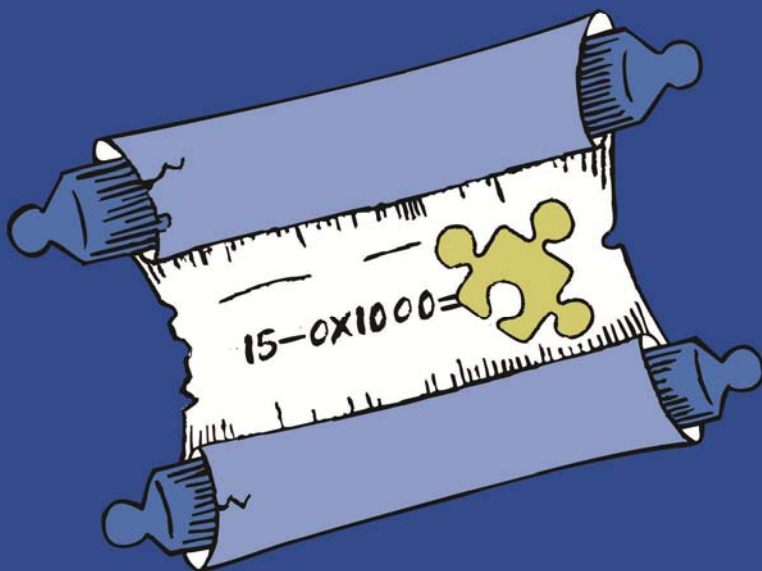


Mbalo Brief



the missing piece of the puzzle

November 2018



Issue 10/2018

THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND



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Editor's comment

South Africa commemorates National Disability Rights Awareness Month from 3 November to 3 December annually, with National Disability Rights Awareness Day celebrated on 3 December. According to the World Health Organization (WHO), disability refers to impairments, activity limitations, and participation restrictions. An impairment may be physical, cognitive, mental, sensory, emotional or developmental and may be present from birth, or occur during a person's lifetime. The Disability Rights Awareness Month aims to provide South Africans with an opportunity to inspire hope and confidence amongst persons with disabilities and society in general, and to reach out to the diversity within the disability sector. The *Profile of persons with disabilities in South Africa* report that was derived from Census 2011 indicates that the national disability prevalence rate is 7,5% in South Africa.

The educational article for this month's issue of *Mbalo Brief* is based on the findings from the Community Survey 2016 report titled "An exploration of nuptiality statistics and implied measures in South Africa" (Report No. 03-01-25) that was published on 31 October 2018. Also included in this issue are our monthly articles such as the *Producer price index* (PPI), *Wholesale trade sales* and *Food and beverages*. We have also included a crossword puzzle and solutions for the October 2018 puzzle.

This is our last issue of *Mbalo Brief* for the year. To all those writing their final examinations, we wish you all the best of luck.

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

Enjoy the read.



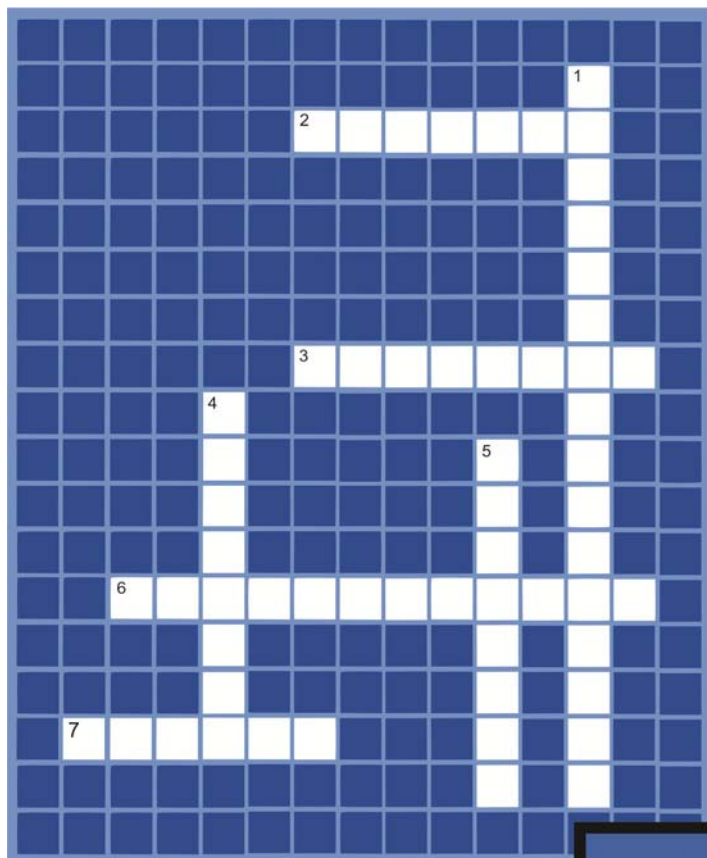


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Crossword puzzle





Across

2. What is the name of the building that houses Statistics South Africa?
3. In which month is the National Disability Rights Awareness Day celebrated?
6. Which population group reported the highest percentage of the never married? read educational article for clue.
7. What is the name of the train manufacturing plant that was opened on 25 October 2018 in Ekurhuleni? Read manufacturing article for clue.

Down

1. What is the name and surname of the president of Botswana?
4. Who is the newly appointed Acting Minister of Home Affairs? Give surname only.
5. In which country will you find the world's largest gem gallery store?

Solutions for October 2018 puzzle

Across

3. Transport
6. Eugenie

Down

1. McDonalds
2. SARS
3. Tokyo
4. Mboweni
5. True



Community Survey 2016, an exploration of nuptiality statistics and implied measures in South Africa

Introduction

Nuptiality refers to marriage as a demographic phenomenon. This phenomenon is assessed by looking at the rate at which marriages occurs, the characteristics of persons united in marriage and the dissolution of such unions through either separation, divorce, widowhood or annulment. Nuptiality within a population happens for various reasons. Some of the reasons are associated with cultural and religious factors, among others, which could affect the rate of nuptiality/marriage. For instance, some cultural groups only allow marriage within their own group while some religious people believe that having a child out of wedlock is unacceptable.

This educational article will highlight the findings from Community Survey 2016 report titled, “An exploration of nuptiality statistics and implied measures in South Africa” (Report No. 03-01-25), which was published on 31 October 2018. The report was compiled based on the data derived from Censuses 1996, 2001 and 2011; and Community Survey (CS) 2016. The article covers the various nuptiality trends of persons aged 15 years and older of people who had never been married before, those who were reported as married or cohabiting, according to age, sex and population group and language spoken in the household– among others. The report also covers levels and measures of nuptiality.

Trend analysis for persons who reported that they were never been married

This section focuses on the proportions of the never married population aged 15 years and older by selected differentials. Nationally, over 56% of the South African population were reported as had never been married before in 2016.

Sex

Generally, the proportion of the never married male population (59,2%) aged 15 years and older was higher than that of the corresponding female population (53,9%). The proportion of never married males grew by one percentage point from 1996 until 2011, before recording a significant



increase in 2016. A similar growth trend was observed for females (which also had a steady growth until 2011 and then a significant increase in 2016). In 2016, at least 5% more males were recorded as never been married as compared to females. However, among the females, the proportion of those who had never been married increased by almost 6,0% between 2011 and 2016.

Population group

On population group, the percentage of the never married increased for black Africans, from 52,9% in 1996 to 62,0% in 2016, followed by the coloured population which increased from 44,0% in 1996 to 47,7% in 2016 and the Indian/Asian population which increased from 30,7% in 1996 to 34,7% in 2016. Less than a quarter of the white population were never married across the censuses with a slight increase in 2016 (from 23,9% in 1996 to 25,2% in 2016). Black Africans and coloured people were most likely to have never been married as compared to the other population groups.

Geography type

The proportion of people who had never been married for persons aged 15 years and older was highest in non-urban areas (64,0%) in 2016. In 1996, 51,4% of persons in non-urban areas were reported as never been married compared to 45,0% in urban areas. The proportion of never been married persons residing in urban areas had increased from 45,0% in 1996 to 52,7% in 2016.

