

# Statistical release P9001

## Personal services industry, 2008

(Preliminary)

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**Enquiries:** 

Katumetso Tshabatau 012 310 8435

Statistics South Afrika • Mbalo-mbalo dza Afrika Tshipembe • Tinhlayo-liko ta Afrika Dzonga • Dipalopalo tsa Afrika Borwa • Dipalopalo tsa Afrika Borwa • Dipalopalo tsa Afrika Borwa • Ubalo lwaseMzantsi Afrika • Tshipembe • Tinhlayo-liko ta Afrika • Statistick Suid-Afrika

## **Table of contents**

| 1. Summary of findings for the year 2008  | 2        |
|---|----------|
|   |          |
| Figure 1.1.1 – Income in the personal services industry, 2008   | 2        |
| Figure 1.1.2 – Income by enterprise size in the personal services industry, 2008                        | 2        |
| Figure 1.2 – Expenditure in the personal services industry, 2008  | 3        |
| Figure 1.3 – Profit margin in the personal services industry, 2008                                      | 3        |
| Figure 1.4 – Capital expenditure on new assets in the personal services industry, 2008                  | 4        |
| Figure 1.5.1 – Employment by type of service in the personal services industry, 2008                    | 4        |
| Figure 1.5.2 – Employment by enterprise size in the personal services industry, 2008                    | 5        |
| Figure 1.5.3 – Employment by gender in the personal services industry, 2008                             | 5        |
|   |          |
| 2. Tables   | 6        |
| Table 4. Discipal statistics in the garage of consists industry, 0000                                   |          |
| Table 1 – Principal statistics in the personal services industry, 2008                                  |          |
| Table 2 – Profit margin in the personal services industry, 2008   | 7        |
| Table 3 – Income in the personal services industry, 2008  | 8        |
| Table 4 – Income by enterprise size in the personal services industry, 2008.                            |          |
| Table 5 – Expenditure in the personal services industry, 2008   |          |
| Table 6 – Book value of fixed assets in the personal services industry at the end of the financial year | 12<br>13 |
| Table 8 – Details of assets in the personal services industry, 2008                                     |          |
| Table 9 – Capital expenditure on new assets in the personal services industry, 2008                     |          |
| Table 10 – Employment in the personal services industry at the end of June 2008                         |          |
| Table 11 – Employment by enterprise size in the personal services industry at the end of June 2008      |          |
| Table 11 Employment by enterprise size in the personal services industry at the end of bane 2000        |          |
| Explanatory notes   | 17       |
| Table A. Sine average for the neground considers industry.  | 47       |
| Table A – Size groups for the personal services industry  |          |
| Table B – Income in the personal services industry within 95% confidence limit: 2008                    | 18       |
| Glossary  | 20       |
| •   |          |
| General information   | 23       |

## 1. Summary of findings for the year 2008

Figure 1.1.1 – Income in the personal services industry, 2008

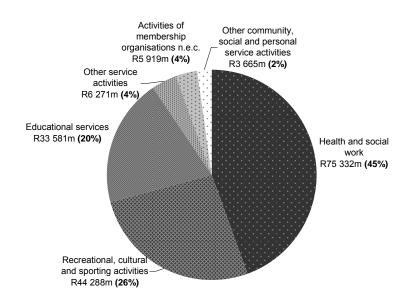
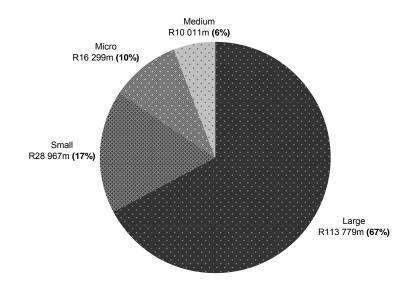


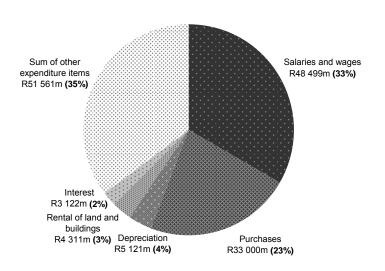
Figure 1.1.2 – Income by enterprise size in the personal services industry, 2008



The total income for the personal services industry in 2008 was R169 056 million. The largest contributor to the total income was 'Health and social work' (R75 332 million or 45%), followed by 'Recreational, cultural and sporting activities' (R44 288 million or 26%) and 'Educational services' (R33 581 million or 20%) (Figure 1.1.1 and Table 1, page 6).

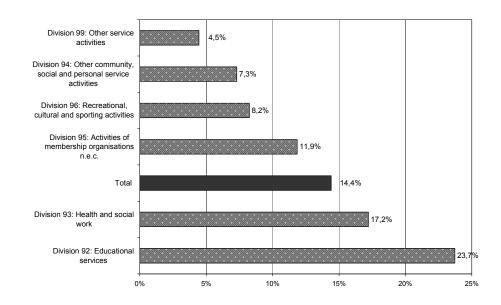
Large enterprises (those with turnover equal to or greater than R13 million) generated 67% or R113 779 million of the total income of the personal services industry (Figure 1.1.2 and Table 4, page 9).

