

Mbalo Brief



the missing piece of the puzzle

February 2016



Issue 01/2016



the missing piece of the puzzle



Statistics South Africa
Private Bag X44
Pretoria 0001
South Africa

170 Thabo Sehume Street
Pretoria 0002

User information services: (012) 310 8600
Fax: (012) 310 8500
Main switchboard: (012) 310 8911
Fax: (012) 321 7381

Website: www.statssa.gov.za
Email: info@statssa.gov.za





Editor's comment

Some parts of South Africa have experienced severe drought due to shortage of rainfall. According to the South African Weather Services (SAWS), the lowest annual total rainfall over the full 112-year period has been the January to December 2015 period. This period recorded an annual total of only 403 millimeters of rainfall. Government declared Mpumalanga, Limpopo, KwaZulu-Natal, North West and the Free State as the drought disaster areas. Some parts of the Eastern Cape, Northern Cape and Western Cape were also affected by the drought's effects. Agricultural production has been affected by the drought and crop farmers were unable to plant their crops due to inadequate rainfall. The government has urged farmers to cut the sizes of their herds as the drought has burnt the grazing land. The SAWS warned that El Nino weather (an abnormal weather pattern that is caused by the warming of the Pacific Ocean near the equator) pattern which caused the historic drought is expected to continue for months, hardening the situation for farmers.

In our educational article for this month's issue of *Mbalo Brief*, we give you a closer look at the household use of public transport and the affordability thereof. This article is derived from the findings of a report titled *Measuring household expenditure on public transport: In-depth analysis of the National Household Travel Survey (NHTS), 2013* (Report No. 03-20-11) and the General Household Survey (GHS) 2013, 2010 and 2011 as well as the Income and Expenditure Survey (IES) and Census 2011. The article looks at the main mode of travel and affordability of public transport among other areas.

Included in this issue are our monthly articles such as the *Electricity, Mining production and sales, Food and beverages* and *Consumer price index (CPI)*. We have also included a crossword puzzle and solutions for the November 2015 puzzle.

Articles published in this issue are based on results of industry surveys conducted for the months ranging from November to December 2015 which were released in January and February 2016. For more details on any of the surveys, visit our website at www.statssa.gov.za

Enjoy your read!





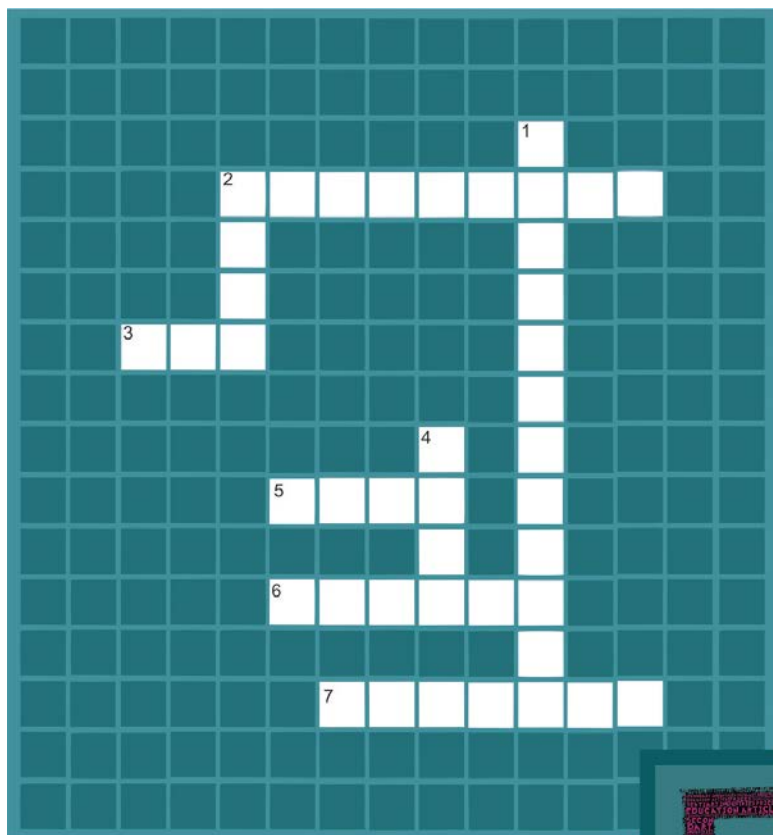
CONTENTS

Editor's comment	i
Crossword puzzle.....	iv
Educational article: Household expenditure on public transport.....	1
Primary industries.....	11
Mining: Production and sales.....	11
Secondary industries.....	13
Manufacturing: Production and sales.....	13
Selected building statistics of the private sector	14
Electricity generated and available for distribution	15
Tertiary industries	17
Wholesale trade sales.....	17
Retail trade sales	18
Motor trade sales	19
Food and beverages	20
Tourist accommodation.....	21
Tourism and migration	23
Statistics of civil cases for debt	27
Statistics of liquidations and insolvencies	28
Land transport survey	30
Prices.....	32
Producer price index (PPI).....	32
Consumer price index (CPI).....	34
Glossary	37





Crossword puzzle





Across

2. How many district municipalities does South Africa have?
3. Which mode of travel was used by most of the overseas visitors who came in South Africa? [Read Tourism and migration article]
5. What is the name of the disease that erupted in Brazil and causes birth defects?
6. In which continent do we find Nile River?
7. Which is the birth province of South Africa's deputy president Cyril Ramaphosa?

Down

1. Who is an African vying for Fifa presidential elections?
2. How many provinces are having an annual inflation rate higher than the headline inflation rate? [Read Consumer price index article]
4. Which mode of transport was used by the majority of South Africans in 2013? [Read educational article for clue]

Solutions for November 2015 puzzle

Across

4. Drought
6. Blade Nzimande
7. Eleven
8. Protea

Down

1. White
2. Msawawa
3. Hose pipe
5. Mining





Educational article: Household expenditure on public transport

Introduction

Transportation is central to sustainable development. In 2002, the World Bank published a report titled '*Cities on the Move*', which states that economically, transport is the lifeblood of cities. Cities are the major source of the national economic growth. Countless numbers of people travel from various residential areas to cities for work, school, health, shopping, etc. It is therefore essential that the transport used is affordable, sustainable, efficient and adequate in order to meet these basic accessibility needs. This article aims to provide a profile of public transport users across different geographical locations of South Africa with regard to the level of affordability of public transport, and provides a visual representation of public transport users. The National Development Plan (NDP) states that 'income, through employment or social security, is critical to defining living standards, but human beings need more than income for their day-to-day activities. They need adequate nutrition, they need transport to get to work, and they desire safe communities and clean neighbourhoods.' Therefore, transport is one of the core elements of a decent standard of living that the NDP has identified.

This article is based on *Measuring household expenditure on public transport: In-depth analysis of the National household travel survey, 2013 data* (Report No. 03-20-11). The report was published by Statistics South Africa (Stats SA) in December 2015. The General Household Survey (GHS) 2013, 2010 and 2011 as well as the Income and Expenditure Survey (IES) and Census 2011 were used as additional sources for this article.

National Development Plan (NDP)

The National Planning Commission (NPC) presented the National Development Plan (NDP), which is aimed at addressing and eradicating poverty and reducing the inequality in the country. The following are some of the specific strategic objectives that are related to public transport:

- Investments in public transport, which will benefit low-income households by facilitating mobility.
- Establishment of effective, safe and affordable public transport.
- Investments in the transport sector, which in turn will bridge geographical distances affordably, and foster reliability and safety so



that all South Africans can access previously inaccessible economic opportunities, social spaces and services.