Province of enumeration

Nationally, the proportion of never married persons aged 15 years and older had increased from 47,7% in 1996 to 56,5% in 2016. KwaZulu-Natal had the highest proportions of persons who have never been married over the nineteen-year period (54,6% in 1996, 55,5% in 2001, 59,1% in 2011 and 65,4% in 2016). In 1996, Free State had the lowest proportion of never married persons in the country; however, it increased from 39,6% in 1996 to 51,6% in 2016. Western Cape (46,8%) reported the lowest proportion of never been married persons in 2016.



Trend analysis for persons who reported that they were married

This section presents the proportions of the married population aged 15 years and older by the selected differentials. Marriage is a process involving a series of negotiations and it includes civil, religious and customary ceremonies, among others. Marriages are declining in South Africa as more people opt for cohabiting. In 2015, there were 138 627 civil marriages registered at the Department of Home Affairs, which was a decline by 8,1% from the 150 852 marriages recorded in 2014.

Sex

The proportion of married males aged 15 years and older was higher in all censuses (40,2% in 1996, 35,6% in 2001, 32,8% in 2011 and 28,5% in 2016) compared to that of females (38,8% in 1996, 33,5% in 2001, 31,3% in 2011 and 28,1% in 2016). The proportion of married females declined by 11 percentage points over the nineteen-year period, whilst that of males declined by 12 per cent over the same period.

Population group

In 1996, 61,2% of the white population group aged 15 and older reported that they were married; followed by the Indian/ Asian population group (59,0%), coloured population (41,4%) and black Africans (34,7%). However, in 2016, only 57,0% of white people reported that they were married, followed by Indian/ Asian population group (51,6%), coloured (34,9%) and black Africans (23,2%). The proportion of married black Africans declined by 12% from 34,7% in 1996 to 23,2% in 2016.

Language spoken in the household

The prevalence of marriage was high during all censuses for English-speaking people (56,7% in 1996, 54,4% in 2001, 50,1% in 2011 and 50,9% in 2016) and Afrikaans speakers (50,8% in 1996, 47,4% in 2001, 47,0% in 2011 and 43,4% in 2016) whilst low for those speaking other languages. However, Tshivenda speakers had the highest proportions of marriage among African language-speaking persons with 44,5% in 1996, 39,4% in 2001, 31,1% in 2011 and 27,5% in 2016, followed by isiZulu-speaking group (18,5%), siSwati (19,5%) while Setswana speakers (22,3%) speakers had the lowest proportions of married persons in 2016.



Geography type

There are more married persons aged 15 and older in urban areas as compared to those in non-urban areas. In 2016, 31,0% of persons residing in urban areas were married compared to 22,8% in non-urban areas.

Province of enumeration

In 2016, 28,3% of persons aged 15 years and older were married. In 2016 the Western Cape (37,7%) had the highest population of people who were married compared to other provinces. KwaZulu-Natal (22,0%) reported the lowest proportions of married persons.

Trend analysis for persons who reported that they were cohabiting

Cohabitation is an arrangement where two people who are not married live together. This often involve a romantic or sexually intimate relationship on a long-term or permanent basis. Cohabitation, also referred to as a common law marriage, living together or a domestic partnership that is not recognised as a legal relationship in the case of the South African law.

Sex

Proportions of cohabiting males and females had fluctuated between 1996 and 2016 for both sexes. Proportions of cohabiting males and females had fluctuated between 1996 and 2016 for both sexes. The proportion of males who reported that they were cohabiting declined slightly by 2% between 2011 and 2016 compared to that of females with a 1% decline over the same period.

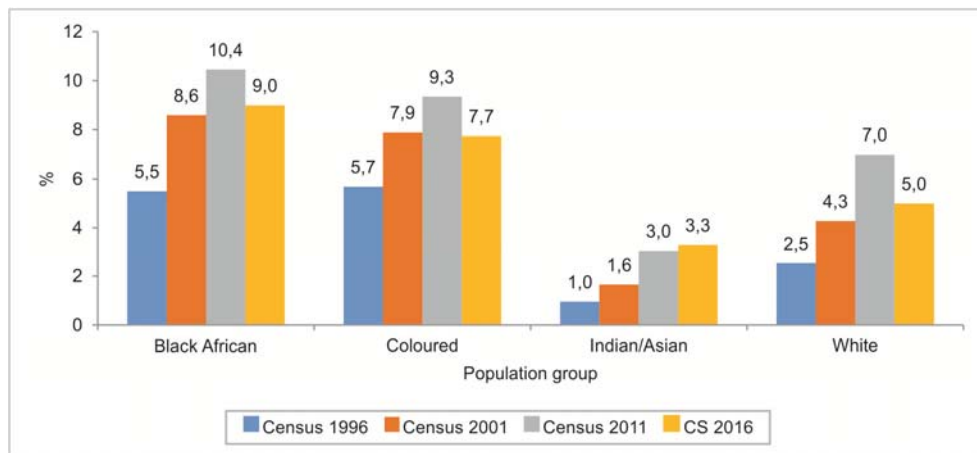
Population group

Cohabiting among black African population had shown fluctuating patterns over the nineteen-year period (5,5% in 1996, 8,6% in 2001, 10,4% in 2011 and 9,0% in 2016), followed by coloureds (5,7% in 1996, 7,9% in 2001, 9,3% in 2011 and 7,7% in 2016) and whites (2,5% in 1996, 4,3% in 2001, 7,0% in 2011 and 5,0% in 2016). The proportion of Indians/Asians who were cohabiting increased by two percentage points over the nineteen-year period (1,0% in 1996, 1,6% in



2001, 3,0% in 2011 and 3,3% in 2016). Black Africans reflected the highest proportions of cohabiting persons by three percentage point increase for the entire 19 year period.

Figure 1: Proportions of persons cohabiting aged 15 years and older by population group



*Census 2011 data exclude "Other" population group.

Source: Statistics South Africa

Language spoken in the household

Between 1996 and 2016, the number of cohabiting persons was highest amongst Xitsonga speakers, with a significant increase from 5,1% in 1996 to 15,2% in 2016. English speaking group (4,8%), followed by isiXhosa speakers (5,7%) recorded the lowest proportions of persons who were cohabiting in 2016. English speakers consistently recorded the lowest proportion of cohabiting persons over the period 1996 to 2016 (2,4% in 1996 to 4,8% in 2011 and 2016).

Levels and measures of nuptiality

Nuptiality refers to marriage as a demographic phenomenon, including the rate at which it occurs, the characteristics of persons united in marriage, and the dissolution of such union through separation, divorce, widowhood and annulment.



Measures of nuptiality

While most sections of this report analysed nuptiality based on information collected from censuses and community surveys, this section however, analyses data on registered marriages, unions and divorces from the Department of Home Affairs (DHA). It covers different registered marriages from the Department of Home Affairs (DHA). The marriages in this regard are civil marriages, customary marriages and civil unions, which are all recognised in terms of the South African law.

In total, 144 821 registered marriages in South Africa were documented in 2016, which is a lower figure compared to the 173 215 marriages registered in 2011. The number of civil and customary marriages dropped to 139 512 marriages in 2016 from 167 264 in 2011 and to 3 978 marriages in 2016 from 5 084 in 2011 respectively, while civil unions increased to 1 331 marriages in 2016 from 867 in 2011.

Distribution of population by province, sex and crude marriage rate (CMR)

The crude marriage rate is the number of marriages occurring in the population of a given geographical area during a given year, per 1,000 mid-year total population. The overall results show that in 2016, 2,5 marriages occurred for every 1 000 persons among the mid-year population aged 15 years and older in South Africa. Mpumalanga and Limpopo, each with 1,8 marriages for every 1 000 persons in their mid-year populations, recorded fewer marriages, followed by Eastern Cape (2,3) and KwaZulu-Natal (2,1).

The sex variation shows that 5,1 marriages occurred for every 1 000 males compared to 4,9 marriages that occurred for every 1 000 females in a mid-year population in South Africa. The crude marriage rate of females was higher than that of males in North West at 5,2 and 5,1 marriages respectively, while the crude marriage rate for Gauteng was similar for both males and females at 5,5.

General marriage rate (GMR)

The GMR, which measures the rate at which marriages occurred in a year per 1 000 persons among a population aged 15 and older, shows that in 2016 South Africa had 3,6 such marriages. The value of GMR by province shows that more marriages were reported for Northern Cape



(5,0 marriages) per 1 000 persons, followed by Free State (4,5 marriages) per 1 000 persons, Western Cape (4,4 marriages) per 1 000 persons, North West and Gauteng (each 3,7 marriages) per 1 000 persons, while Mpumalanga and Limpopo (2,7 marriages each) per 1 000 persons were the provinces with the lowest GMR.