Figure 1.2 - Expenditure in the personal services industry, 2008



Expenditure in the personal services industry in 2008 amounted to R145 614 million. The expenditure consisted primarily of salaries and wages (R48 499 million or 33%), followed by purchases (R33 000 million or 23%) and depreciation (R5 121 million or 4%) (Figure 1.2 and Table 5, pages 10–11).

Figure 1.3 - Profit margin in the personal services industry, 2008



The profit margin for the personal services industry was 14,4% in 2008. 'Educational services' had the highest profit margin at 23,7%, followed by 'Health and social work' at 17,2% and 'Activities of membership organisations n.e.c.' at 11,9% (Figure 1.3 and Table 2, page 7).

Figure 1.4 – Capital expenditure on new assets in the personal services industry, 2008

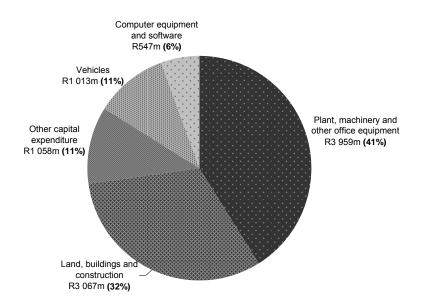
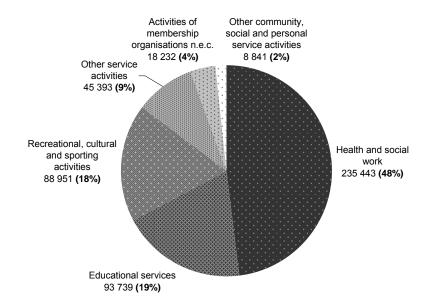


Figure 1.5.1 – Employment by type of service in the personal services industry, 2008



The total capital expenditure on new assets in the personal services industry in 2008 was R9 644 million. The largest category of capital expenditure was 'Plant, machinery and other office equipment' (R3 959 million or 41%), followed by 'Land, buildings and construction' (R3 067 million or 32%) (Figure 1.4 and Table 9, page 15).

The total number of persons employed in the personal services industry at the end of June 2008 was 490 599. 'Health and social work' employed the largest number of persons (235 443 or 48%), followed by 'Educational services' (93 739 or 19%) and 'Recreational, cultural and sporting activities' (88 951 or 18%) (Figure 1.5.1 and Table 10, page 16).

Figure 1.5.2 – Employment by enterprise size in the personal services industry, 2008

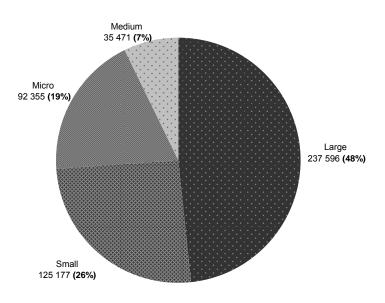
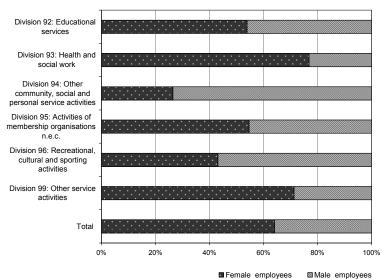


Figure 1.5.3 – Employment by gender in the personal services industry, 2008



Employment by enterprise size indicates that the large enterprises (those with turnover equal to or greater than R13 million) employed 48% or 237 596 of the total persons employed in the personal services industry in 2008, followed by small enterprises at 26% or 125 177, micro enterprises at 19% or 92 355 and medium enterprises at 7% or 35 471 (Figure 1.5.2 and Table 11, page 16).

The proportion of females out of the total persons employed was 64% and that for males was 36%. The industry with the highest proportion of females employed was 'Health and social work' (77%), while 'Other community, social and personal service activities' had the highest proportion of males employed (74%) (Figure 1.5.3 and Table 10, page 16).

PJ Lehohla Statistician-General

## 2. Tables

Table 1 – Principal statistics in the personal services industry, 2008

| Type of service  | Total<br>income | Total<br>expenditure | Net profit or loss before tax | Total value of opening inventories | Total value of closing inventories | Book value<br>of assets<br>at the<br>beginning of<br>the year | Book value<br>of assets<br>at the end of<br>the year | Capital<br>expenditure<br>on new<br>assets |  |
|--|-----------------|----------------------|-------------------------------|------------------------------------|------------------------------------|---|--|--|--|
|  | R million       |                      |                               |                                    |                                    |   |  |  |  |
| Division 92: Educational services                                    | 33 581          | 29 338               | 4 254                         | 224                                | 234                                | 13 465  | 14 288   | 1 440                                      |  |
| Division 93: Health and social work                                  | 75 332          | 62 118               | 13 450                        | 1 615                              | 1 850                              | 75 498  | 73 822   | 4 015                                      |  |
| Division 94: Other community, social and personal service activities | 3 665           | 3 370                | 314                           | 24                                 | 43                                 | 970   | 1 042  | 264  |  |
| Division 95: Activities of membership organisations n.e.c.           | 5 919           | 5 402                | 517                           | 35                                 | 37                                 | 2 197   | 2 590  | 462  |  |
| Division 96: Recreational, cultural and sporting activities          | 44 288          | 39 425               | 4 854                         | 403                                | 395                                | 18 026  | 18 598   | 3 124                                      |  |
| Division 99: Other service activities                                | 6 271           | 5 961                | 326                           | 193                                | 206                                | 1 746   | 1 872  | 339  |  |
| Total  | 169 056         | 145 614              | 23 715                        | 2 494                              | 2 765                              | 111 902   | 112 212  | 9 644                                      |  |