- Investments in public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by enhanced links with road-based services.
- Establishment of the user-friendly, less environmentally damaging, cheaper and integrated or seamless public transport.
- Delegate transport management to local government.

Background on National Household Travel Survey (NHTS) 2013

The National Household Travel Survey (NHTS) was conducted in 2003 and 2013. It was aimed at providing insight into the travel modes, times and costs of South African households. The aim of the NHTS was to gain strategic insight into the travel patterns and transport problems in the country, and the collected information will serve as the basis for the Department of Transport (DoT) research, planning and policy formulation. The survey primarily covers land transport travel. Land transport focuses on public and private transport, including non-motorised transport such as walking, cycling or making use of animal-drawn vehicles. It also focuses on the reasons for travelling such as education, work, business, leisure and migration for individuals.

Main mode of travel at a glance

Of the 14,2 million households surveyed in 2013, about 7,2 million cited taxis as the main mode of travel, followed by households using buses (2,6 million) and travelling as passengers in private cars (1,6 million). Different patterns were observed across all income quintiles. Taxis were the main mode of travel, followed by buses and trains across all income quintiles with the exception of the highest income quintile. Households from the highest income quintile mostly drove private cars as their main mode of travel, followed by passengers in cars and taxis.



Figure 1: Percentage of main mode of travel used by household

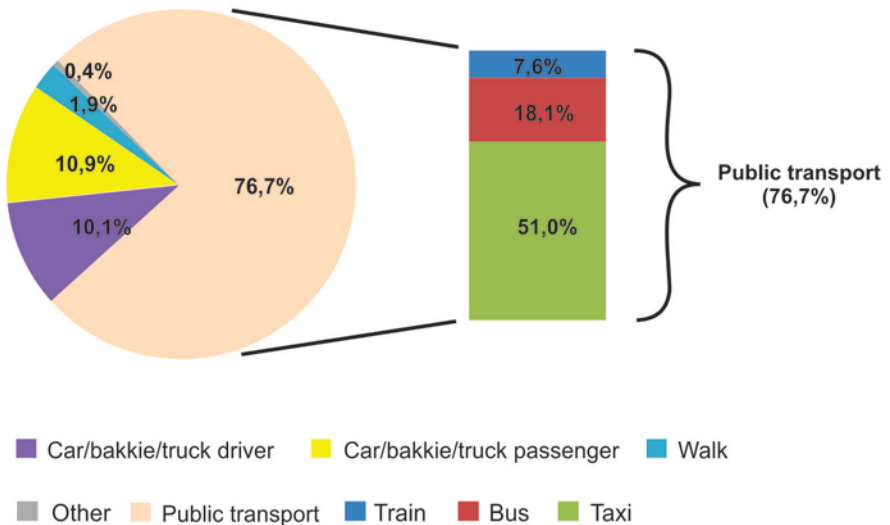


Figure 1 above shows that nationally, more than three-quarters of households indicated that their main mode of travel was public transport (76,7%). Those who used public transport as their main mode mostly used taxis (51,0%), followed by buses (18,1%), and trains (7,6%).

Quintile: The quintile measure divides the households into five equal parts where households are ordered from those with the least per capita household income to those with the highest per capita household income. Thus, the first quintile represents the lowest fifth of the data (1%–20%); the second quintile represents the second-fifth (21%–40%); quintile 3 represents households that fall into the third-fifth (41%–60%) of the data; quintile 4 represents households that fall into the fourth-fifth (61%–80%) of the data; and the final and wealthiest quintile, quintile 5, represents households that fall into the highest fifth (81%–100%) of the data. These values are per capita household income per month. The monetary cut-off values for income quintiles are as follows:

- Quintile 1: R0 – R400;
- Quintile 2: R401 – R846;
- Quintile 3: R847 – R1 671;
- Quintile 4: R1 672 – R4 133; and

- Quintile 5: Larger than R4 133.

Households that fell into the bottom two income quintiles (quintiles 1 and 2) were classified as poor, while those in the three upper income quintiles (quintiles 3, 4 and 5) were grouped together as rich households. Although the per capita household income might differ significantly amongst households in the rich category, these households probably use and have access to similar resources and appliances.

Almost all households (91,3%) from the lowest income quintile (quintile 1) used public transport, followed by 90,4% of households from quintile 2, while a lesser percentage of households from quintile 3 (86,4%), quintile 4 (77,1%) and quintile 5 (38,2%) used public transport in 2013. The use of public transport among households from the highest income quintile was the lowest because they were more likely to use private transport as either driver or passenger.

Taking into consideration the mode of travel used by learners to their educational institutions by household income quintile, nationally, about 11 million learners walked to their educational institutions, followed by those who used taxis (2,6 million). The same pattern emerged in all income quintiles except for the highest income quintile, where most learners (almost one million) were passengers in a car/truck. This was followed by learners who used taxis (329 000) whilst walking all the way (248 000) was the third most commonly used mode of travel among learners from the highest income quintile.

Approximately 4,3 million workers in South Africa drove a private car to their workplace, followed by those who travelled by taxi (3,7 million) and a further 2,9 million who walked to their workplace. Workers in households from the lowest income quintile (48,9%) were more likely to walk to their workplace, followed by those who used taxis (25,2%) and buses (6,9%). On the other hand, workers from households with the highest income quintile indicated using their private cars as their main mode of travel (65,4%), followed by taxis (13,1%) and as passengers (8,0%).

Public transport at a glance

According to the NHTS 2013, patterns of public transport usage have changed between 2003 and 2013, with general increases in the percentage



of households who used taxis (from 59,0% to 69,0%), buses (16,6% to 20,2%) and trains (5,7% to 9,9%).

The NHTS further states that approximately 11,1 million households in South Africa used public transport as their mode of travel. The majority (4,4 million) of these households reside in metropolitan areas, followed by those households in rural areas (3,9 million) and urban areas (2,8 million). Furthermore, most South Africans used transport to access most of the public facilities and services. More than half of households (53,0%) used public transport to visit food or grocery shops and financial services/banks (52,2%). More than a third of households also used public transport to go to municipal offices (38,0%), police stations (37,9%), welfare offices (36,3%) and medical services (35,2%).

Cost of commuting using public transport by households

The travel cost of public transport as reported by the NHTS is calculated by adding the total costs incurred for education and work-related travel on the travel day. Also included in the calculations is the cost of overnight trips if overnight trips are done weekly/four or more times in a month. In addition to the calculations, travel cost was divided by the number of individuals in the household.

Of the 11,1 million households who used public transport, about 5,6 million households did not report their travel cost information while 5,3 million households provided travel cost information. The results further show that most households who did not report their travel cost information were from the bottom quintile of the income distribution index. In 2013, the average per capita monthly household travel cost was higher for households from the highest income quintile (R404) compared to households from the lowest income quintile (R133). The three highest contributors to the travel cost were taxis (with an average per capita monthly cost of R254), followed by trains (with an average per capita monthly cost of R248) and buses (with an average per capita monthly cost of R231).

Affordability of public transport for households

The results from the 2010/2011 Income and Expenditure Survey (IES) show that transport is the second largest expenditure group and is estimated at R214 billion or 17,1% of total household consumption expenditure. The survey further shows that, on average, households spent approximately R16

319 on transport. The affordability of public transport is calculated by dividing household per capita travel cost incurred for public transport by per capita income. This measure was compared to a benchmark cited in the 1996 White Paper on Transport Policy. This was done to assess if households or individuals were spending more than 10% of their disposable income on public transport.