Conclusion

According to the findings of the report, the majority of the black African population had never been married of which the highest number was in KwaZulu-Natal. On the contrary, white population had the highest proportion of married persons. In terms of cohabiting, black Africans reflect the highest proportions of cohabiting persons for the entire 19-year period. The report indicates that the number of cohabiting persons was highest amongst Xitsonga speakers. The Northern Cape had a higher general marriage rate (GMR) compared to other provinces.



Primary industries

Mining: production and sales

Mining production decreases and sales increase

In the past, leaders across the world used precious mineral stones to reflect their prestige and position. Gemstones, also called gems (a piece of mineral crystal that is cut and polished to make jewellery), were then exclusively preserved for the rich and powerful. Phuket, one of the southern provinces in Thailand, hosts the world's biggest jewellery store called the Gems Gallery. This store meets or is awarded the following International Organization for Standardization (ISO) standards, namely ISO 9002 and ISO 9001:2000. With more than two decades of its existence, the Gems Gallery now has three other branches located in Bangkok, Chiangmai and Pattaya. These Gems Galleries have different kinds of gemstones that are displayed for customers and sold tax-free. Amongst the different gemstones that can be found at the Gems Galleries are diamonds (the hardest known natural material), emeralds (the most precious in the beryl group), and sapphires (the second hardest stones after diamonds). Presented in this article is a summary of the Mining: production and sales statistics for August 2018.

Mining production decreased by 9,1% year-on-year in August 2018 (**see Table A**). The largest negative contributors were:

- iron ore (-19,9%, contributing -2,6 percentage points);
- gold (-15,5%, contributing -2,2 percentage points); and
- PGMs (-7,0%, contributing -1,7 percentage points).

**Table A – Key growth rates in the volume of mining production for August 2018**

| | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | -7,1 | -3,5 | 1,2 | 5,0 | -4,1 | -9,1 |
| Month-on-month % change, seasonally adjusted | -3,0 | -2,9 | 7,5 | 5,1 | -8,3 | -1,2 |
| 3-month % change, seasonally adjusted ^{1/} | -2,6 | -2,6 | -1,2 | 2,0 | 4,8 | 2,6 |

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

Mineral sales increased by 4,3% year-on-year in August 2018 (see **Table B**). The largest positive contributors were:

- manganese ore (47,2%, contributing 2,7 percentage points);
- coal (7,3%, contributing 2,0 percentage points); and
- 'other' metallic minerals (86,5%, contributing 1,0 percentage point).

Table B – Key growth rates in mineral sales at current prices for August 2018

| | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | 0,5 | 5,8 | 14,4 | 10,1 | -0,5 | 4,3 |
| Month-on-month % change, seasonally adjusted | -0,6 | 3,0 | 5,2 | 1,6 | -5,7 | 6,1 |
| 3-month % change, seasonally adjusted ^{1/} | -8,0 | -5,7 | -0,8 | 5,4 | 6,2 | 4,1 |

^{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 increases

Investing in a good rail transport system or providing an efficient and reliable rail transport system may boost the country's economy. As one of the initiatives by the Department of Transport to improve the train services in South Africa, a new train manufacturing plant was opened on 25 October 2018. The new plant called Gibela was officially opened by President Cyril Ramaphosa at Dunnottar Park in Nigel, City of Ekurhuleni, in Gauteng. The opening was also one of the events during October Transport Month (OTM), which is a campaign that is celebrated annually. The campaign is aimed at displaying transport infrastructure and services in rail, road, maritime, aviation and public transport that are meant to improve the country's transport system to make it safe, affordable, efficient and reliable. Although the plant was officially opened this year, its construction started in January 2016 and the manufacturing activities started in 2017. The plant is expected to deliver two new trains by December 2018. Presented in this article is a summary of the Manufacturing: production and sales statistics for August 2018.

Manufacturing production increased by 1,3% in August 2018 compared with August 2017 (**see Table C**). The largest positive contributions were made by the following divisions:

- food and beverages (3,3%, contributing 0,9 of a percentage point); and
- basic iron and steel, non-ferrous metal products, metal products and machinery (2,1%, contributing 0,4 of a percentage point).



Table C – Key growth rates in the volume of manufacturing production for August 2018

| | Mar-18 | Apr-18 | May-18 | June-18 | Jul-18 | Aug-18 |
|---|--------|--------|--------|---------|--------|--------|
| Year-on-year % change, unadjusted | -1,8 | 1,2 | 2,1 | 0,5 | 2,8 | 1,3 |
| Month-on-month % change, seasonally adjusted | 0,6 | -0,4 | 1,4 | 0,1 | 1,4 | 0,1 |
| 3-month % change, seasonally adjusted ^{1/} | -2,1 | -2,8 | -1,4 | 0,2 | 1,8 | 1,9 |

^{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 increases

A home extension can be a great way to add space, save money (adding a room is less costly than buying a new home) and add value to a home. However, before this task can be undertaken, homeowners must ensure that any new building or renovation plans for their property have been approved by the relevant local authorities. This applies for things such as building a new wall around the property; a swimming pool; or adding on a room, a second story, or a new wing to the house. For all these alterations, planning permission is required. This is to ensure that plans comply with building regulations. If it happens that a homeowner is caught in the process of making alterations or setting up buildings illegally, the municipality can put a stop to the building process and have it demolished. Presented in this article is a summary of the Selected building statistics of the private sector for August 2018.

The value of recorded building plans passed increased by 2,0% (R1 497,3 million) during January to August 2018 compared with January to August 2017 (**see Table D**). Increases were recorded for residential buildings (7,1% or R2 592,3 million) and additions and alterations (3,8% or R709,0 million). A decrease was recorded for non-residential buildings (-10,1% or -R1 804,1 million).



The largest positive contribution to the total increase of 2,0% (R1 497,3 million) was made by Western Cape (contributing 4,2 percentage points or R3 090,6 million). Gauteng (contributing -2,1 percentage points or -R1 522,3 million) was the largest negative contributor.

The growth rate for buildings reported as completed showed no change during January to August 2018 compared with January to August 2017. A decrease was recorded for non-residential buildings (-19,0% or -R2 406,7 million). Increases were recorded for additions and alterations (11,3% or R838,1 million) and residential buildings (6,4% or R1 589,9 million).

Table D – Recorded building plans passed by larger municipalities: January to August 2017 versus January to August 2018

| Estimates at current prices | January to August 2017 1/ | January to August 2018 1/ | Difference in value between January to August 2017 and January to August 2018 | % change between January to August 2017 and January to August 2018 |
|----------------------------------|------------------------------|------------------------------|---|--|
| | R'000 | R'000 | R'000 | |
| Residential buildings | 36 708 381 | 39 300 718 | 2 592 337 | 7,1 |
| -Dwelling houses | 21 984 645 | 22 382 820 | 398 175 | 1,8 |
| -Flats and townhouses | 14 341 749 | 15 440 357 | 1 098 608 | 7,7 |
| -Other residential buildings | 381 987 | 1 477 541 | 1 095 554 | 286,8 |
| Non-residential buildings | 17 823 124 | 16 019 071 | -1 804 053 | -10,1 |
| Additions and alterations | 18 796 304 | 19 505 293 | 708 989 | 3,8 |
| Total | 73 327 809 | 74 825 082 | 1 497 273 | 2,0 |

1/ 2017 and 2018 figures should be regarded as preliminary because of possible backlogs and incomplete reporting by municipalities.

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



Electricity generated and available for distribution

Electricity generated decreases

South Africa uses coal as its primary resource to generate electricity. Eskom, the main supplier of electricity in the country, relies on coal-fired power stations to produce approximately 90% of its electricity. However, Eskom has recently been faced with challenges as it is experiencing a shortage of coal supply. This is according to a recent report by the power utility's CEO, Phakamani Hadebe. In September 2018, eight coal power stations had less than 20 days' supply of coal, and of those, four had less than 10 days' supply. The minimum stock levels are supposed to be at least 20 days. To deal with this shortage, Eskom had to transport coal supplies from Limpopo to the stations experiencing shortages, by road and rail. Although Eskom said it is doing everything possible to deal with the coal crisis, the possibility of load shedding if the crisis is not resolved soon is not ruled out. Presented in this article is a summary of the electricity generated and available for distribution statistics for September 2018.