Table 2 – Profit margin in the personal services industry, 2008

| Type of service  | Net profit after tax | Turnover | Profit margin <sup>1</sup> |
|--|----------------------|----------|----------------------------|
|  | R mil                | lion     | %                          |
| Division 92: Educational services                                    | 4 081                | 17 206   | 23,7                       |
| Division 93: Health and social work                                  | 11 321               | 65 783   | 17,2                       |
| Division 94: Other community, social and personal service activities | 250                  | 3 424    | 7,3                        |
| Division 95: Activities of membership organisations n.e.c.           | 489                  | 4 126    | 11,9                       |
| Division 96: Recreational, cultural and sporting activities          | 3 352                | 40 626   | 8,2                        |
| Division 99: Other service activities                                | 264                  | 5 930    | 4,5                        |
| Total  | 19 757               | 137 095  | 14,4                       |

<sup>&</sup>lt;sup>1</sup>Net profit after tax divided by turnover multiplied by 100.

Table 3 – Income in the personal services industry, 2008

| Type of service  | Sales  | Services | Rental of land,<br>buildings<br>and other<br>structures | Interest | Subsidies | Dividends |  |  |
|--|--------|----------|---|----------|-----------|-----------|--|--|
|  |        |          | R million   |          |           |           |  |  |
| Division 92: Educational services                                    | 606    | 16 526   | 74  | 1 125    | 9 074     | 347       |  |  |
| Division 93: Health and social work                                  | 2 990  | 62 409   | 384   | 673      | 1 118     | 351       |  |  |
| Division 94: Other community, social and personal service activities | 176    | 3 230    | 18  | 121      | 0         | 14        |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 156    | 3 946    | 24  | 189      | 197       | 9         |  |  |
| Division 96: Recreational, cultural and sporting activities          | 6 234  | 34 117   | 275   | 502      | 271       | 269       |  |  |
| Division 99: Other service activities                                | 372    | 5 545    | 13  | 28       | 0         | 38        |  |  |
| Total  | 10 534 | 125 773  | 788   | 2 638    | 10 660    | 1 028     |  |  |

Table 3 – Income in the personal services industry, 2008 (concluded)

| Type of service  | Profit on<br>assets,<br>investments<br>and liabilities<br>sold<br>or revalued | Royalties | Donations | Sundry | Net profit on<br>foreign<br>loans | Other income | Total<br>income |  |  |  |
|--|---|-----------|-----------|--------|-----------------------------------|--------------|-----------------|--|--|--|
|  | R million   |           |           |        |                                   |              |                 |  |  |  |
| Division 92: Educational services                                    | 1 817   | 199       | 1 977     | 13     | 10                                | 1 813        | 33 581          |  |  |  |
| Division 93: Health and social work                                  | 3 180   | 10        | 2 123     | 32     | 106                               | 1 956        | 75 332          |  |  |  |
| Division 94: Other community, social and personal service activities | 20  | 0         | 0         | 1      | 0                                 | 85           | 3 665           |  |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 70  | 10        | 1 038     | 20     | 4                                 | 256          | 5 919           |  |  |  |
| Division 96: Recreational, cultural and sporting activities          | 668   | 248       | 732       | 61     | 186                               | 725          | 44 288          |  |  |  |
| Division 99: Other service activities                                | 24  | 11        | 166       | 9      | 1                                 | 64           | 6 271           |  |  |  |
| Total  | 5 779   | 478       | 6 036     | 136    | 307                               | 4 899        | 169 056         |  |  |  |

Table 4 – Income by enterprise size in the personal services industry, 2008

| Type of services   | Large<br>enterprises | Medium<br>enterprises | Small<br>enterprises | Micro<br>enterprises | Total<br>income |  |  |  |
|--|----------------------|-----------------------|----------------------|----------------------|-----------------|--|--|--|
|  | R million            |                       |                      |                      |                 |  |  |  |
| Division 92: Educational services                                    | 26 467               | 1 064                 | 1 781                | 4 269                | 33 581          |  |  |  |
| Division 93: Health and social work                                  | 44 075               | 5 105                 | 18 576               | 7 576                | 75 332          |  |  |  |
| Division 94: Other community, social and personal service activities | 3 321                | 178                   | 136                  | 30                   | 3 665           |  |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 3 438                | 505                   | 1 447                | 529                  | 5 919           |  |  |  |
| Division 96: Recreational, cultural and sporting activities          | 34 974               | 2 422                 | 4 491                | 2 401                | 44 288          |  |  |  |
| Division 99: Other service activities                                | 1 504                | 737                   | 2 536                | 1 494                | 6 271           |  |  |  |
| Total  | 113 779              | 10 011                | 28 967               | 16 299               | 169 056         |  |  |  |

