - | - | - | 100,0% |
| Foreign travellers | 2 275 599 | 104 036 | 127 702 | 22,7% | -94,4% |
| Arrivals | 1 163 574 | 49 481 | 62 841 | 27,0% | -94,6% |
| Departures | 1 044 833 | 54 551 | 64 721 | 18,6% | -93,8% |
| Transit | 67 192 | 4 | 140 | 3400,0% | -99,8% |

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

Statistics on civil cases for debt

Number of civil summonses for debt decreases

The South African Reserve Services (SARS) 2020 tax season is set to commence on 01 September 2020 for individual income tax returns. However, for those taxpayers who have received an auto-assessment SMS from SARS, they could file immediately and did not have to wait until 01 September 2020. There are different closing dates for taxpayers using different filing options, for example, those who will be filing online the due date will be on 16 November 2020 and 29 January 2021 for taxpayers who file electronically. Due to Covid-19 regulations, taxpayers who cannot file electronically can do so at a SARS branch by appointment and their deadline is 22 October 2020. Tax season is the annual engagement between ordinary citizens and SARS whereby taxpayers reconcile their personal income and tax-related deductions by completing and submitting their tax returns. This is in-line with the Income Tax Act, 1962 (Act No. 58 of 1962). Missing the deadline for tax returns could result in administrative penalties being imposed for every outstanding tax return to that particular individual. Furthermore, criminal prosecution resulting in imprisonment or a fine for each day that such tax default continues may result in individuals



accumulating more debts and owing money to SARS. Therefore, it is important that taxpayers comply with the tax administration requirements and file their tax returns within the tax period to avoid incurring unnecessary debt. Presented in this article is a summary of the statistics of civil cases for debt for June 2020.

The number of civil summonses issued for debt

The total number of civil summonses issued for debt decreased by 59,7% in the second quarter of 2020 compared with the second quarter of 2019 (see **Table M**). The largest contributors to the 59,7% decrease for civil summonses issued were:

- money lent (contributing -15,6 percentage points);
- services (contributing -15,3 percentage points);
- 'other' debts (contributing -10,9 percentage points); and
- promissory notes (contributing -9,6 percentage points).

The number of civil judgements recorded for debt

The total number of civil judgements recorded for debt decreased by 62,7% in the second quarter of 2020 compared with the second quarter of 2019. The largest contributors to the 62,7% decrease were civil judgements relating to:

- services (contributing -21,7 percentage points);
- money lent (contributing -12,8 percentage points);
- 'other' debts (contributing -10,4 percentage points); and
- promissory notes (contributing -6,1 percentage points).

The value of civil judgements recorded for debt

The total value of civil judgements recorded for debt decreased by 62,3% in the second quarter of 2020 compared with the second quarter of 2019. The largest contributors to the 62,3% decrease were value of judgements relating to:

- money lent (contributing -17,2 percentage points);
- services (contributing -13,3 percentage points);
- 'other' debts (contributing -10,5 percentage points); and
- promissory notes (contributing -7,9 percentage points).



Table M – Key figures for civil summonses and judgements for June 2020

| Actual estimates | June 2020 | % change between June 2019 and June 2020 | % change between April to June 2019 and April to June 2020 |
|---|-----------|--|--|
| Number of civil summonses issued for debt | 33 693 | -24,6 | -59,7 |
| Number of civil judgements recorded for debt | 8 274 | -52,0 | -62,7 |
| Value of civil judgements recorded for debt (R million) | 135,3 | -57,1 | -62,3 |

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

Total number of liquidations decreased by 7,1% in the three months ended July 2020

The COVID-19 crisis has dealt a final blow to some of South Africa's best-known companies and restaurants. Owing to inability to operate due to COVID-19 lockdown, several companies had no financial resources to survive and had to file for insolvency. A company is insolvent if its liabilities exceed its assets or if it cannot pay its debts as and when they are due. In South Africa, insolvent companies are liquidated in terms of Chapter 14 of the Companies Act, 1973 (Act No. 61 of 1973). Presented in this article is a summary of the key results of the Liquidations and insolvencies release for July 2020.