Electricity generation (production) decreased by 0,8% year-on-year in September 2018 (see Table E).

Table E – Key growth rates in the volume of electricity generated for September 2018

| | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 | Sep-18 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | -0,5 | -0,8 | 0,3 | 2,2 | -0,4 | -0,8 |
| Month-on-month % change, seasonally adjusted | -1,7 | 1,9 | -1,3 | 0,1 | -0,5 | 0,3 |
| 3-month % change, seasonally adjusted ^{1/} | -0,7 | -0,3 | -0,7 | 0,1 | -0,7 | -0,4 |

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

Electricity distribution (consumption) increased by 0,3% year-on-year in September 2018 (see Table F).

**Table F – Key growth rates in the volume of electricity distributed for September 2018**

| | April-18 | May-18 | Jun-18 | Jul-18 | Aug-18 | Sep-18 |
|---|----------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | -0,7 | 0,2 | 0,8 | 2,7 | 0,4 | 0,3 |
| Month-on-month % change, seasonally adjusted | -1,4 | 2,7 | -1,8 | 0,3 | -0,2 | -0,2 |
| 3-month % change, seasonally adjusted ^{1/} | -0,3 | 0,6 | 0,3 | 1,0 | -0,3 | -0,2 |

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

A full release on *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 increase

The wholesale sector is quite broad as it has different types of wholesalers, one of which is the specialty wholesalers. This type of wholesaler resells products in a specific industry or product category, but may have products from multiple suppliers. For instance, a specialty wholesaler might carry only health foods instead of a full line of groceries. Because specialty wholesalers specialise in a specific industry or product type, they tend to have good product knowledge and good pricing. Presented in this article is a summary of the Wholesale trade sales statistics for August 2018.

Wholesale trade sales increased by 12,4% in August 2018 compared with August 2017 (**see Table G**). The main contributors to this increase were dealers in:

- solid, liquid and gaseous fuels and related products (25,1%, contributing 5,2 percentage points); and
- machinery, equipment and supplies (24,9%, contributing 3,0 percentage points).

Wholesale trade sales increased by 9,0% in the three months ended August 2018 compared with the three months ended August 2017. The main contributors to this increase were dealers in:

- solid, liquid and gaseous fuels and related products (26,0%, contributing 5,3 percentage points); and
- machinery, equipment and supplies (14,8%, contributing 1,9 percentage points).



Table G – Key growth rates in wholesale trade sales at current prices for August 2018

| | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | 3,3 | 2,4 | 7,4 | 5,2 | 9,4 | 12,4 |
| Month-on-month % change, seasonally adjusted | 3,3 | -5,2 | 6,1 | 0,8 | 0,3 | 3,0 |
| 3-month % change, seasonally adjusted ^{1/} | 0,2 | -0,4 | 1,8 | 1,2 | 4,1 | 4,2 |

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

A full release on *Wholesale trade sales* (P6141.2) is available on the Stats SA website: www.statssa.gov.za

Retail trade sales

Retail trade sales increase

South Africans spent 2,9% more on retailers in 2017 compared to 2016. According to Statistics South Africa, consumers spent R31 900 per second in retail stores in 2017, bringing the total amount spent at retail stores last year to more than one trillion rand. Furthermore, for every R100 that consumers spent at retail stores in 2017, R44 was spent at general dealers, which includes supermarkets. The second largest contributor was stores specialising in clothing and textiles, contributing R18 for every R100 of total sales. Presented in this article is a summary of the Retail trade sales statistics for August 2018.

Retail trade sales increased by 2,5% year-on-year in August 2018 (**see Table H**). The largest annual growth rates were recorded for retailers in:

- household furniture, appliances and equipment (10,4%);
- textiles, clothing, footwear and leather goods (6,0%); and
- pharmaceuticals and medical goods, cosmetics and toiletries (3,1%).

The main contributors to the 2,5% increase were:

- retailers in textiles, clothing, footwear and leather goods (contributing 0,9 of a percentage point); and
- general dealers (contributing 0,7 of a percentage point).



Retail trade sales increased by 1,9% in the three months ended August 2018 compared with the three months ended August 2017. The main contributors to this increase were:

- all 'other' retailers (6,1%, contributing 0,8 of a percentage point); and
- retailers in textiles, clothing, footwear and leather goods (3,4%, contributing 0,6 of a percentage point).

Table H – Key growth rates in retail trade sales for August 2018 at constant 2015 prices

| | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted | 5,6 | 1,0 | 2,7 | 1,8 | 1,4 | 2,5 |
| Month-on-month % change, seasonally adjusted | 0,3 | -1,7 | 1,4 | -1,0 | 1,5 | 0,6 |
| 3-month % change, seasonally adjusted ^{1/} | -1,0 | -0,7 | 0,3 | -0,4 | 0,1 | 0,5 |

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

A full release on *Retail trade sales* (Statistical release P6242.1) is available on the Stats SA website: www.statssa.gov.za

Motor trade sales

Motor trade sales increase

The regular maintenance of a motor vehicle is important for the safety of the driver and its passengers, and also for the smooth functioning and overall performance of the vehicle. As the festive season approaches, some people will be using their motor vehicles to embark on short or long trips to their holiday destinations to enjoy themselves. In order to make the most of their trips and to avoid having mechanical problems with their motor vehicles along the way, there are several maintenance points checks offered by some motor vehicle traders – especially during this time of the year – for free. The maintenance points check includes, amongst others, brakes check, transmission assembly, fluid check and wheel alignment. These maintenance checks are not only important for long distance trips, they may also help to identify mechanical problems at an early stage that may prevent



expensive repairs later. Presented in this article is a summary of the motor trade sales statistics for August 2018.

Motor trade sales increased by 6,6% year-on-year in August 2018 (see **Table I**). The largest annual growth rates were recorded for:

- fuel sales (25,1%); and
- convenience store sales (5,4%).

Motor trade sales increased by 6,2% in the three months ended August 2018 compared with the three months ended August 2017. The main contributor was fuel sales (22,6%, contributing 5,7 percentage points).

Table I – Key growth rate figures in motor trade sales for August 2018

| | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|---|--------|--------|--------|--------|--------|--------|
| Year-on-year % change, unadjusted, | 4,3 | 5,8 | 4,4 | 4,7 | 7,5 | 6,6 |
| Month-on-month % change, seasonally adjusted | 5,6 | -8,7 | 4,1 | 1,4 | -1,0 | 2,2 |
| 3-month % change, seasonally adjusted ^{1/} | 0,5 | -0,5 | 0,1 | -2,4 | 0,3 | 1,1 |

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

Food and beverages

Total income generated by the food and beverages industry increased

North West is known to be the number one producer of sunflowers in South Africa. The sunflowers are cultivated for their edible seeds, which – amongst other uses – are an important source of oil that many people use to cook food. In the last crop season of 2017/18, the North West agricultural industry had a total of 14 628 hectares planted, exceeding the set target of 13 000 hectares by 1 628 hectares. Of the overall 14 628 hectares planted were 11 409,84 tonnes of sunflower. The 2018/19 provincial planting season was launched on 25 October 2018 on Welverdiend farm outside Delareyville by the North West Department of Rural, Environment and Agricultural Development. At the launch, the department announced that it has set aside R46 million to support smallholder farmers with crop production inputs, and



to cultivate 14 000 ha to be planted during the 2018/19 planting season in the province. This may have a positive impact on the production of agricultural food products such as sunflower oil, amongst others. Presented in this article is a summary of food and beverage statistics for August 2018.

Total income generated by the food and beverages industry increased by 3,7% in August 2018 compared with August 2017 (**see Table J**). Positive annual growth rates were recorded for food sales (4,3%) and 'other' income (1,0%).

In August 2018, the largest annual growth rate was recorded for takeaway and fast-food outlets (9,8%, contributing 3,4 percentage points).

Total income increased by 3,4% in the three months ended August 2018 compared with the three months ended August 2017. The main contributors to this increase were:

- takeaway and fast-food outlets (6,5%, contributing 2,3 percentage points); and
- restaurants and coffee shops (1,9%, contributing 1,0 percentage point).