Table 5 – Expenditure in the personal services industry, 2008

| Type of service  | Salaries<br>and<br>wages | Purchases | Subcontracting | Interest | Accommodation | Advertising | Bank<br>charges | Bursaries |  |  |
|--|--------------------------|-----------|----------------|----------|---------------|-------------|-----------------|-----------|--|--|
|  | R million                |           |                |          |               |             |                 |           |  |  |
| Division 92: Educational services                                    | 14 706                   | 3 152     | 994            | 154      | 309           | 401         | 90              | 158       |  |  |
| Division 93: Health and social work                                  | 22 097                   | 17 403    | 888            | 1 665    | 53            | 312         | 285             | 20        |  |  |
| Division 94: Other community, social and personal service activities | 730                      | 1 217     | 302            | 147      | 0             | 7           | 4               | 0         |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 1 836                    | 577       | 101            | 20       | 44            | 392         | 22              | 23        |  |  |
| Division 96: Recreational, cultural and sporting activities          | 7 141                    | 9 028     | 511            | 1 069    | 201           | 713         | 108             | 1         |  |  |
| Division 99: Other service activities                                | 1 989                    | 1 623     | 26             | 67       | 7             | 70          | 77              | 0         |  |  |
| Total  | 48 499                   | 33 000    | 2 822          | 3 122    | 614           | 1895        | 586             | 202       |  |  |

Table 5 – Expenditure in the personal services industry, 2008 (continued)

| Type of service  | Computer | Depreciation | Insurance | Entertainment | Losses on assets | Motor vehicle<br>running<br>expenditure | Operational leasing and hiring of plant, machinery and equipment | Paper,<br>printing<br>and<br>stationery |  |  |  |
|--|----------|--------------|-----------|---------------|------------------|---|--|---|--|--|--|
|  |          | R million    |           |               |                  |   |  |   |  |  |  |
| Division 92: Educational services                                    | 343      | 1 105        | 101       | 145           | 171              | 153                                     | 647  | 355                                     |  |  |  |
| Division 93: Health and social work                                  | 333      | 1 947        | 554       | 127           | 413              | 608                                     | 816  | 388                                     |  |  |  |
| Division 94: Other community, social and personal service activities | 18       | 189          | 31        | 3             | 11               | 145                                     | 196  | 4                                       |  |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 38       | 170          | 51        | 11            | 30               | 104                                     | 35   | 91                                      |  |  |  |
| Division 96: Recreational, cultural and sporting activities          | 118      | 1 451        | 185       | 81            | 331              | 241                                     | 525  | 79                                      |  |  |  |
| Division 99: Other service activities                                | 15       | 259          | 68        | 21            | 13               | 140                                     | 109  | 31                                      |  |  |  |
| Total  | 865      | 5 121        | 990       | 388           | 969              | 1 391                                   | 2 328  | 948                                     |  |  |  |

Table 5 – Expenditure in the personal services industry, 2008 (continued)

| Type of service  | Postal and courier services | Property<br>taxes | Provisions | Railage and transport-out | Rental of land and buildings | Repair and maintenance | Research and development | Royalties |  |  |
|--|-----------------------------|-------------------|------------|---------------------------|------------------------------|------------------------|--------------------------|-----------|--|--|
|  |                             | R million         |            |                           |                              |                        |                          |           |  |  |
| Division 92: Educational services                                    | 142                         | 70                | 223        | 15                        | 483                          | 757                    | 177                      | 51        |  |  |
| Division 93: Health and social work                                  | 122                         | 72                | 184        | 101                       | 2 557                        | 909                    | 77                       | 99        |  |  |
| Division 94: Other community, social and personal service activities | 1                           | 1                 | 3          | 4                         | 24                           | 33                     | 0                        | 0         |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 24                          | 23                | 22         | 5                         | 159                          | 177                    | 71                       | 2         |  |  |
| Division 96: Recreational, cultural and sporting activities          | 41                          | 71                | 254        | 221                       | 606                          | 557                    | 11                       | 632       |  |  |
| Division 99: Other service activities                                | 8                           | 4                 | 2          | 18                        | 482                          | 109                    | 1                        | 20        |  |  |
| Total  | 338                         | 241               | 688        | 364                       | 4 311                        | 2 542                  | 337                      | 804       |  |  |