Of the 5,3 million households who used public transport and provided their household income and travel cost information, about 2,2 million households spent less than 10% of their monthly household income per capita on public transport, while 1,5 million households spent more than 20% and another 1,5 million spent between 10% and 20%. Regarding the monthly household earnings, more than 60% of households earning R500 or less spent more than 20% of their monthly household income per capita on public transport, whereas about 90% of households earning more than R6 000 indicated that they spent less than 10% of their monthly household income per capita on public transport. Furthermore, households from the lowest income quintile (66,6%) spent more than 20% of their income on public transport compared to households from the highest income quintile (2,9%).

Geography

Taking the geographic location into consideration, households in urban areas (46,1%) were more likely to spend less than 10% of their monthly household income per capita on public transport compared to other areas. The highest percentage of households who spent more than 20% of their monthly household income per capita on public transport were in rural areas (31,4%), followed by metro areas (29,8%) and urban areas (26,2%).

Nationally, more than half of households spent more than 10% of their monthly household income per capita on public transport (57,7%). A larger percentage of bus (60,1%) and taxi (58,6%) users spent more than 10% of their monthly household income per capita on public transport, followed by train users (49,2%).

Profile of learners using public transport

According to the NHTS, most learners travel from their usual place of residence to attend educational institutions. Some educational institutions are situated in a different province to the province of residence. Transport makes it possible for educational institutions to be accessible to learners.



Therefore, it is important that transport is affordable, easily accessible and safe for everyone.

In 2013, about 3,7 million learners used public transport as their main mode of travel. The majority of these were learners who resided in metropolitan areas (1,7 million), followed by those who lived in rural areas (1,1 million) and urban areas (958 000). Across all geographic locations, taxis (69,8%) were the most commonly used mode of transport, followed by buses (24,6%) and trains (5,5%).

Taking the average per capita monthly household income for learners, learners from households in the highest income quintile recorded a higher average per capita monthly household income (R8 283) compared to learners in households from the lowest income quintile (R233). Furthermore, learners who used trains as their main mode reported the highest average per capita monthly household income of R2 337. This is higher than the average per capita monthly household income values reported by taxi and bus users (R2 088 and R1 699, respectively).

Cost of commuting using public transport for learners

Of the 3,7 million learners who mentioned that they used public transport, 2,9 million of them provided their monthly travel cost information and 795 000 did not provide their monthly travel cost information. Most learners who used public transport and did not report their monthly travel cost information were from the lowest income quintile (28,5%), followed by those from quintile 2 (27,9%) and quintile 3 (20,9%). Therefore, the following analysis excludes learners who did not provide their travel cost information.

Learners in households from the highest income quintile (R447) were more likely to spend more on their travel cost compared to learners in households from the lowest income quintile (R351). Furthermore, trains appeared to be the most expensive mode of travel with an average monthly travel cost of R422, followed by travelling by bus (R393) and taxi (R375).

Affordability of public transport for learners

In 2013, 91,2% of learners who came from households earning R1 000 or less spent more than 20% of their monthly household income per capita on public transport. In contrast, more than 92,0% of learners who came from households earning more than R6 000 spent less than 10% of their monthly

household income per capita on public transport. The 2013 GHS found that one-quarter of learners in the age group 7–16 years cited a lack of money as the main reason for not attending educational institutions.

Furthermore, learners who reside in rural areas tend to come from households who spent more than 20% of their monthly household income per capita on public transport (68,3%), followed by those living in metro areas (54,4%) and urban areas (48,9%). Bus users were most likely to spend more than 20% of their monthly household income per capita (58,7%), followed by taxi (56,6%) and train users (45,7%). Results further show that train users were most likely to spend less than 10% of their monthly household income per capita (34,0%), followed by bus users (23,2%) and taxi users (20,6%).

Profile of workers using public transport

According to the NHTS 2013, the total number of workers using public transport increased from 5 million to 5,4 million between 2003 and 2013. Of the 5,4 million workers who used public transport as their mode of travel, most of them resided in metropolitan areas (3,1 million), followed by those in urban areas (1,3 million) and about a million from rural areas (999 000).

About 4,3 million workers who used public transport were from the formal sector and just over a million were from the informal sector. For both sectors, taxis (67,6%) were the predominant mode of travel, followed by buses (19,5%), then trains (12,9%). It is important to note that workers from the informal sector (72,4%) were more likely to use taxis as their mode of travel compared to workers from the formal sector (66,4%). Also, workers from the formal sector (13,3%) were more likely to use trains as their mode of travel compared to workers from the informal sector (9,9%).

In 2013, the average per capita monthly household income was higher for workers in households from the highest income quintile (R8 459) compared to workers in households from the lowest income quintile (R281). Furthermore, workers who used trains as their main mode of transport reported the highest average per capita monthly household income (R2 897). This was higher than the average per capita monthly household income values reported by bus and taxi users (R2 647 and R2 586, respectively).



Cost of commuting using public transport for workers

Of the 5,4 million workers who used public transport, about 92% provided their monthly travel cost information (5 million), while 8,4% (457 000) did not report such information. Most workers who did not report their travel cost information were from the formal sector (372 000), followed by 85 000 from the informal sector.

Workers in households from the highest income quintile (R582) were more likely to spend more on their travel costs compared to workers in households from the lowest income quintile (R491).

Taxis are the most expensive mode of travel with an average per capita monthly cost of R561, followed by buses (R502) and by trains (R402).

Affordability of public transport for workers

Of the 5 million workers who used public transport and provided their monthly household income and travel cost information, about 3 million of them spent more than 20% of their monthly household income per capita on public transport; 1,1 million spent between 10% and 20%; and about 914 000 spent less than 10% of their monthly household income per capita on public transport. Of the workers who came from households earning R1 000 or less, about 95% spent more than 20% of their monthly household income per capita on public transport, while 80% of workers who came from households earning more than R6 000 spent less than 10%.

Taking geographic locations into consideration, about 73,4% of rural workers come from households who spent more than 20% of their monthly household income per capita on public transport, as opposed to 60,1% in urban areas and 54,7% in metro areas. In contrast, less than 10% of rural workers come from households who spent less than 10% of their monthly household income per capita on public transport (9,2%), whilst as many as 21,1% in metros and 18,8% in urban areas spent less than 10%.

Conclusion

In the National Development Plan (NDP), access to safe, affordable, efficient and sustainable transport is high on the agenda. Approximately 10,9 million households in South Africa used public transport as their main mode of travel. Across all geographic locations, taxis constituted the largest proportion as the mode of travel, followed by buses and trains. The average





per capita monthly household travel cost is higher for households from the highest income quintile compared to households from the lowest income quintile. Furthermore, taxis are the most expensive mode of travel (measured by per capita monthly cost), followed by trains and buses. Among those learners and workers who used public transport as their main mode of travel, taxis were the most commonly used mode of transport, followed by buses and trains. From this article, it is evident that public transport is essential to many South Africans. It is therefore important that public transport in South Africa is reliable, quick, safe and affordable for people to access their place of work and to tend to their other needs.