Table J – Year-on-year percentage change in food and beverages income at constant prices by type of income – August 2018

| Type of income | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|----------------|------------|-------------|------------|------------|-------------|------------|
| Food sales | 5,7 | 0,3 | 4,0 | 7,4 | 0,1 | 4,3 |
| Bar sales | 4,9 | -3,2 | -4,4 | 8,2 | -7,0 | -6,6 |
| Other income | -12,5 | -13,4 | -7,0 | -8,4 | -7,8 | 1,0 |
| Total | 5,4 | -0,1 | 3,4 | 7,2 | -0,4 | 3,7 |

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



Tourist accommodation

Total income for tourist accommodation industry increased by 5,3%

There are factors that influence changes in accommodation rates by different accommodation facilities in the tourism industry; one of those factors is the off-peak season. Off-peak season in the tourism industry refers to a period that has less tourism activity and demand due to non-favourable weather conditions, public holidays and school recess terms, amongst others. During this season, some accommodation facilities like hotels reduce their prices to attract tourists to book with them. For example, if the cost to maintain a room is R300 and it is sold for R1 000, the hotel will then make a 70% profit margin, that is R700. During the off-peak season, should the hotel discount their rates by half, from R1 000 to R500, and the room still costs R300, the profit will then drop to R200 per room. Therefore, in order for the hotel to meet the R700 profit again, they would need to sell at least four times the amount of rooms at the half-price rate. Presented in this article is a summary of the tourist accommodation statistics for August 2018.

Total income for the tourist accommodation industry increased by 5,3% in August 2018 compared with August 2017 (**see Table K**).

Income from accommodation increased by 2,8% year-on-year in August 2018, the result of a 1,7% decrease in the number of stay unit nights sold and a 4,6% increase in the average income per stay unit night sold. The main contributor to the 2,8% year-on-year increase in income from accommodation in August 2018 was 'other' accommodation (contributing 4,2 percentage points).

In August 2018, the types of accommodation that recorded the largest year-on-year growth in income from accommodation were:

- 'other' accommodation (14,7%); and
- caravan parks and camping sites (13,5%).

Income from accommodation increased by 1,6% in the three months ended August 2018 compared with the three months ended August 2017. The main contributor to this increase was 'other' accommodation (10,8% and contributing 3,0 percentage points).



Table K – Year-on-year percentage change in tourist accommodation statistics for August 2018

| | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|--|-------------|-------------|-------------|------------|-------------|------------|
| Stay units available | 0,4 | 0,4 | 0,4 | 0,4 | 0,4 | 0,2 |
| Stay unit nights sold | -6,1 | -4,4 | -4,9 | 1,9 | -4,9 | -1,7 |
| Average income per stay unit nights sold | 3,8 | 0,4 | 2,8 | 0,0 | 5,4 | 4,6 |
| Income from accommodation | -2,6 | -4,1 | -2,2 | 1,9 | 0,2 | 2,8 |
| Total income ^{1/} | -0,7 | -2,7 | -1,4 | 1,9 | -2,1 | 5,3 |

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

Tourism and migration

A total of 3 554 656 travellers pass through South Africa's ports of entry

The efforts to market South Africa as an African destination for tourists is bearing fruits. This was evident when the World Travel Awards (WTA), the organisation aimed at rewarding and celebrating excellence across all sectors of the tourism industry, acknowledged South Africa as Africa's leading destination for 2018. South Africa was recognised at an WTA Africa and Indian Ocean gala event held at the Durban International Convention Centre (DICC) on 7 October 2018. During the awards, the DICC also received the award for being Africa's leading meetings and conference centre for the 17th time, Durban as Africa's leading city destination while the Port of Durban was awarded for being Africa's leading cruise port. South Africa continues to lure the largest share of arrivals from southern African regions and abroad for study, business and leisure purposes. Presented in this article is a summary of the Tourism and migration statistics for August 2018.

Number of travellers

The routine data collected by the Department of Home Affairs' (DHA) immigration officers at the ports of entry into South Africa shows that a total of 3 554 656 travellers (arrivals, departures and transits) passed through South African ports of entry in August 2018 (**see Table**). These travellers



were made up of 957 130 South African residents and 2 597 526 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 462 026 arrivals, 494 032 departures and 892 travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 331 118, 1 183 057 and 83 351, respectively.

A comparison between the movements in August 2017 and August 2018 indicates that the volume of arrivals and departures increased for South African residents and for foreign travellers. Travellers in transit decreased for South African residents but increased for foreign travellers. For South African residents, the volume of arrivals increased by 3,4% (from 447 146 in August 2017 to 462 026 in August 2018), departures increased by 6,2% (from 465 024 in August 2017 to 494 032 in August 2018), and transits decreased by 2,7% (from 917 in August 2017 to 892 in August 2018). For foreign travellers, arrivals increased by 2,2% (from 1 302 312 in August 2017 to 1 331 118 in August 2018), departures increased by 1,1% (from 1 170 476 in August 2017 to 1 183 057 in August 2018), and transits increased by 3,6% (from 80 488 in August 2017 to 83 351 in August 2018).

A comparison between the movements in July 2018 and August 2018 indicates that the volume of arrivals decreased for South African residents, but increased for foreign travellers. Departures and transits increased for both groups of travellers. For South African residents, the volume of arrivals decreased by 22,0% (from 592 301 in July 2018 to 462 026 in August 2018), departures increased by 0,3% (from 492 322 in July 2018 to 494 032 in August 2018), and transits increased by 17,2% (from 761 in July 2018 to 892 in August 2018). For foreign travellers, arrivals increased by 2,1% (from 1 303 293 in July 2018 to 1 331 118 in August 2018), departures increased by 6,6% (from 1 109 388 in July 2018 to 1 183 057 in August 2018), and transits increased by 29,2% (from 64 538 in July 2018 to 83 351 in August 2018).

Detailed information on the departure of travellers is not available in the movement control system. Data on the purpose of travel and the number of days South African residents intend to spend or spent abroad are not collected by the DHA. Hence, it is therefore not possible to categorise South African residents as tourists or non-tourists. However, some data are available on foreign arrivals for this categorisation.

In August 2018, 79 106 (5,9%) of foreign arrivals were classified as non-visitors while 1 252 012 (94,1%) were classified as visitors. The visitors



were categorised into three groups:

- Arrivals only – comprising visitors who entered the country in August 2018 but did not depart in August 2018 [328 082 (26,2%)];
- Single trips – visitors who came to South Africa once in August 2018 and left in August 2018 [453 832 (36,2%)]; and
- Multiple trips – visitors who came to and left South Africa more than once in August 2018 [470 098 (37,5%)].

Visitors were further grouped as same-day visitors and overnight visitors (tourists). In August 2018, there were 375 086 (30,0%) same-day visitors and 876 926 (70,0%) tourists. Between August 2017 and August 2018, the volume of same-day visitors increased by 2,0% (from 367 847 in August 2017 to 375 086 in August 2018) and that of tourists increased by 2,9% (from 852 339 in August 2017 to 876 926 in August 2018). Between July 2018 and August 2018, the volume of same-day visitors increased by 2,1% (from 367 319 in July 2018 to 375 086 in August 2018), and tourists increased by 2,5% (from 855 906 in July 2018 to 876 926 in August 2018).

Mode of travel

In August 2018, road transport was the most common mode of travel used by 2 484 225 (69,9%) of the 3 554 656 travellers. The total number of travellers who used air transport was 1 063 764 (29,9%). Compared to the use of air and land transport, a small number of travellers [6 667 (0,2%)] used sea transport. Information on arrivals of South African residents shows that 185 826 (40,2%) came by air, 276 241 (59,8%) came by road and 139 (less than 0,1%) arrived by sea transport. For departures, 199 633 (40,4%) used air, 294 211 (59,6%) used road and 188 (less than 0,1%) left by sea transport. All travellers in transit, 892 (100,0%) used air transport.

In the case of foreign travellers, 290 042 (21,8%) arrived by air, 1 037 750 (78,0%) came by road and 3 326 (0,2%) arrived by sea transport. When departing South Africa, 304 020 (25,7%) foreign travellers left by air, 876 023 (74,0%) left by road and 3 014 (0,3%) left by sea transport. All travellers in transit [83 351 (100,0%)] used air transport. Table 2 on page 10 further shows that of the 375 086 same-day visitors, an overwhelming majority [346 781 (92,5%)] arrived in the country by road, 28 304 (7,5%) flew into the country, and 1 (less than 0,1%) arrived by sea transport. Information on tourists shows that 631 545 (72,0%) used road transport, 245 376 (28,0%) came by air transport and 5 (less than 0,1%) arrived by sea transport.