Table 5 – Expenditure in the personal services industry, 2008 (concluded)

| Type of service  | Security<br>services<br>(including<br>IT security<br>services) | Staff<br>training | Subscriptions | Telecommunication services | Travelling | Water<br>and<br>electricity | Other<br>expenditure | Total<br>expenditure |  |  |
|--|--|-------------------|---------------|----------------------------|------------|-----------------------------|----------------------|----------------------|--|--|
|  | R million  |                   |               |                            |            |                             |                      |                      |  |  |
| Division 92: Educational services                                    | 183  | 107               | 86            | 238                        | 467        | 324                         | 3 031                | 29 338               |  |  |
| Division 93: Health and social work                                  | 204  | 227               | 205           | 795                        | 188        | 653                         | 7 816                | 62 118               |  |  |
| Division 94: Other community, social and personal service activities | 14   | 5                 | 1             | 13                         | 11         | 15                          | 241                  | 3 370                |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 64   | 29                | 23            | 85                         | 134        | 90                          | 949                  | 5 402                |  |  |
| Division 96: Recreational, cultural and sporting activities          | 197  | 117               | 177           | 250                        | 418        | 204                         | 13 886               | 39 425               |  |  |
| Division 99: Other service activities                                | 16   | 16                | 9             | 99                         | 27         | 83                          | 552                  | 5 961                |  |  |
| Total  | 678  | 501               | 501           | 1 480                      | 1 245      | 1 369                       | 26 475               | 145 614              |  |  |

Table 6 – Book value of fixed assets in the personal services industry at the end of the financial year

| Type of service  | Land      | Residential<br>buildings | Non-<br>residential<br>buildings | Construction works | Computer<br>and IT<br>equipment |  |  |
|--|-----------|--------------------------|----------------------------------|--------------------|---------------------------------|--|--|
|  | R million |                          |                                  |                    |                                 |  |  |
| Division 92: Educational services                                    | 814       | 1 715                    | 9 050                            | 141                | 378                             |  |  |
| Division 93: Health and social work                                  | 3 298     | 4 451                    | 32 610                           | 715                | 465                             |  |  |
| Division 94: Other community, social and personal service activities | 59        | 3                        | 82                               | 0                  | 15                              |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 512       | 166                      | 1 325                            | 7                  | 57                              |  |  |
| Division 96: Recreational, cultural and sporting activities          | 2 874     | 375                      | 5 406                            | 1 299              | 210                             |  |  |
| Division 99: Other service activities                                | 282       | 29                       | 253                              | 6                  | 33                              |  |  |
| Total  | 7 839     | 6 739                    | 48 726                           | 2 168              | 1 158                           |  |  |

Table 6 - Book value of fixed assets in the personal services industry at the end of the financial year (concluded)

| Type of service  | Motor vehicles<br>and other<br>transport | Plant,<br>machinery<br>and<br>other office<br>equipment | Computer<br>software | Other<br>intangible<br>assets | Other fixed assets | Total<br>book value<br>of fixed<br>assets |
|--|--|---|----------------------|-------------------------------|--------------------|---|
|  |  |   | R m                  | illion                        |                    |   |
| Division 92: Educational services                                    | 255                                      | 1 671   | 71                   | 49                            | 144                | 14 288                                    |
| Division 93: Health and social work                                  | 1 720                                    | 6 845   | 251                  | 23 340                        | 127                | 73 822                                    |
| Division 94: Other community, social and personal service activities | 477                                      | 274   | 0                    | 12                            | 120                | 1 042                                     |
| Division 95: Activities of membership organisations n.e.c.           | 122                                      | 348   | 8                    | 25                            | 20                 | 2 590                                     |
| Division 96: Recreational, cultural and sporting activities          | 830                                      | 4 023   | 36                   | 2 898                         | 647                | 18 598                                    |
| Division 99: Other service activities                                | 377                                      | 503   | 1                    | 367                           | 21                 | 1 872                                     |
| Total  | 3 781                                    | 13 664  | 367                  | 26 691                        | 1 079              | 112 212                                   |

Table 7 – Details of assets in the personal services industry, 2008

|  |        | Current assets |           |                      |                      |                                | Non-current assets |                      |                                |                                |         |
|--|--------|----------------|-----------|----------------------|----------------------|--------------------------------|--------------------|----------------------|--------------------------------|--------------------------------|---------|
| Type of service  | Bank   | Debtors        | Inventory | Other current assets | Total current assets | Fixed<br>non-current<br>assets | Goodwill           | Long-term investment | Other<br>non-current<br>assets | Total<br>non-current<br>assets |         |
|  |        |                |           |                      |                      | Rr                             | nillion            |                      |                                |                                |         |
| Division 92: Educational services                                    | 6 633  | 2 286          | 234       | 4 885                | 14 038               | 14 248                         | 40                 | 15 296               | 754                            | 30 338                         | 44 376  |
| Division 93: Health and social work                                  | 6 446  | 11 405         | 1 854     | 1 836                | 21 541               | 46 875                         | 19 108             | 5 347                | 5 053                          | 76 383                         | 97 924  |
| Division 94: Other community, social and personal service activities | 391    | 554            | 43        | 440                  | 1 428                | 986                            | 4                  | 14                   | 182                            | 1 186                          | 2 614   |
| Division 95: Activities of membership organisations n.e.c.           | 1 567  | 488            | 37        | 605                  | 2 697                | 2 530                          | 24                 | 1 265                | 439                            | 4 258                          | 6 955   |
| Division 96: Recreational, cultural and sporting activities          | 3 907  | 3 081          | 395       | 1 891                | 9 274                | 14 626                         | 2 546              | 1 716                | 1 595                          | 20 483                         | 29 757  |
| Division 99: Other service activities                                | 408    | 318            | 207       | 289                  | 1 222                | 1 513                          | 365                | 185                  | 149                            | 2 212                          | 3 434   |
| Total  | 19 352 | 18 132         | 2 770     | 9 946                | 50 200               | 80 778                         | 22 087             | 23 823               | 8 172                          | 134 860                        | 185 060 |