References

1. Statistics South Africa. 2014. *National Household Travel Survey, 2013, 1994–2014* (Statistical release P0320). Pretoria: Statistics South Africa.
2. Statistics South Africa. 2013. *Census in Brief*. Pretoria: Statistics South Africa (Also available online at: http://www.statssa.gov.za/Census2011/Products/Census_2011_Census_in_brief.pdf)
3. Statistics South Africa. 2015. Measuring household expenditure on public transport: In-depth analysis of the National household travel survey 2013 data. Report No. 03-20-11. Pretoria, Statistics South Africa.



Primary industries

Mining: Production and sales

Mining production and mineral sales decrease

Mining has been known as one of the most dangerous industries in the world. The South African government, in collaboration with stakeholders such as mine operators, labour unions, etc. always strive to curb mining deaths and injuries that affect production. The efforts of this collaboration are yielding positive results as the Minister of the Department of Mineral Resources, Mosebenzi Zwane, reported that in 2015, the mining sector recorded the lowest mining fatalities. According to the Minister, a total of 77 fatalities were reported in 2015 compared to 84 reported for 2014, during his delivery speech of the Health and Safety Statistics report for 2015. This article highlights mining production for November 2015 and mineral sales for October 2015.

Mining production decreased by 0,8% year-on-year in November 2015 (see **Table A**). The largest negative contributions were recorded for:

- iron ore (-20,4%, contributing -4,3 percentage points);
- 'other' metallic minerals (-35,0%, contributing -1,0 percentage point); and
- manganese ore (-14,7%, contributing -0,9 of a percentage point).

PGMs was a significant positive contributor (24,9%, contributing 3,8 percentage points).

Table A – Key growth rates in the volume of mining production for November 2015

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Year-on-year % change, unadjusted	6,9	4,2	3,7	-4,9	-4,7	-0,8
Month-on-month % change, seasonally adjusted	2,3	-0,9	-1,1	-4,0	1,7	2,4
3-month % change, seasonally adjusted ^{1/}	-1,9	-4,6	-3,4	-2,6	-3,0	-3,1

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



Mineral sales decreased by 2,8% year-on-year in October 2015 (see **Table B**). The largest negative contributor to the decrease of 2,8% was iron ore (-50,8%, contributing -6,9 percentage points).

Two minerals with significant positive contributions were gold (16,1%, contributing 2,8 percentage points) and PGMs (10,4%, contributing 2,0 percentage points).

Table B – Key growth rates in mineral sales at current prices for October 2015

	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
Year-on-year % change, unadjusted	5,7	13,3	-1,3	-1,7	-5,3	-2,8
Month-on-month % change, seasonally adjusted	3,0	-1,2	-5,8	-0,2	1,5	1,0
3-month % change, seasonally adjusted ^{1/}	4,9	4,2	0,2	-3,9	-5,3	-3,3

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



Secondary industries

Manufacturing: Production and sales

Manufacturing production decreases

Like any other industry, manufacturing is governed by different conditions and rules. One of those conditions is that manufacturing should be done in such a way that it does not harm the environment. For example, motor vehicle manufacturers are subject to a Motor Vehicle Carbon Dioxide Emission Levy, depending on the amount of emissions released by certain types of cars. The Motor Vehicle Carbon Dioxide Emission Levy is an environmental levy on new motor vehicles manufactured or imported into South Africa. The objective of the levy is to encourage South Africa's vehicle fleet to become more energy efficient and environment friendly.

Manufacturing companies in South Africa must first be registered with the South African Revenue Service (SARS) before they may start producing or dealing in motor vehicles. This article highlights statistics on manufacturing statistics for November 2015.

Manufacturing production decreased by 1,0% in November 2015 compared with November 2014 (**see Table C**). This decrease was mainly due to lower production in the basic iron and steel, non-ferrous metal products, metal products and machinery division (-7,0%, contributing -1,3 percentage points).

Table C – Key growth rates in the volume of manufacturing production for November 2015

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

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

Selected building statistics of the private sector

The value of recorded building plans passed increased

There are many ways in which one can acquire property. Some prefer to build instead of buying an existing house. Although building a home from scratch might be considered to have more sentimental value than a pre-owned home, it has its pros and cons. When you build a home you can have everything the way you want it and everything is still brand new and up-to-date. Furthermore, the construction materials and building code will be up to the latest safety standards. However, building from scratch can sometimes take longer than expected or exceed cost expectations. Also, you might be paying double; for the mortgage/rent on your current home as well as for the building expenses on your new home. Building also requires a lot of time as you would have to assess the progress every now and then. These are just some of the things to consider when building a new home. Presented in this article is a summary of the selected building statistics of the private sector as reported by local government institutions for November 2015.

The value of recorded building plans passed increased by 2,0% (R1 776,1 million) during January to November 2015 compared with January to November 2014 (**see Table D**). Residential buildings rose by 5,9% (R2 554,9 million) and non-residential buildings fell by 6,8% (-R1 567,6 million).

Five provinces reported year-on-year increases in the value of building plans passed during January to November 2015. The largest positive contributions were recorded for:

- Western Cape (contributing 1,9 percentage points or R1 715,6 million);
- Gauteng (contributing 0,8 of a percentage point or R723,6 million); and
- Eastern Cape (contributing 0,5 of a percentage point or R433,1 million).

The value of buildings reported as completed increased by 7,8% (R3 706,5 million) during January to November 2015 compared with January to November 2014. Residential buildings rose by 15,2% (R3 864,0 million).

Four provinces reported year-on-year increases in the value of buildings completed during January to November 2015. The largest positive contributions were recorded for Western Cape (contributing 10,1 percentage points or R4 800,8 million) and KwaZulu-Natal (contributing 3,3 percentage points or R1 589,0 million). A negative contribution was recorded for Gauteng (contributing -4,9 percentage points or -R2 325,4 million).



**Table D – Recorded building plans passed by larger municipalities:
January to November 2014 versus January to November 2015**

Estimates at current prices	January to November 2014	January to November 2015	Difference in value between January to November 2014 and January to November 2015	% change between January to November 2014 and January to November 2015
	1/ ¹	1/ ¹		
	R'000	R'000	R'000	
Residential buildings	43 427 326	45 982 202	2 554 876	5,9
-Dwelling houses	29 700 049	31 442 793	1 742 744	5,9
-Flats and townhouses	12 594 206	13 650 964	1 056 758	8,4
-Other residential buildings	1 133 071	888 445	-244 626	-21,6
Non-residential buildings	23 078 413	21 510 800	-1 567 613	-6,8
Additions and alterations	23 479 256	24 268 105	788 849	3,4
Total	89 984 995	91 761 107	1 776 112	2,0

^{1/} 2014 and 2015 figures should be regarded as preliminary because of possible backlogs and incomplete reporting by municipalities.

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

Electricity generated and available for distribution

Production and consumption of electricity decreases

There are many factors that influence a power utility (such as Eskom) to produce less electricity, and that cause customers to consume less electricity. A power utility sometimes produces less electricity because some businesses or companies such as mines and automobile manufacturers close during the festive season. Seasonal change can also influence the production of electricity to be less (electricity could be produced less in summer than in winter). In other instances, like during holidays and over long weekends, customers go away on vacation, which results in less consumption of electricity. This article highlights the production and consumption of electricity for November 2015.

Electricity generation (production) decreased by 0,3% year-on-year in December 2015 (**see Table E**). Total electricity generation was 2,0% lower in 2015 compared with 2014. The 2,0% decrease in annual electricity production followed a decrease of 0,6% in 2014 and a decrease of 0,6% in 2013.