Regional and national distribution

In August 2018, the distribution of overseas tourists was as follows: Europe, 121 751 (57,0%); North America, 38 467 (18,0%); Asia, 26 548 (12,4%); Australasia, 12 557 (5,9%); Central and South America, 9 034 (42%); and the Middle East, 5 404 (2,5%).

All tourists from Africa [645 837 (97,5%)] came from the SADC countries. The distribution of the remaining tourists from Africa is as follows: West Africa, 8 408 (1,3%); East and Central Africa, 6 605 (1,0%); and North Africa 1 208 (0,2%). The ten leading SADC countries in terms of the number of tourists visiting South Africa in August 2018 were: Zimbabwe, 198 895 (30,8%); Lesotho, 127 398 (19,7%); Mozambique, 117 966 (18,3%); Swaziland, 76 911 (11,9%); Botswana, 60 097 (9,3%); Malawi, 18 645 (2,9%); Namibia, 16 265 (2,5%); Zambia 14 495 (2,2%); Angola, 5 827 (0,9%); and DRC, 4 488 (0,7%). Tourists from these ten countries constituted 99,2% of all tourists from the SADC countries.

Purpose of visit

In August 2018, the majority of tourists [853 174 (97,3%)] were in South Africa for holiday compared to 18 369 (2,1%), 4 880 (0,6%), and 503 (0,1%) who were in South Africa for business, study and for medical treatment, respectively.

Sex and age distribution

In August 2018, there were 475 239 (54,2%) male and 401 687 (45,8%) female tourists. Overseas tourists were made up of 112 113 (52,4%) male tourists and 101 648 (47,6%) female tourists. There were 352 457 (54,6%) male and 293 380 (45,4%) female tourists from the SADC countries. Tourists from 'other' African countries were made up of 9 999 (61,6%) male and 6 222 (38,4%) female tourists.



Table L – Number of South African residents and foreign travellers by travel direction: August 2018

| Travel direction | August 2017 | July 2018 | August 2018 | % change between July 2018 and August 2018 | % change between August 2017 and August 2018 |
|--------------------------------------|------------------|------------------|------------------|--|--|
| Total South African residents | 3 466 363 | 3 562 603 | 3 554 656 | -0,2 | 2,5 |
| | 913 087 | 1 085 384 | 957 130 | -11,8 | 4,8 |
| Arrivals | 447 146 | 592 301 | 462 206 | -22,0 | 3,4 |
| Departures | 465 024 | 492 322 | 494 032 | 0,3 | 6,2 |
| Transit | 917 | 761 | 892 | 17,2 | -2,7 |
| Foreign travellers | 2 553 276 | 2 477 219 | 2 597 526 | 4,9 | 1,7 |
| Arrivals | 1 302 312 | 1 303 293 | 1 331 118 | 2,1 | 2,2 |
| Departures | 1 170 476 | 1 109 388 | 1 183 057 | 6,6 | 1,1 |
| Transit | 80 488 | 64 538 | 83 351 | 29,2 | 3,6 |
| Foreign arrivals | 1 302 312 | 1 303 293 | 1 331 118 | 2,1 | 2,2 |
| Non-visitors | 82 126 | 80 068 | 79 106 | -1,2 | -3,7 |
| Visitors | 1 220 186 | 1 223 225 | 1 252 012 | 2,4 | 2,6 |
| Visitors | 1 220 186 | 1 223 225 | 1 252 012 | 2,4 | 2,6 |
| Arrivals only | 316 938 | 336 387 | 328 082 | -2,5 | 3,5 |
| Single trips | 435 026 | 419 548 | 453 832 | 8,2 | 4,3 |
| Multiple trips | 468 222 | 467 290 | 470 098 | 0,6 | 0,4 |
| Visitors | 1 220 186 | 1 223 225 | 1 252 012 | 2,4 | 2,6 |
| Same-day | 367 847 | 367 319 | 375 086 | 2,1 | 2,0 |
| Tourists | 852 339 | 855 906 | 876 926 | 2,5 | 2,9 |

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

The total number of civil summonses issued for debt decreases

Due to South Africa's current economic state, more consumers who are over-indebted find themselves seeking debt counselling as it affords them the opportunity to restructure and manage their debt over a reasonable period of time. However, there are those that are masquerading as genuine debt counsellors, and rob unsuspecting consumers of their hard-earned cash. These fake debt counsellors usually contact consumers through SMSes, emails and telephone calls, promising consumers a saving on monthly instalments or breaks from their monthly instalments. Once consumers agree to take the offer, they will be requested to submit their banking details, ID number or even be asked to deposit money into a certain account. To verify whether a debt counsellor is an authorised service provider, consumers can ask for the debt counsellor's National Credit Regulator (NCR) number and verify it with the NCR, as each debt counsellor needs to be registered with the NCR. Presented in this article is a summary of the civil cases for debt statistics for August 2018.

The number of civil summonses issued for debt

The total number of civil summonses issued for debt decreased by 0,4% in the three months ended August 2018 compared with the three months ended August 2017 (see Table M).

Negative contributors to the 0,4% decrease were civil summonses relating to:

- promissory notes (contributing -2,8 percentage points);
- goods sold (contributing -0,5 of a percentage point); and
- money lent (contributing -0,1 of a percentage point).

The number of civil judgements recorded for debt

The total number of civil judgements recorded for debt decreased by 9,8% in the three months ended August 2018 compared with the three months ended August 2017. The largest negative contributors to the 9,8% decrease were civil judgements relating to:

- money lent (contributing -4,6 percentage points);
- 'other' debts (contributing -2,3 percentage points);
- promissory notes (contributing -1,6 percentage points); and
- services (contributing -1,6 percentage points).



The value of civil judgements recorded for debt

The total value of civil judgements recorded for debt decreased marginally by 0,1% in the three months ended August 2018 compared with the three months ended August 2017. The largest negative contributor to the 0,1% decrease was money lent (contributing -6,0 percentage points), while 'other' debts (contributing 7,3 percentage points) was the largest positive contributor.

There were 18 588 civil judgements for debt in August 2018, amounting to R302,3 million. The largest contributors to the total value of judgements were:

- money lent (R77,3 million or 25,6%);
- services (R69,0 million or 22,8%); and
- 'other' debts (R49,5 million or 16,4%).

Table M – Key figures for civil summonses and judgements for August 2018

| Actual estimates | August 2018 | % change between August 2017 and August 2018 | % change between June to August 2017 and June to August 2018 |
|---|-------------|--|--|
| Number of civil summonses issued for debt | 47 436 | -1,6 | -0,4 |
| Number of civil judgements recorded for debt | 18 588 | -12,0 | -9,8 |
| Value of civil judgements recorded for debt (R million) | 302,3 | -20,5 | -0,1 |

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 decreased

Sequestration, another legal process that takes place for the same reason as the liquidation process, refers to the failure by an entity to pay its debt. A company that applies for sequestration is often in a state where it has exhausted all other options to pay off its debts and has no other choice but to sequester by seizing all the assets from the company under processes of law for the benefit of creditors or the state. Unlike the liquidation process, the sequestration process entails a lot more administration. For example, a valuator must first value the company's estate to determine if the debtor is actually overtaxed and that there are not enough assets to settle all the debts. Another example is that a sequestration can only be heard by the Supreme Court, while a liquidation can be heard by a magistrate's court of the Supreme Court, and this may delay the granting of a court date. Presented in this article is the summary of the liquidation and insolvency statistics for the month of September 2018.

The total number of liquidations recorded showed a decrease of 1,2% in September 2018 compared with September 2017 (**See Table N**). Compulsory liquidations decreased by 6 cases while voluntary liquidations increased by 4 cases. A noteworthy increase was recorded in the construction industry, namely 14 more liquidations (from 2 to 16).

The number of liquidations decreased by 1,5% in the third quarter of 2018 compared with the third quarter of 2017. During the first nine months of 2018, the number of liquidations showed a year-on-year increase of 3,6%. Company liquidations increased by 8,1% (from 657 to 710), while close corporation liquidations decreased by 0,9% (from 664 to 658).