Table 8 – Details of liabilities and owners' equity in the personal services industry, 2008

|  | Current liabilities |           |                                 | No                              | on-current liabilities | Total<br>liabilities                | Owners' equity                      |         |        |
|--|---------------------|-----------|---------------------------------|---------------------------------|------------------------|-------------------------------------|-------------------------------------|---------|--------|
| Type of service  | Creditors           | Overdraft | Other<br>current<br>liabilities | Total<br>current<br>liabilities | Long-term<br>Ioan      | Other<br>non-current<br>liabilities | Total<br>non-current<br>liabilities |         |        |
|  |                     |           |                                 |                                 | R million              |                                     |                                     |         |        |
| Division 92: Educational services                                    | 3 634               | 1 755     | 1 696                           | 7 085                           | 1 389                  | 3 917                               | 5 306                               | 12 391  | 31 985 |
| Division 93: Health and social work                                  | 8 206               | 1 438     | 6 325                           | 15 969                          | 40 032                 | 11 477                              | 51 509                              | 67 478  | 30 446 |
| Division 94: Other community, social and personal service activities | 530                 | 99        | 360                             | 989                             | 493                    | 505                                 | 998                                 | 1 987   | 627    |
| Division 95: Activities of membership organisations n.e.c.           | 809                 | 233       | 621                             | 1 663                           | 542                    | 204                                 | 746                                 | 2 409   | 4 546  |
| Division 96: Recreational, cultural and sporting activities          | 4 263               | 1 305     | 4 271                           | 9 839                           | 9 736                  | 2 489                               | 12 225                              | 22 064  | 7 693  |
| Division 99: Other service activities                                | 443                 | 86        | 279                             | 808                             | 1 271                  | 353                                 | 1 624                               | 2 432   | 1 002  |
| Total  | 17 885              | 4 916     | 13 552                          | 36 353                          | 53 463                 | 18 945                              | 72 408                              | 108 761 | 76 299 |

Table 9 – Capital expenditure on new assets in the personal services industry, 2008

| Type of service  | Land, buildings<br>and<br>construction | Computer equipment and software | Vehicles | Plant,<br>machinery and<br>other office<br>equipment | Other capital expenditure | Total<br>capital<br>expenditure on<br>new assets |  |  |
|--|--|---------------------------------|----------|--|---------------------------|--|--|--|
|  | R million                              |                                 |          |  |                           |  |  |  |
| Division 92: Educational services                                    | 566                                    | 146                             | 67       | 488  | 173                       | 1 440  |  |  |
| Division 93: Health and social work                                  | 1 440                                  | 281                             | 307      | 1 803  | 184                       | 4 015  |  |  |
| Division 94: Other community, social and personal service activities | 7                                      | 7                               | 139      | 62   | 49                        | 264  |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 161                                    | 27                              | 28       | 235  | 11                        | 462  |  |  |
| Division 96: Recreational, cultural and sporting activities          | 870                                    | 74                              | 381      | 1 244  | 555                       | 3 124  |  |  |
| Division 99: Other service activities                                | 23                                     | 12                              | 91       | 127  | 86                        | 339  |  |  |
| Total  | 3 067                                  | 547                             | 1 013    | 3 959  | 1 058                     | 9 644  |  |  |

Table 10 – Employment in the personal services industry at the end of June 2008

| Type of service  | Female<br>employees | Male<br>employees | Total<br>employees |  |  |
|--|---------------------|-------------------|--------------------|--|--|
|  | Number              |                   |                    |  |  |
| Division 92: Educational services                                    | 50 549              | 43 190            | 93 739             |  |  |
| Division 93: Health and social work                                  | 180 973             | 54 470            | 235 443            |  |  |
| Division 94: Other community, social and personal service activities | 2 341               | 6 500             | 8 841              |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 9 970               | 8 262             | 18 232             |  |  |
| Division 96: Recreational, cultural and sporting activities          | 38 390              | 50 561            | 88 951             |  |  |
| Division 99: Other service activities                                | 32 372              | 13 021            | 45 393             |  |  |
| Total  | 314 595             | 176 004           | 490 599            |  |  |