The total number of liquidations decreased by 7,1% in the three months ended July 2020 compared with the three months ended July 2019 (see **Table N**). A year-on-year increase of 5,5% was recorded in July 2020. Voluntary liquidations increased by 16 cases while compulsory liquidations decreased by 6 cases. The total number of liquidations decreased by 20,2% in the first seven months of 2020 compared with the first seven months of 2019.



Table N – Total number of liquidations for July 2020

| Number of liquidations July 2020 | % change between July 2019 to July 2020 | % change between May to July 2019 and May to July 2020 | % change between January to January to July 2019 and January to June 2020 |
|----------------------------------|---|--|---|
| 193 | 5,5 | -7,1 | -20,2 |

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 decreased by 72,6% in the second quarter of 2020 compared with the second quarter of 2019 (see **Table O**). There was a year-on-year decrease of 51,3% in June 2020.

Table O – Total number of insolvencies for June 2020

| Number of insolvencies June 2020 | % change between June 2019 to June 2020 | % change between April to June 2019 and April to June 2020 | % change between January to January to June 2019 and January to June 2020 |
|----------------------------------|---|--|---|
| 113 | -51,3 | -72,6 | -38,5 |

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

Land transport survey

Volume of goods transported decreased by 20,0% in June 2020

Transportation is one of the essential components of supply chain management (procurement/buying process, which encompasses planning, design, control and implementation of all business processes related to manufacturing, distribution, sales and order functions of a business). Transport is important because it involves the delivery of products from the start (such as transporting raw materials) to the end (transporting finished products to consumers) and also for returns should the consumer not be satisfied with the product. Transport also contributes to customer satisfaction, in that, if the product is delivered to the customer late, damaged or spoiled (in the case of food), the customer is unlikely to be impressed with the service. Thus, transportation is a major contributor to and a competitive edge in business. Presented in this article is a summary of the key results from the Land transport survey for the month of June 2020.



The volume of goods transported (payload) decreased by 20,0% in June 2020 compared with June 2019. The corresponding income decreased by 16,8% over the same period (**see Table P**).

Income from freight transportation decreased by 26,8% in the second quarter of 2020 compared with the second quarter of 2019. The main contributors to this decrease were:

- primary mining and quarrying products (-22,5%, contributing -8,3 percentage points);
- 'other' freight (-31,0%, contributing -5,6 percentage points);
- basic metals and fabricated metal products (-71,4%, contributing -2,6 percentage points);
- manufactured food, beverages and tobacco products (-20,6%, contributing -2,1 percentage points); and
- containers (-32,3%, contributing -1,7% percentage points).

Table P – Year-on-year percentage change in freight transportation: June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|-----------------|--------|--------|--------|--------|--------|--------|
| Freight payload | -7,2 | -4,9 | -5,3 | -39,7 | -22,7 | -20,0 |
| Freight income | -3,4 | -2,2 | -0,1 | -42,1 | -21,7 | -16,8 |

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 63,1% in June 2020 compared with June 2019 (**see Table Q**). The corresponding income decreased by 58,7% over the same period.

Table Q – Year-on-year percentage change in passenger transportation: June 2020

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 |
|--------------------|--------|--------|--------|--------|--------|--------|
| Passenger journeys | -19,0 | -15,9 | -32,8 | -84,2 | -72,0 | -63,1 |
| Passenger income | -1,8 | 3,1 | -15,1 | -81,9 | -68,0 | -58,7 |

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



Prices

Producer price index (PPI)

PPI at 1,9% in July

The first stage in conducting the calculation of price indices is called the elementary aggregates. The elementary price indices are weighted to obtain higher-level indices using the value of production of the elementary aggregates as weights. Elementary aggregates or indicator products are constructed by grouping individual goods into relatively homogeneous groups that will represent the majority of the classification group. For example motor vehicles are an indicator product and a Volkswagen polo 1,6 trend line is a sampled product in this indicator product. In other words, compilers of the PPI have to select representative products within an elementary aggregate and then collect prices for these sample products, usually from a sample of different producers. In this article is a summary of the producer price index for July 2020.

Final manufactured goods – headline PPI

The annual producer price inflation (final manufacturing) was 1,9% in July 2020, up from 0,5% in June 2020 (**see Table R**). The producer price index increased by 1,2% month-on-month in July 2020.