Table N – Total number of liquidations for September 2018

| Number of liquidations September 2018 | % change between September 2017 and September 2018 | % change between July to September 2017 and July to September 2018 | % change between January to September 2017 and January to September 2018 |
|---------------------------------------|--|--|--|
| 159 | -1,2 | -1,5 | 3,6 |

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



The estimated number of insolvencies decreased by 10,3% year-on-year in August 2018 (**See Table O**). A 20,9% decrease was estimated in the three months ended August 2018 compared with the three months ended August 2017. There was a decrease of 16,9% in the first eight months of 2018 compared with the first eight months of 2017.

Table O – Total number of insolvencies for August 2018

| Number of insolvencies August 2018 | % change between August 2017 and August 2018 | % change between June 2017 to August 2018 and June 2017 to August 2018 | % change between January to August 2017 and January to August 2018 |
|------------------------------------|--|--|--|
| 260 | -10,3 | -20,9 | -16,9 |

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

Land transport survey

Volume of goods transported increases

The tow truck industry has been known to have some of the tow truck operators disregard public road laws and often initiating unwarranted towing charges to consumers. In an effort to regulate the tow truck industry and promote road traffic safety and business practice, the Gauteng Department of Roads Transport introduced a bill on 2 August 2018 to amend the Gauteng Provincial Road Traffic Act, 1997 (Act No. 10 of 1997). According to the bill, tow truck operators will be issued with a tow truck operator card that will display particulars of the tow truck operator such as full name, identity number, photograph and contact details. The bill will enable the Gauteng Department of Roads and Transport to curb lawlessness and force tow truck drivers to adhere to the law. Presented in this article is a summary of the Land Transport Survey results for August 2018.

The volume of goods transported (payload) increased by 8,8% in August 2018 compared with August 2017 (**see Table P**). The corresponding income increased by 8,9% over the same period.

Income from freight transportation increased by 4,1% in the three months ended August 2018 compared with the three months ended August 2017. The main contributors to this increase were:



- primary mining and quarrying products (7,0%, contributing 2,4 percentage points); and
- 'other' freight (8,4%, contributing 1,0 percentage point).

Table P – Year-on-year percentage change in freight transportation: August 2018

| | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|-----------------|--------|--------|--------|--------|--------|--------|
| Freight payload | 7,4 | 6,6 | 1,1 | -5,1 | 8,0 | 8,8 |
| Freight income | 8,9 | 8,8 | 4,3 | -2,6 | 6,1 | 8,9 |

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 14,1% in August 2018 compared with August 2017 (**see Table Q**). The corresponding income decreased by 1,9% over the same period.

Table Q – Year-on-year percentage change in passenger transportation: August 2018

| | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 |
|--------------------|--------|--------|--------|--------|--------|--------|
| Passenger journeys | -18,5 | -5,0 | -25,1 | -13,6 | 6,2 | -14,1 |
| Passenger income | -6,2 | -7,0 | -18,1 | -0,6 | 0,9 | -1,9 |

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 6,2%

The Producer price index captures the costs of intermediate goods. An intermediate good is a product used to produce a final good or finished product. An example of such an intermediate good is wheat. The producer of wheat can sell it to a miller who will turn it into flour and sell it to a baker who will turn it into the final product, which is bread. Therefore, these intermediate goods are sold between industries for resale or the production of other goods. Furthermore, intermediate goods are not included in the Gross domestic product (GDP) to avoid double counting since the value of final manufactured goods already includes the value of intermediate goods. Presented in this article is a summary of the Producer price index (PPI) for September 2018.

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 6,2% in September 2018 (compared with 6,3% in August 2018) (**see Table R**). From August 2018 to September 2018 the PPI for final manufactured goods increased by 0,5%. The main contributors to the annual rate of 6,2% were coke, petroleum, chemical, rubber and plastic products (3,0 percentage points) and transport equipment (1,0 percentage point). The main contributors to the monthly increase of 0,5% were coke, petroleum, chemical, rubber and plastic products (0,2 of a percentage point) and transport equipment (0,2 of a percentage point).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 7,7% in September 2018 (compared with 5,9% in August 2018). From August 2018 to September 2018 the PPI for intermediate manufactured goods increased by 1,8%. The main contributors to the annual rate of 7,7% were chemicals, rubber and plastic products (3,6 percentage points) and basic and fabricated metals (2,5 percentage points). The main contributors to the monthly increase of 1,8% were basic and fabricated metals (0,8 of a percentage point) and chemicals, rubber and plastic products (0,5 of a percentage point).



Electricity and water

The annual percentage change in the PPI for electricity and water was 4,8% in September 2018 (compared with 6,5% in August 2018). From August 2018 to September 2018, the PPI for electricity and water decreased by 23,2%. The contributors to the annual rate of 4,8% were electricity (3,3 percentage points) and water (1,5 percentage points). The contributor to the monthly decrease of 23,2% was electricity (-23,2 percentage points).

Mining

The annual percentage change in the PPI for mining was 0,9% in September 2018 (compared with 6,3% in August 2018). From August 2018 to September 2018 the PPI for mining increased by 3,6%. The main contributors to the annual rate of 0,9% were coal and gas (5,0 percentage points) and non-ferrous metal ores (4,6 percentage points). The main contributors to the monthly increase of 3,6% were non-ferrous metal ores (1,4 percentage points) and gold and other metal ores (1,0 percentage point).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was 0,9% in September 2018 (compared with 2,0% in August 2018). From August 2018 to September 2018 the PPI for agriculture, forestry and fishing increased by 1,1%. The main contributors to the annual rate of 0,9% were fishing (0,7 of a percentage point) and forestry (0,4 of a percentage point). The main contributor to the monthly increase of 1,1% was agriculture (1,1 percentage points).

Table R – Key PPI figures for September 2018

| Product | Weight | Index (2016=100) | | | % change | |
|-----------------------------------|--------|------------------|----------|----------|----------------------|----------------------|
| | | Sep 2017 | Aug 2018 | Sep 2018 | Sep 2018 vs Aug 2018 | Sep 2018 vs Aug 2017 |
| Final manufactured goods | 100,00 | 103,4 | 109,2 | 109,8 | 0,5 | 6,2 |
| Intermediate manufactured goods | 100,00 | 101,4 | 107,3 | 109,2 | 1,8 | 7,7 |
| Electricity and water | 100,00 | 113,0 | 154,2 | 118,4 | -23,2 | 4,8 |
| Mining | 100,00 | 113,6 | 110,6 | 114,6 | 3,6 | 0,9 |
| Agriculture, forestry and fishing | 100,00 | 98,7 | 98,5 | 99,6 | 1,1 | 0,9 |

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



Consumer price index (CPI)

CPI at 4,9% in September 2018

The fuel prices have steadily increased from R14,23 in April 2018 to R16,68 in November 2018 due to, among others, higher global oil prices, fuel taxes and a weakening rand. This has prompted government to investigate plans aimed at protecting consumers from the impact of fuel increases. One of the strategies is the proposal to cap the price of 93 Octane petrol by Department of Energy (DoE). The proposal was made to the fuel industry and it is due to report back on whether capping of the price of 93 Octane is feasible. The proposal to cap the price might stabilise or lower the price of the Consumer Price Index (CPI), since the increase of CPI includes transport costs as one of the key contributors due to high fuel prices. Presented in this article is a summary of the Consumer price index for September 2018.

Headline consumer price index (CPI for all urban areas)

Annual consumer price inflation was 4,9% in September 2018, unchanged from 4,9% in August 2018 (**see Table S**). The consumer price index increased by 0,5% month-on-month in September 2018.

The following items contributed to headline annual consumer price inflation:

- Food and non-alcoholic beverages increased from 0,6 of a percentage point in August 2018 to 0,7 of a percentage point in September. The index increased by 3,9% year-on-year.
- Transport decreased from 1,3 percentage points in August 2018 to 1,2 percentage points in September. The index increased by 8,7% year-on-year.

The following items contributed to the monthly consumer price inflation:

- Housing and utilities contributed 0,2 of a percentage point. The index increased by 0,8% month-on-month, mainly because of actual rentals for housing (1,4%) and owners' equivalent rent (1,2%).
- Transport contributed 0,1 of a percentage point. The index increased by 0,9% month-on-month, mainly because of contribution attributed to public transport (5,5%).