Table 11 – Employment by enterprise size in the personal services industry at the end of June 2008

|  | Number of employees  |                       |                   |                      |                    |  |  |
|--|----------------------|-----------------------|-------------------|----------------------|--------------------|--|--|
| Type of service  | Large<br>enterprises | Medium<br>enterprises | Small enterprises | Micro<br>enterprises | Total<br>employees |  |  |
| Division 92: Educational services                                    | 65 551               | 2 877                 | 5 300             | 20 011               | 93 739             |  |  |
| Division 93: Health and social work                                  | 99 700               | 17 456                | 74 124            | 44 163               | 235 443            |  |  |
| Division 94: Other community, social and personal service activities | 7 358                | 384                   | 621               | 478                  | 8 841              |  |  |
| Division 95: Activities of membership organisations n.e.c.           | 7 553                | 1 311                 | 5 096             | 4 272                | 18 232             |  |  |
| Division 96: Recreational, cultural and sporting activities          | 50 705               | 9 823                 | 21 842            | 6 581                | 88 951             |  |  |
| Division 99: Other service activities                                | 6 729                | 3 620                 | 18 194            | 16 850               | 45 393             |  |  |
| Total  | 237 596              | 35 471                | 125 177           | 92 355               | 490 599            |  |  |

### **Explanatory notes**

#### **Background**

The results presented in this publication have been derived from the 2008 personal services large sample survey. This is a periodic survey, which measures economic activity in the personal services industry of the South African economy. This survey is based on a sample of private and public enterprises operating in the personal services industry.

The sample was drawn from Stats SA's Business Register. Stats SA continuously upgrades its Business Register, based on units registered for value added tax (VAT) and income tax (IT) at the South African Revenue Service (SARS).

All figures exclude value added tax (VAT).

Reference period

The information was collected from enterprises for their financial year, which ended on any date between 1 July 2007 and 30 June 2008.

Purpose of the survey

Results of the survey are used within Stats SA for compiling South Africa's National Accounts, e.g. the Gross Domestic Product (GDP) and gross fixed capital formation. These statistics are also used by the private sector in analyses of comparative business and industry performance.

Scope and coverage

This survey covers the following income tax-registered private and public enterprises that are mainly engaged in personal services:

- i. Educational services (SIC 92).
- ii. Health and social work (SIC 93).
- iii. Other community, social and personal service activities (SIC 94).
- iv. Activities of membership organisations n.e.c. (SIC 95).
- v. Recreational, cultural and sporting activities (SIC 96).
- vi. Other service activities (99).

#### Classification by industry

The 1993 edition of the Standard Industrial Classification of all Economic Activities (SIC), Fifth Edition, Report No. 09-09-02, was used to classify the statistical units in the survey. The SIC is based on the 1990 International Standard Industrial Classification of all Economic Activities (ISIC) with suitable adaptations for local conditions. Statistics in this publication are presented at 2-digit SIC level (division). Each enterprise is classified to an industry, which reflects its predominant activity.

Statistical unit

The statistical unit for the collection of the information is an enterprise. An enterprise is a legal unit (or a combination of legal units) that includes and directly controls all functions necessary to carry out its activities.

Size groups

The enterprises are divided into four size groups according to the value of their Business Register turnover. Large enterprises are enterprises with an annual turnover of R13 million and more. Table A presents the size groups defined using the Department of Trade and Industry (DTI) cut-off points.

Table A – Size groups for the personal services industry

| Size group | Turnover                                |
|------------|---|
| Large      | ≥ R13 000 000                           |
| Medium     | R6 000 000 ≤ VAT turnover < R13 000 000 |
| Small      | R1 000 000 ≤ VAT turnover < R6 000 000  |
| Micro      | < R1 000 000                            |

## Survey methodology and design

The survey was conducted by post, email, fax, telephone and personal visits.

A sample of approximately 4 277 enterprises was drawn using stratified simple random sampling. The enterprises were first stratified at 4-digit level according to the SIC and then by size of enterprise. All large enterprises were completely enumerated. Business Register turnover was used as the measure of size for stratification.

#### Weighting methodology

For those strata not completely enumerated, the weights to produce estimates are the inverse ratio of the sampling fraction, modified to take account of non-response in the survey. Stratum estimates were calculated and then aggregated with the completely enumerated stratum to form group estimates. These procedures, which are in line with international best practice, are described in more detail on the Stats SA website at www.statssa.gov.za/publications/publicationsearch.asp.

#### Relative standard error

Data presented in this publication are based on information obtained from a sample and are, therefore, subject to sampling variability; that is, they may differ from the figures that would have been produced if the data had been obtained from all enterprises in the personal services industry in South Africa.

One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of enterprises was used. The relative standard error (RSE) provides an immediate indication of the percentage errors likely to have accrued due to sampling.