The main contributors to the headline PPI annual inflation rate were:

- food products, beverages and tobacco products increased by 3,2% year-on-year and contributed 1,1 percentage points; and
- transport equipment increased by 8,3% year-on-year and contributed 0,8 of a percentage point.

The main contributor to the headline PPI monthly increase was coke, petroleum, chemical, rubber and plastic products, which increased by 4,8% month-on-month and contributed 1,0 percentage point.

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 2,4% in July 2020 (compared with 1,4% in June 2020) (**see Table R**). The index decreased by 0,3% month-on-month. The main



contributor to the annual rate was basic and fabricated metals (4,4 percentage points).

Electricity and water

The annual percentage change in the PPI for electricity and water was 8,1% in July 2020 (compared with 13,8% in June 2020) (see Table R). The index increased by 7,9% month-on-month. Electricity contributed 7,3 percentage points to the annual rate, and water contributed 0,8 of a percentage point

Mining

The annual percentage change in the PPI for mining was 29,6% in July 2020 (compared with 26,0% in June 2020) (see Table R). The index increased by 5,7% month-on-month. The main contributors to the annual rate were non-ferrous metal ores (20,3 percentage points) and gold and other metal ores (8,1 percentage points).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was 2,5% in July 2020 (compared with 1,1% in June 2020) (see Table R). The index increased by 2,5% month-on-month. The contributors to the annual rate were agriculture (1,7 percentage points) and fishing (0,8 of a percentage point).

Table R – Key PPI figures for July 2020

| Product | Weight | Index (2016=100) | | | % change | |
|-----------------------------------|--------|------------------|----------|----------|----------------------|----------------------|
| | | Jul 2019 | Jun 2020 | Jul 2019 | Jul 2020 vs Jun 2020 | Jul 2020 vs Jul 2019 |
| Final manufactured goods | 100,00 | 113,8 | 114,6 | 116,0 | 1,2 | 1,9 |
| Intermediate manufactured goods | 100,00 | 108,4 | 111,3 | 111,0 | -0,3 | 2,4 |
| Electricity and water | 100,00 | 177,8 | 178,2 | 192,2 | 7,9 | 8,1 |
| Mining | 100,00 | 126,9 | 155,5 | 164,4 | 5,7 | 29,6 |
| Agriculture, forestry and fishing | 100,00 | 97,5 | 97,5 | 99,9 | 2,5 | 2,5 |

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



Consumer price index (CPI)

CPI at 3,2% in July 2020

The consumer price index (CPI) aims to measure the change in consumer prices over time. This is done by measuring the cost of purchasing a fixed basket of consumer goods and services of constant quality and similar characteristics. Included in this basket of goods are funeral expenses, funeral policies and gravestone maintenance which fall under 'other goods and services' and are recorded once a quarter. In July 2020, funeral expenses increased by 8,7% year-on-year. This is higher than the 1,1% annual increase recorded in April 2020. Moreover, prices for gravestones increased by 3,2% in July 2020, higher than the 0,3% recorded in April. This increase in prices could be because funeral parlours have hiked their prices for burials and cremations because of extra COVID-19 related expenditure and expenses (including hiring more part-time workers to cope with the increase in service demand as well as increases associated with provision of protective equipment for employees of the funeral homes), and increases in cemetery charges. Presented in this article are the key results for the Consumer price index release for July 2020.

Headline consumer price index

Annual consumer price inflation was 3,2% in July 2020, up from 2,2% in June 2020 (**see Table S**) The consumer price index increased by 1,3% month-on-month in July 2020. The main contributors to the 3,2% annual inflation rate were food and non-alcoholic beverages; housing and utilities; and miscellaneous goods and services.

Food and non-alcoholic beverages increased by 4,3% year-on-year, contributing 0,7 of a percentage point to the total CPI annual rate of 3,2%. Housing and utilities increased by 3,2% year-on-year, contributing 0,8 of a percentage point. Miscellaneous goods and services increased by 6,7% year-on-year, contributing 1,1 percentage points.