Table E – Key growth rate in the volume of electricity generated for December 2015

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Year-on-year % change, unadjusted	-2,7	-4,9	-3,7	-3,2	-1,5	-0,3
Month-on-month % change, seasonally adjusted	-1,0	-2,1	2,6	-0,1	0,8	1,6
3-month % change, seasonally adjusted ^{1/}	-1,9	-2,1	-1,6	-1,0	1,0	2,0

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

A full release on *Electricity generated and available for distribution* (Statistical release P4141) is available on the Stats SA website: www.statssa.gov.za

Electricity distribution (consumption) decreased by 1,5% year-on-year in December 2015 (**see Table F**).

Table F – Key growth rate in the volume of electricity distributed for December 2015

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Year-on-year % change, unadjusted	-1,6	-5,4	-3,7	-2,7	-2,4	-1,5
Month-on-month % change, seasonally adjusted	-0,6	-3,5	3,2	0,7	0,1	0,8
3-month % change, seasonally adjusted ^{1/}	-2,4	-3,0	-2,4	-1,6	1,0	1,9

^{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 up by 6,7%

Wholesalers provide a wide range of products at the most affordable rates for different retailers. Retailers such as vendors, electric suppliers, automobiles dealers, spaza shops and even stokvels purchase goods from the wholesalers in bulk in order to use, resell or consume. Some retailers prefer wholesale shopping because they get different items they need under one roof, which saves them time and money. Presented in this article is a summary of the wholesale trade sales statistics for November 2015.

Wholesale trade sales increased by 6,7% in November 2015 compared with November 2014 (**see Table G**). The main positive contributors to this increase were dealers in:

- 'other' goods (20,8%, contributing 2,0 percentage points);
- 'other' household goods except precious stones (14,8%, contributing 1,5 percentage points);
- agriculture raw materials and livestock (21,5%, contributing 1,5 percentage points); and
- machinery, equipment and supplies (9,3%, contributing 1,5 percentage points).

Wholesale trade sales increased by 3,3% in the three months ended November 2015 compared with the three months ended November 2014. The main positive contributors to this increase were dealers in:

- machinery, equipment and supplies (8,3%, contributing 1,3 percentage points);
- 'other' goods (14,5%, contributing 1,3 percentage points); and
- food, beverages and tobacco (6,6%, contributing 1,0 percentage point).

Table G – Key growth rates in wholesale trade sales at current prices for November 2015

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Year-on-year % change, unadjusted	2,8	6,6	0,1	0,3	2,9	6,7
Month-on-month % change, seasonally adjusted	1,0	1,8	-3,0	2,5	1,1	-1,2
3-month % change, seasonally adjusted ^{1/}	0,3	2,6	1,8	2,6	0,5	1,4

^{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 by 3,9%

There are many reasons that cause retailers to merge with or acquire other retailers. Some of the reasons are that retailers try to eliminate competition in order to gain a larger market share in their specific product market, or that they intend to diversify the products they sell, or that they attempt to grow their business. In order for mergers or acquisitions to take place, retailers should seek approval from the Competition Commission to make such a decision, as the objective of this Commission is to deal with merger and acquisition applications, including business competition disputes. This article gives a summary of retail trade sales statistics for November 2015.

Retail trade sales increased by 3,9% year-on-year in November 2015 (**see Table H**). The highest positive annual growth rates were recorded for:

- all 'other' retailers (7,0%);
- retailers in textiles, clothing, footwear and leather goods (5,8%); and
- retailers in pharmaceuticals and medical goods, cosmetics and toiletries (5,6%).

The main contributors to the 3,9% increase were general dealers (contributing 1,9 percentage points) and retailers in textiles, clothing, footwear and leather goods (contributing 1,2 percentage points).

Retail trade sales increased by 3,5% in the three months ended November 2015 compared with the three months ended November 2014. The main contributors to this increase were:



- general dealers (4,1%, contributing 1,6 percentage points); and
- retailers in textiles, clothing, footwear and leather goods (5,5%, contributing 1,1 percentage points).

Table H – Key growth rates in retail trade sales at constant 2012 prices for November 2015

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Year-on-year % change, unadjusted	3,8	3,3	4,0	3,0	3,4	3,9
Month-on-month % change, seasonally adjusted	0,4	0,2	1,9	-1,5	0,4	2,5
3-month % change, seasonally adjusted ^{1/}	0,4	0,1	1,1	1,2	1,3	0,9

^{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 industry sales up by 2,8% in November 2015

In an effort to curb unscrupulous motor vehicle dealers, the Consumer Protection Act, 2008 (Act No. 68 of 2008) protects consumers against workshop owners who charge for services they did not perform in order to generate more income. When a vehicle owner takes a vehicle to a workshop for service and finds out that, after driving the vehicle, there's a suspicion that all parts of the vehicle were not replaced as specified on the quotation, the owner may request the replaced parts from the workshop to inspect them (as some workshops may not give back the old parts to the owner to hide their deception). According to the Act, the workshop should keep parts removed from the vehicle in the course of repair or maintenance work and return them to the owner unless the owner declines the return of parts or machinery. If the vehicle owner finds that indeed some parts were not replaced as stated on the quotation, the owner can demand the workshop to replace them or lodge a complaint against the workshop at the Motor Industry Ombudsman of South Africa (MIOSA). In this article we present statistics on income from motor trade sales for November 2015.

Motor trade sales increased by 2,8% year-on-year in November 2015 (see Table I). The largest positive annual growth rates were recorded for:

- sales of accessories (10,7%);
- workshop income (10,7%); and
- new vehicle sales (7,1%).

Motor trade sales decreased by 0,4% in the three months ended November 2015 compared with the three months ended November 2014. The main contributor to this decrease was fuel sales (-9,1%, contributing -2,3 percentage points).

Table I – Key motor trade sales figures for November 2015

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Year-on-year % change, unadjusted	2,2	1,1	-3,2	0,2	-3,8	2,8
Month-on-month % change, seasonally adjusted	1,7	1,0	-2,9	2,2	-1,4	1,7
3-month % change, seasonally adjusted ^{1/}	0,1	1,6	0,9	1,2	-0,8	0,2

^{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 food and beverages income increases

The World Health Organisation Commission on Ending Childhood Obesity proposed a sugar tax on soft drinks in order to curb obesity in children. The commission further proposed for the removal of junk-food advertisements from areas frequented by children such as schools. According to the commission, soft drinks, junk food and their adverts aimed at children were a major factor in the increase of obesity in children. The commission found that, in Africa, obesity in children under five years has nearly doubled since 1990 (5,4 million) to 10,3 million in 2015. In light of this revelation, South Africa's food and beverage industry has committed to reducing junk food advertising to children, offering lower kilojoule products and selling fizzy drinks in smaller cans. Presented in this article is a summary of the food and beverage statistics for November 2015.



The total income generated by the food and beverages industry increased by 6,0% in November 2015 compared with November 2014 (**see Table J**). The highest annual growth rates were recorded for 'other' income (10,9%) and bar sales (8,6%).

In November 2015, positive annual growth rates were recorded for restaurants and coffee shops (8,7%, contributing 3,9 percentage points) and takeaway and fast-food outlets (5,7%, contributing 2,1 percentage points).

Total income for food and beverages industry increased by 7,1% in the three months ended November 2015 compared with the three months ended November 2014. Positive contributors to this increase were restaurants and coffee shops (9,2%, contributing 4,1 percentage points); and takeaway and fast-food outlets (8,5%, contributing 3,2 percentage points).