Table B - Income in the personal services industry within 95% confidence limit: 2008

| Type of service  | Lower<br>limit | Total<br>income | Upper<br>limit | Relative<br>standard<br>error |
|--|----------------|-----------------|----------------|-------------------------------|
|  |                | R million       |                | %                             |
| Division 92: Educational services                                    | 27 131         | 33 581          | 40 031         | 9,8                           |
| Division 93: Health and social work                                  | 73 118         | 75 332          | 77 548         | 1,5                           |
| Division 94: Other community, social and personal service activities | 3 557          | 3 665           | 3 773          | 1,5                           |
| Division 95: Activities of membership organisations n.e.c.           | 5 304          | 5 919           | 6 534          | 5,3                           |
| Division 96: Recreational, cultural and sporting activities          | 42 624         | 44 288          | 46 102         | 2,0                           |
| Division 99: Other service activities                                | 5 747          | 6 271           | 6 645          | 3,7                           |
| Total  | 161 436        | 169 056         | 176 678        | 2,3                           |

#### Non-sampling errors

Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in the collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to minimise non-sampling errors by careful design of questionnaires, testing them in pilot studies, editing reported data and implementing efficient operating procedures. Non-sampling errors occur in both sample surveys and censuses.

#### Rounding off of figures

The figures in the tables have, where necessary, been rounded off to the nearest final digit shown. There may therefore be slight discrepancies between the sums of the constituent items and the totals shown.

| Symbols and   |
|---------------|
| abbreviations |

DTI Department of Trade and Industry

GDP Gross Domestic Product

ISIC International Standard Industrial Classification of all Economic Activities

IT Income tax

RSE Relative standard error

SARS South African Revenue Service

SE Standard error

SIC Standard Industrial Classification of all Economic Activities

SNA System of National Accounts

Stats SA Statistics South Africa

VAT Value added tax

0 Nil or less than half the final digit shown

### Glossary

**Current assets** 

Current assets are assets that are not expected to be turned into cash within one year during the normal course of business. They include:

- trade and other receivables;
- cash and bank;
- · inventories: and
- other current assets.

**Current liabilities** 

Current liabilities are debts or obligations that are due within one year. They include:

- trade and other payables;
- bank overdraft; and
- other current liabilities.

**Employees** 

Employees are those people employed by the business or organisation who received payment (in salaries, wages, commission, piece rates or payments in kind) for the last pay period ended on or before 30 June 2008.

**Enterprise** 

The enterprise is a legal entity or a combination of legal units that includes and directly controls all functions necessary to carry out its activities.

Industry

An industry consists of a group of enterprises engaged in the same or similar kinds of economic activity. Industries are defined in the System of National Accounts (SNA) in the same way as in the Standard Industrial Classification of all Economic Activities, Fifth Edition, Report No. 09-90-02 of January 1993 (SIC).

Net profit or loss after tax

Net profit or loss after tax is derived as:

Total income

plus closing value of inventories

minus total expenditure

minus opening value of inventories

minus company tax

Net profit or loss before tax

Net profit or loss before tax is derived as:

Total income

**plus** closing value of inventories

minus total expenditure

minus opening value of inventories

Non-current assets

Non-current assets are assets which are not easily convertible to cash or not expected to become cash within the next year. They include:

- property, plant and equipment and intangible assets;
- long-term investments; and
- other non-current assets.

Non-current liabilities

Non-current liabilities are liabilities not due to be paid within one year during the normal course of business. They include:

- long-term loans; and
- · other non-current liabilities.

Other expenditure

Other expenditure includes:

- Containers and packaging materials;
- Excise and customs duty;
- Losses on liabilities;
- Losses on foreign exchange;
- Prices and payout;
- Severance, termination and redundancy payments;
- Skills development levy; and
- Other.

Other income

Other income includes:

- Leasing and hiring of motor vehicles and other transport equipment;
- Leasing and hiring of plant, machinery, equipment and vehicles;
- Profit for redemption, liquidation or revaluation of liabilities; and
- Other.

Owners' equity

Owners' equity is the residual interest in the entity's assets after deducting its liabilities.

**Profit margin** 

Profit margin is derived as:

Net profit after tax divided by turnover multiplied by 100

Statistical unit

A statistical unit is a unit about which statistics are tabulated, compiled or published. The statistical units are derived from and linked to the South

African Revenue Service (SARS) administrative data.

Stratum

A stratum is constructed by concatenating the SIC classification and size group variables.

#### Turnover

Turnover includes:

- The value of sales of goods; Amount received for services rendered;
- Rent and lease payments received for land and buildings; and Rent, leasing and hiring received for machinery, vehicles and other equipment.

#### **General information**

Stats SA publishes approximately 300 different statistical releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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#### **Enquiries**

Telephone number: (012) 310 8600/ 8390/ 8351/ 4892/ 8496/ 8095 (user information services)

(012) 310 8435/310 8191 (technical enquiries)

(012) 310 8358 (orders) (012) 310 8490 (library)

Fax number: (012) 310 8623 (technical enquiries)

Email address: KatumetsoTs@statssa.gov.za (technical enquiries)

Tshepop@statssa.gov.za (technical enquiries) info@statssa.gov.za (user information services)

magdaj@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001

Produced by Stats SA