The annual inflation rates for goods and for services were 2,3% and 3,9% respectively. Provincial annual inflation rates ranged from 2,9% in Gauteng to 3,7% in Western Cape.



Table S – Consumer price index: Index numbers and year-on-year rates

Base year: Dec 2016 = 100

| | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Ave- rage [1] |
|------|------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------------------|
| Year | Index/rate | | | | | | | | | | | | | |
| 2010 | Index | 69,3 | 69,8 | 70,3 | 70,4 | 70,6 | 70,6 | 71,1 | 71,1 | 71,1 | 71,3 | 71,4 | 71,5 | 70,7 |
| | Rate | 6,1 | 5,8 | 5,1 | 4,8 | 4,7 | 4,1 | 3,8 | 3,6 | 3,0 | 3,3 | 3,5 | 3,5 | 4,3 |
| 2011 | Index | 71,9 | 72,3 | 73,2 | 73,5 | 73,8 | 74,1 | 74,7 | 74,9 | 75,2 | 75,5 | 75,8 | 75,9 | 74,2 |
| | Rate | 3,8 | 3,6 | 4,1 | 4,4 | 4,5 | 5,0 | 5,1 | 5,3 | 5,8 | 5,9 | 6,2 | 6,2 | 5,0 |
| 2012 | Index | 76,3 | 76,7 | 77,6 | 77,9 | 77,9 | 78,2 | 78,4 | 78,6 | 79,3 | 79,8 | 80,0 | 80,2 | 78,4 |
| | Rate | 6,1 | 6,1 | 6,0 | 6,0 | 5,6 | 5,5 | 5,0 | 4,9 | 5,5 | 5,7 | 5,5 | 5,7 | 5,7 |
| 2013 | Index | 80,4 | 81,2 | 82,2 | 82,5 | 82,3 | 82,5 | 83,4 | 83,6 | 84,0 | 84,2 | 84,3 | 84,5 | 82,9 |
| | Rate | 5,4 | 5,9 | 5,9 | 5,9 | 5,6 | 5,5 | 6,4 | 6,4 | 5,9 | 5,5 | 5,4 | 5,4 | 5,7 |
| 2014 | Index | 85,1 | 86,0 | 87,2 | 87,6 | 87,7 | 88,0 | 88,7 | 89,0 | 89,0 | 89,2 | 89,2 | 89,0 | 88,0 |
| | Rate | 5,8 | 5,9 | 6,1 | 6,2 | 6,6 | 6,7 | 6,4 | 6,5 | 6,0 | 5,9 | 5,8 | 5,3 | 6,2 |
| 2015 | Index | 88,9 | 89,4 | 90,7 | 91,5 | 91,7 | 92,1 | 93,1 | 93,1 | 93,1 | 93,3 | 93,4 | 93,7 | 92,0 |
| | Rate | 4,5 | 4,0 | 4,0 | 4,5 | 4,6 | 4,7 | 5,0 | 4,6 | 4,6 | 4,6 | 4,7 | 5,3 | 4,5 |
| 2016 | Index | 94,4 | 95,7 | 96,4 | 97,2 | 97,4 | 97,9 | 98,7 | 98,6 | 98,8 | 99,3 | 99,6 | 100,0 | 97,8 |
| | Rate | 6,2 | 7,0 | 6,3 | 6,2 | 6,2 | 6,3 | 6,0 | 5,9 | 6,1 | 6,4 | 6,6 | 6,7 | 6,3 |
| 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 | Index | 109,2 | 110,1 | 111,0 | 111,7 | 112,0 | 112,4 | 112,8 | 113,1 | 113,4 | 113,4 | 113,5 | 113,8 | 112,2 |
| | Rate | 4,0 | 4,1 | 4,5 | 4,4 | 4,5 | 4,5 | 4,0 | 4,3 | 4,1 | 3,7 | 3,6 | 4,0 | 4,1 |
| 2020 | Index | 114,1 | 115,2 | 115,6 | 115,0 | 114,9 | 116,4 | | | | | | | |
| | Rate | 4,5 | 4,6 | 4,1 | 3,0 | 2,2 | 3,2 | | | | | | | |

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

¹ Annual average.



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; osmium, 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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