Table J – Year-on-year percentage change in food and beverages income at current prices by type of income – November 2015

Type of income	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Food sales	5,0	11,6	8,1	9,0	5,9	5,4
Bar sales	-0,3	14,1	9,4	9,6	14,9	8,6
Other income	1,6	-0,9	4,5	-1,6	-7,8	10,9
Total	4,2	11,6	8,2	8,8	6,6	6,0

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

Tourist accommodation

Income for tourist accommodation increases

Tourist accommodations offer different perks to attract tourists in order to increase room occupancy and to generate revenue. Some of the perks range from access for pets and ensuring that their needs are realised (such as pet bath), massage, breakfast and unlimited Wi-Fi access. While some of these perks are free of charge, some are paid for. This article provides a summary on tourist accommodation for November 2015.

Total income for the tourist accommodation industry increased by 6,5% in November 2015 compared with November 2014 (**see Table K**). Income from accommodation increased by 10,3% year-on-year in November 2015, the result of a 1,5% decrease in the number of stay unit nights sold and a 12,0% increase in the average income per stay unit night sold.

The main contributors to the 10,3% year-on-year increase in income from accommodation in November 2015 were hotels (contributing 6,2 percentage points) and 'other' accommodation (contributing 2,9 percentage points).

In November 2015, the types of accommodation that recorded the positive year-on-year growth in income from accommodation were guest-houses and guest-farms (17,5%) 'other' accommodation (10,9%) and hotels (9,4%).

Income from accommodation increased by 8,6% in the three months ended November 2015 compared with the three months ended November 2014. The main contributors to this increase were:

- hotels (7,7%, contributing 5,0 percentage points); and
- 'other' accommodation (8,7%, contributing 2,4 percentage points).

Table K – Year-on-year percentage change in tourist accommodation for November 2015

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Stay units available	1,0	0,9	0,9	0,8	0,8	0,8
Stay unit nights sold	-1,2	0,6	-0,2	-1,7	-4,8	-1,5
Average income per stay unit night sold	6,6	7,6	6,1	11,0	11,7	12,0
Income from accommodation	5,3	8,2	5,9	9,1	6,4	10,3
Total income ^{1/}	4,0	7,8	5,2	7,0	7,7	6,5

^{1/} Includes restaurant and bar sales and 'other' income.

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



Tourism and migration

Millions travellers pass through SA ports

The South African government has introduced the Lesotho Special Permit (LSP) after its bilateral negotiations with the Lesotho government to remove barriers on movements of Lesotho migrants. The LSP will be effective from May 2016 (valid until 30 April 2020) and is for Lesotho nationals who are working, studying or running businesses in South Africa without proper documentation and have been in the country before 30 September 2015. Its objective is to regularise the stay of Lesotho nationals currently residing illegally in South Africa because some are in possession of fraudulently obtained South African documents (such as passports and identity documents) while others abuse the visa waiver between Lesotho and South Africa. In order to qualify, an applicant must have a valid passport or travel document, be registered on Lesotho National Population Register system, have a police clearance from Lesotho and South Africa and must also provide affidavit from the employer as proof of employment, have business registration with South African Revenue Service (SARS) and Companies and Intellectual Property Commission (CIPC) and proof of registration from the educational institution. In addition, an applicant must not have a criminal record and must be prepared to surrender any illegal South African permit or document. This article reports on the statistics of tourism and migration for October 2015.

A total of 3 378 084 travellers (arrivals, departures and transits) passed through South African ports of entry in October 2015 (**see Table L**). These travellers were made up of 890 783 South African residents and 2 487 301 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 452 153 arrivals, 437 758 departures and 872 travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 269 749, 1 142 021 and 75 531 respectively.

The volume of arrivals, departures and transits increased for both South African residents and foreign travellers. For South African residents, the volume of arrivals increased by 2,6% (from 440 730 in October 2014 to 452 153 in October 2015), departures increased by 1,5% (from 431 378 in October 2014 to 437 758 in October 2015), and transits increased by 15,6% (from 754 in October 2014 to 872 in October 2015). For foreign travellers, arrivals increased by 3,0% (from 1 233 249 in October 2014 to 1 269 749 in

October 2015), departures increased by 3,0% (from 1 108 479 in October 2014 to 1 142 021 in October 2015), and transits increased by 8,5% (from 69 598 in October 2014 to 75 531 in October 2015).

A comparison between the movements in September 2015 and October 2015 indicates that the volume of arrivals increased for both South African residents and foreign travellers. Departures decreased for South African residents, but increased for foreign travellers, and transits decreased for both South African residents and foreign travellers. The volume of arrivals for South African residents increased by 2,3% (from 441 941 in September 2015 to 452 153 in October 2015), departures decreased by 2,4% (from 448 673 in September 2015 to 437 758 in October 2015) and transits decreased by 6,8% (from 936 in September 2015 to 872 in October 2015). For foreign travellers, the volume of arrivals increased by 3,5% (from 1 226 735 in September 2015 to 1 269 749 in October 2015), departures increased by 2,9% (from 1 110 258 in September 2015 to 1 142 021 in October 2015) and transits decreased by 5,7% (from 80 064 in September 2015 to 75 531 in October 2015).

Mode of travel

Road transport was the most common mode of travel used by 2 394 718 (70,9%) of the 3 378 084 travellers. The total number of travellers who used air transport was 973 362 (28,8%). Compared to use of air and land transport, a much smaller number of travellers, 10 004 (0,3%) used sea transport. The arrivals data for South African residents show that 193 989 (42,9%) came by air, 257 862 (57,0%) came by road and 302 (0,1%) arrived by sea. For departures, 169 433 (38,7%) used air, 268 014 (61,2%) used road and 311 (0,1%) sea transport. All travellers in transit (872) used air transport.

The country of residence of tourists is used to categorise them according to their respective countries and regions. In October 2015, 185 449 (89,1%) of overseas tourists arrived in the country by air, whilst 21 792 (10,5%) came in by road. This is in contrast to the number of tourists from the Southern African Development Community (SADC) countries who came into South Africa predominantly by road [487 854 (92,9%)]. Only 37 450 (7,1%) tourists from SADC countries came in by air. The number of tourists who came into South Africa by air from 'other' African countries was 12 970 (92,2%), with 1 094



(7,8%) using road transport. Very few tourists from SADC (one person) and 'other' African countries (9) came to South Africa by sea.

Purpose of visit

The majority of tourists, 714 944 (95,5%), were in South Africa for holidays compared to 28 691 (3,8%) and 4 926 (0,7%) who were in South Africa for business and for study purposes respectively. A detailed analysis reveals that of all the tourists from each of the overseas regions, more than 90,0% came to South Africa for holidays. A total of 9 460 (96,8%) tourists from Australasia, 4 534 (96,2%) from Central and South America, 29 943 (96,1%) from North America, 131 133 (95,9%) from Europe, 20 997 (92,1%) from Asia, and 2 603 (90,2%) from the Middle East were in South Africa for holidays.

Sex and age distribution

In October 2015, there were 413 385 (55,2%) male and 335 175 (44,8%) female tourists. Overseas tourists were made up of 112 285 (54,0%) male tourists and 95 735 (46,0%) female tourists. There were 291 029 (55,4%) male and 234 275 (44,6%) female tourists from SADC countries. Tourists from 'other' African countries were made up of 9 323 (66,2%) male and 4 750 (33,8%) female tourists.

The ages of the tourists were categorised into three broad groups: Those younger than 15 years, 15 to 64 years, and 65 years and older. The overall results show that 32 916 (4,4%) tourists were aged less than 15 years; 669 626 (89,5%) were aged between 15 and 64 years; and 46 018 (6,1%) were aged 65 years and older.

Table L – Number of South African residents and foreign travellers by travel direction: October 2015

Travel direction	October 2014	September 2015	October 2015	% change between September 2015 – October 2015	% change between October 2014 – October 2015
Total	3 284 188	3 308 607	3 378 084	2,1%	2,9%
South African residents	872 862	891 550	890 783	-0,1%	2,1%
Arrivals	440 730	441 941	452 153	2,3%	2,6%
Departures	431 378	448 673	437 758	-2,4%	1,5%
Transit	754	936	872	-6,8%	15,6%
Foreign travellers	2 411 326	2 417 057	2 487 301	2,9%	3,2%
Arrivals	1 233 249	1 226 735	1 269 749	3,5%	3,0%
Departures	1 108 479	1 110 258	1 142 021	2,9%	3,0%
Transit	69 598	80 064	75 531	-5,7%	8,5%
Foreign arrivals	1 233 249	1 226 735	1 269 749	3,5%	3,0%
Non-visitors	32 205	88 414	97 324	10,1%	202,2%
Visitors	1 201 044	1 138 321	1 172 425	3,0%	-2,4%
Visitors	1 201 044	1 138 321	1 172 425	3,0%	-2,4%
Arrivals only	358 339	254 475	260 400	2,3%	-27,3%
Single trips	400 016	432 612	456 494	5,5%	14,1%
Multiple trips	442 689	451 234	455 531	1,0%	2,9%
Visitors	1 201 044	1 138 321	1 172 425	3,0%	-2,4%
Same-day	380 369	421 571	423 864	0,5%	11,4%
Tourists	820 675	716 750	748 561	4,4%	-8,8%

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



Statistics of civil cases for debt

Total value of civil summonses issued for debt decreases

January expenses, for some people, can lead to increased debt, which can further lead to over-indebtedness. This is because consumers have to pay for additional things in January such as school fees, uniforms, stationery and annual premium increases. According to a 2015 research conducted by DebtSafe (a debt review company), over 50% of the respondents indicated that they had difficulty servicing all their debt repayments during the month of January, with 13% of those saying they could not make any payment whatsoever. Forty-one per cent indicated that they overspent on their credit cards during December. This increase in indebt can cause consumers to fall behind on debt repayment and in some cases, cause them to be summoned to court for non-payment. Presented in this article is a summary of the civil cases for debt for November 2015.

The total number of civil summonses issued for debt decreased by 15,8% in the three months ended November 2015 compared with the three months ended November 2014 (**see Table M**).

The largest contributions to the 15,8% decrease were civil summonses relating to:

- money lent (contributing -5,6 percentage points);
- goods sold (contributing -3,3 percentage points); and
- 'other' debts (contributing -3,0 percentage points).

The total number of civil judgements recorded for debt decreased by 3,0% in the three months ended November 2015 compared with the three months ended November 2014.

The largest negative contributions to the 3,0% decrease were civil judgements relating to:

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

The total value of civil judgements recorded for debt was 6,0% higher in the three months ended November 2015 compared with the three months ended November 2014.

The largest contributions to the 6,0% increase were the value of judgements relating to:

- services (contributing 2,2 percentage points);
- rent (contributing 1,2 percentage points); and
- promissory notes (contributing 1,0 percentage point).

In November 2015, 24 306 civil judgements for debt amounting to R382,4 million were recorded. The largest contributors to the total value of judgements were:

- 'other' debts (R103,0 million or 26,9%);
- money lent (R92,4 million or 24,2%); and
- services (R79,6 million or 20,8%).

Table M – Key figures for civil summonses and judgements for November 2015

Actual estimates	November 2015	% change between November 2014 and November 2015	% change between September to November 2014 and September to November 2015
Number of civil summonses issued for debt	58 171	-10,6	-15,8
Number of civil judgements recorded for debt	24 306	-4,7	-3,0
Value of civil judgements recorded for debt (R million)	382,4	2,6	6,0

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

Statistics of liquidations and insolvencies

Number of liquidations and insolvencies decrease

The number of liquidations recorded in 2015 (1 962) were less than the number recorded in 2014 (2 064). A decrease in the number of liquidations is made possible by the Companies Act, 2008 (Act No. 71 of 2008), among other factors. The Act brings about a lasting mechanism to facilitate the rescuing of businesses that are in financial distress. It also ensures that companies are saved before they reach a stage of insolvency and ultimate liquidation. That is, once there are signs that a company is in financial distress, a business rescue plan has to be implemented to ensure that the company is rescued in time. Thus the rescue mechanism may result in fewer



companies being liquidated and this will benefit the economy because more jobs might be saved and more companies will therefore participate in South Africa's economy. Presented in this article is a summary of the liquidations and insolvencies statistics for December 2015.

The number of liquidations decreased by 1,7% in the fourth quarter of 2015 compared with the fourth quarter of 2014 (**see Table N**). There was a year-on-year decrease of 3,3% (4 fewer liquidations) in December 2015. The number of liquidations decreased by 4,9% in 2015 compared with 2014. This followed annual changes of -13,1% in 2014 and -12,6% in 2013. Liquidations of close corporations decreased by 4,2% and liquidations of companies decreased by 5,7% between 2014 and 2015.

The largest year-on-year decreases in total liquidations in 2015 related to businesses in the financing, insurance, real estate and business services industry, which recorded 154 fewer liquidations (from 855 to 701) and the manufacturing industry, which recorded 23 fewer liquidations (from 115 to 92).

Table N – Total number of liquidations for December 2015

Number of liquidations December 2015	% change between December 2014 and December 2015	% change between October to December 2014 and October to December 2015	% change between January to December 2014 and January to December 2015
119	-3,3	-1,7	-4,9

The estimated number of insolvencies decreased by 17,8% year-on-year in November 2015 (**see Table O**). A 21,2% decrease was estimated between the three months ended November 2014 and the three months ended November 2015. There was a decrease of 15,7% (from 2 903 to 2 448) in the first 11 months of 2015 compared with the first 11 months of 2014.

Table O – Total number of insolvencies for November 2015

Number of insolvencies November 2015	% change between November 2014 and November 2015	% change between September to November 2014 and September to November 2015	% change between January to November 2014 and January to November 2015
212	-17,8	-21,2	-15,7

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 and number of passenger journeys decrease

Passenger transportation in South Africa has taken a new turn after the introduction of a taxi application (app) that can be downloaded onto smartphones. This app can be used by customers to allow metered taxis to detect their specific location using the global positioning system (GPS) on the smartphone and instantly connects the customer to the nearest available driver. The app is downloaded on both the customer and the driver's smart phone, in this way, when the customer taps the button to hail a cab, the driver closest to the customer will receive an alert. This new way of hailing taxis is similar to the traditional metered taxis in that they both take their customers to their intended destinations for a metered fee. However, it is different in that the customers uses the smartphone app to hail a cab and also pays for the fee through the app instead of calling a cab and paying for the service with hard cash. Through these kinds of innovations, South African passengers are given a wider choice of transportation. Presented in this article is a summary of the land transport survey for November 2015.

The volume of goods transported (payload) decreased by 1,6% in November 2015 compared with November 2014 (**see Table P**). The corresponding income decreased by 3,9% over the same period. Income from freight transportation decreased by 3,3% in the three months ended November 2015 compared with the three months ended November 2014. The main contributors to this decrease were primary mining and quarrying products (-4,6%, contributing -1,5 percentage points); and 'other' freight (-9,1%, contributing -1,1 percentage points).

Table P – Year-on-year percentage change in freight transportation: November 2015

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Freight payload	-6,0	-6,1	-6,5	-1,9	-6,2	-1,6
Freight income	-3,0	-3,8	-5,8	-3,2	-2,7	-3,9

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



The number of passenger journeys decreased by 8,4% in November 2015 compared with November 2014 (**see Table Q**). The corresponding income increased by 0,3% over the same period.

Table Q – Year-on-year percentage change in passenger transportation: November 2015

	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
Passenger journey	-6,1	-6,1	-7,4	-7,8	-12,3	-8,4
Passenger income	2,1	2,3	2,6	0,0	-3,1	0,3

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

Prices

Producer price index (PPI)

PPI at 4,8%

The producer price index for final manufactured goods increased to 4,8% year-on-year in December 2015. This rate of inflation was the highest since December 2014, when prices grew by 5,8%. The depreciation of the rand over the past few months contributed to the increase in the PPI rate. This was because certain products such as oil, food, beverages and tobacco, when imported into South Africa, are charged in dollars. So if the rand is weak against the dollar it means that when the currency is exchanged, the products will cost more in rands than usual. Then this added cost will be reflected in the PPI. Presented in this article is a summary of the producer price index (PPI) for December 2015.

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 4,8% in December 2015 (compared with 4,3% in November 2015) (**see Table R**). From November 2015 to December 2015 the PPI for final manufactured goods increased by 0,2%. The main contributors to the annual rate of 4,8% were:

- food products, beverages and tobacco products (6,2% year-on-year, contributing 2,1 percentage points);
- wood and paper products (7,6% year-on-year, contributing 0,8 of a percentage point); and
- metals, machinery, equipment and computing equipment (4,5% year-on-year, contributing 0,7 of a percentage point).

The main contributor to the monthly increase of 0,2% was transport equipment (1,9% month-on-month, contributing 0,2 of a percentage point).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 1,6% in December 2015 (compared with 1,9% in November 2015) (**see Table R**). From November 2015 to December 2015 the PPI for intermediate manufactured goods remained unchanged. The main



contributors to the annual rate of 1,6% were sawmilling and wood (6,8% year-on-year, contributing 1,4 percentage points) and textiles and leather goods (10,4% year-on-year, contributing 1,0 percentage point).

Electricity and water

The annual percentage change in the PPI for electricity and water was 14,1% in December 2015 (compared with 12,9% in November 2015) (**see Table R**). From November 2015 to December 2015 the PPI for electricity and water decreased by 0,3%. The contributors to the annual rate of 14,1% were electricity (14,6% year-on-year, contributing 12,3 percentage points) and water (11,3% year-on-year, contributing 1,8 percentage points). The contributor to the monthly decrease of 0,3% was electricity (-0,4% month-on-month and contributing -0,3 of a percentage point).

Mining

The annual percentage change in the PPI for mining was -0,7% in December 2015 (compared with 2,4% in November 2015) (**see Table R**). From November 2015 to December 2015 the PPI for mining decreased by 0,4%. The main contributor to the annual rate of -0,7% was non-ferrous metal ores (-13,2% year-on-year, contributing -4,6 percentage points). The main contributor to the monthly decrease of 0,4% was non-ferrous metal ores (-1,8% month-on-month, contributing -0,6 of a percentage point).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was 11,8% in December 2015 (compared with 9,6% in November 2015) (**see Table R**). From November 2015 to December 2015 the PPI for agriculture, forestry and fishing increased by 3,5%. The main contributor to the annual rate of 11,8% was agriculture (12,7% year-on-year, contributing 10,9 percentage points).

The contributor to the monthly increase of 3,5% was agriculture (3,7% month-on-month, contributing 3,2 percentage points).

Table R – Key PPI figures for December 2015

Product	Weight	Index (2012=100)			% change	
		December 2014	November 2015	December 2015	December 2015 vs. November 2015	December 2015 vs. December 2014
Final manufactured goods	100,00	115,1	120,3	120,6	0,2	4,8
Intermediate manufactured goods	100,00	117,2	119,1	119,1	0,0	1,6
Electricity and water	100,00	113,1	129,4	129,0	-0,3	14,1
Mining	100,00	107,0	106,7	106,3	-0,4	-0,7
Agriculture, forestry and fishing	100,00	112,6	121,7	125,9	3,5	11,8

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

Annual inflation rate at 5,2% in December 2015

The consumer price index (CPI) is an economic measure that monitors inflation in an economy. Inflation can occur for many reasons. As demand grows rapidly than supply, the inflation goes up, leading to an increase in CPI. This means that when a demand for a product increases, consumers are likely to purchase it at a higher given market price. An increase in CPI can also happen when companies produce goods and services at the higher costs. The increase in production costs may be due to scarcity of raw materials used to produce goods or services. When companies encounter these costs increases, they increase prices and this ultimately affects consumers in that they pay more for goods and services. Thus, increases in prices of goods and services cause an increase in CPI. This article presents the consumer price index for December 2015.

Annual consumer price inflation was 5,2% in December 2015, an increase from 4,8% in November 2015 (**see Table S**). The consumer price index increased by 0,3% month-on-month in December 2015.



The annual rate for food and non-alcoholic beverages increased from 0,7 of a percentage point in November 2015 (4,8% year-on- year) to 0,9 of a percentage point in December 2015 (5,9% year-on-year). The annual rate for household contents and services increased from 0,1 of a percentage point in November 2015 (3,1% year-on-year) to 0,2 of a percentage point in December 2015 (3,5% year-on-year). The annual rate for transport increased from zero in November 2015 (0,0% year-on-year) to 0,3 of a percentage point in December 2015 (1,9% year-on-year).

Food and non-alcoholic beverages contributed 0,1 of a percentage point in December 2015. The index increased by 0,6% month-on-month. The items with the highest monthly rates were fruit (5,5%) and vegetables (3,9%). Housing and utilities contributed 0,2 of a percentage point in December 2015. The index increased by 0,8% month-on-month, mainly because of actual rentals for housing (1,1%) and owners' equivalent rent (1,2%).

In December 2015 the CPI for goods increased by 4,6% year-on-year (up from 3,8% in November 2015), and the CPI for services increased by 5,7% year-on-year (unchanged from 5,7% in November 2015).

The provinces with an annual inflation rate lower than or equal to headline inflation were:

- North West (5,0%);
- KwaZulu-Natal (4,9%);
- Limpopo (4,7%);
- Northern Cape (4,6%); and
- Mpumalanga (4,5%).

The provinces with an annual inflation rate higher than the headline inflation rate were Free State (5,7%), Western Cape (5,4%), Gauteng (5,4%) and Eastern Cape (5,3%).

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

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

^{1/} Annual average.

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



Glossary

Primary industries

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

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

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

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

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

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

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



Secondary industries

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

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

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

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

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

Tertiary industries

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

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.

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

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

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.

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.

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'.



Editorial & Layout

Maune Lerobane
Wendy Ngoveni
Mandla Mahlangu

Language Editors

Annelize Allner
Salomien Rudolph

Design

Thabo Kgaile