In September the CPI for goods increased by 4,8% year-on-year (down from 5,0% in August), and the CPI for services increased by 5,2% year-on-year (up from 5,0% in August).



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

| Year | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Avg ^{1/} |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------------------|
| 2010 | Index | 86,4 | 87,0 | 87,7 | 87,8 | 88,0 | 88,0 | 88,6 | 88,6 | 88,7 | 88,9 | 89,0 | 89,2 | 88,2 |
| | Rate | 6,2 | 5,7 | 5,1 | 4,8 | 4,6 | 4,2 | 3,7 | 3,5 | 3,2 | 3,4 | 3,6 | 3,5 | 4,3 |
| 2011 | Index | 89,6 | 90,2 | 91,3 | 91,6 | 92,0 | 92,4 | 93,2 | 93,4 | 93,8 | 94,2 | 94,5 | 94,6 | 92,6 |
| | Rate | 3,7 | 3,7 | 4,1 | 4,2 | 4,5 | 5,0 | 5,3 | 5,3 | 5,7 | 6,0 | 6,1 | 6,1 | 5,0 |
| 2012 | Index | 95,2 | 95,7 | 96,8 | 97,2 | 97,2 | 97,5 | 97,8 | 98,0 | 98,9 | 99,5 | 99,8 | 100,0 | 97,8 |
| | Rate | 6,3 | 6,1 | 6,0 | 6,1 | 5,7 | 5,5 | 4,9 | 5,0 | 5,5 | 5,6 | 5,6 | 5,7 | 5,6 |
| 2013 | Index | 100,3 | 101,3 | 102,5 | 102,9 | 102,6 | 102,9 | 104,0 | 104,3 | 104,8 | 105,0 | 105,1 | 105,4 | 103,4 |
| | Rate | 5,4 | 5,9 | 5,9 | 5,9 | 5,6 | 5,5 | 6,3 | 6,4 | 6,0 | 5,5 | 5,3 | 5,4 | 5,7 |
| 2014 | Index | 106,1 | 107,3 | 108,7 | 109,2 | 109,4 | 109,7 | 110,6 | 111,0 | 111,0 | 111,2 | 111,2 | 111,0 | 109,7 |
| | Rate | 5,8 | 5,9 | 6,0 | 6,1 | 6,6 | 6,6 | 6,3 | 6,4 | 5,9 | 5,9 | 5,8 | 5,3 | 6,1 |
| 2015 | Index | 110,8 | 111,5 | 113,1 | 114,1 | 114,4 | 114,9 | 116,1 | 116,1 | 116,1 | 116,4 | 116,5 | 116,8 | 114,7 |
| | Rate | 4,4 | 3,9 | 4,0 | 4,5 | 4,6 | 4,7 | 5,0 | 4,6 | 4,6 | 4,7 | 4,8 | 5,2 | 4,6 |
| 2016 | Index | 117,7 | 119,3 | 120,2 | 121,2 | 121,4 | 122,1 | 123,1 | 123,0 | 123,2 | 123,8 | 124,2 | 124,7 | 122,0 |
| | Rate | 6,2 | 7,0 | 6,3 | 6,2 | 6,1 | 6,3 | 6,0 | 5,9 | 6,1 | 6,4 | 6,6 | 6,8 | 6,4 |
| 2017 | Index | 100,6 | 101,7 | 102,3 | 102,4 | 102,7 | 102,9 | 103,2 | 103,3 | 103,8 | 104,1 | 104,2 | 104,7 | 103,0 |
| | Rate | 6,6 | 6,3 | 6,1 | 5,3 | 5,4 | 5,1 | 4,6 | 4,8 | 5,1 | 4,8 | 4,6 | 4,7 | 5,3 |
| 2018 | Index | 105,0 | 105,8 | 106,2 | 107,0 | 107,2 | 107,6 | 108,5 | 108,4 | 108,9 | | | | |
| | Rate | 4,4 | 4,0 | 3,8 | 4,5 | 4,4 | 4,6 | 5,1 | 4,9 | 4,9 | | | | |

^{1/} Annual average.



Glossary

Primary industries

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

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

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

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

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

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

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



Secondary industries

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

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

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

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

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

Tertiary industries

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

Acting household head: any member of the household acting on behalf of the head of the household.

Average income per stay unit night sold: average rate per stay unit (i.e. rate per room in a hotel or powered site in a caravan park) is calculated by dividing the total income from accommodation by the number of stay unit nights sold in the survey period.

Catering services: enterprises involved in the sale and supply of meals and drinks prepared on the premises on a contract basis and brought to other premises chosen by the person ordering them, to be served for immediate consumption to guests or customers. Include bars, taverns, other drinking places, ice-cream parlours, etc.



Civil judgements: decisions taken in a civil matter or a dispute between two people or parties.

Civil summonses: notices to appear before the court of law where a dispute between two parties or people has to be heard, i.e. not for criminal offence.

Day trip: a trip outside of the respondent's usual environment, where they leave and return within the same day (i.e. do not stay overnight).

Domestic tourism: a trip within the boundaries of South Africa but outside of the respondent's usual environment.

Note: The following categories are excluded from the definition of domestic visitor:

- persons travelling to another place within the country with the intention of setting up their usual residence in that place.
- Persons who travel to another place within the country and are remunerated from within the place visited.
- Persons who travel regularly or frequently between neighbouring localities as defined by the 'usual environment' rule.

Dwelling unit: structure or part of a structure or group structures occupied or meant to be occupied by one or more than one household.

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

Expenditure: the total consumption expenditure made by a visitor or on behalf of a visitor during his/her trip and stay at a destination.

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

Household: a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

Household head: the main decision-maker, or the person who owns or rents the dwelling, or the person who is the main breadwinner.

Income from accommodation industry: income from amounts charged for rooms or equivalent. Other income is excluded (e.g. income from meals).



Income from bar sales: refers to income from liquor sales.

Income from food sales: refers to income from the sale of meals and non-alcoholic drinks.

Income from restaurant and bar sales: income from meals, banqueting and beverages and tobacco sales.

Insolvency: refers to an individual or partnership which is unable to pay its debt and is placed under final sequestration. The number of insolvencies does not refer to the number of persons involved, as a partnership which is unable to pay its debt is regarded as one insolvency, irrespective of the number of partners.

Liquidation: refers to the winding-up of the affairs of a company or close corporation when liabilities exceed assets and it can be resolved by voluntary action or by an order of the court.

Main purpose of trip: this is the purpose in the absence of which the trip would not have been made.

Microdata: data gathered on a small scale, such as data on an individual.

‘Other’ African countries: refers to all non SADC African countries.

Other income: includes all income not earned from food sales or bar sales.

Other SADC: refers to the thirteen countries, excluding South Africa, that belong to the Southern African Development Community.

Professional services: refer to medical doctors, dentists, advocates, attorney, auditors, accountants, architects, engineers, hospital services etc.

Promissory notes: written undertaking, signed by a person or party, to pay money to another person or to be the bearer of such a note on a specific date or on demand.

Restaurants and coffee shops: enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for immediate consumption and with provided seating.

Retailer: a retailer is an enterprise deriving more than 50% of its turnover from sales of goods to the general public for household use.



Retail trade: includes the resale (sale without transformation) of new and used goods and products to the general public for household use.

Stay unit: unit accommodation available to be charged out to guests, for example, a powered site in a caravan park or a room in a hotel.

Stay unit night sold: total number of stay units occupied on each night during the survey period.

Takeaway and fast-food outlets: enterprises involved in the sale and provision of meals and drinks, ordered from a menu, prepared on the premises for takeaway purposes in a packaged format, at a stand or in a location, with or without provided seating.

Total income: includes income from food sales, income from bar sales and other income.

Tourism: comprises the activities of persons travelling to, and staying in places outside their usual environment, for not more than one consecutive year, for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.

Tourist: a visitor who stays at least one night in the place visited.

Tourist accommodation: any facility that regularly (or occasionally) provides 'paid' or 'unpaid' overnight accommodation for tourists.

Traveller: any person on a trip between two or more countries or between two or more localities within his/her country of residence.

Voluntary liquidation: takes place when a company or close corporation, by own choice, resolves to wind-up its affairs.

Wholesale trade: Includes the resale (sale without transformation) of new and used goods and products to other wholesalers, retailers, agricultural, industrial, commercial, institutional and professional users either directly or through agents on a fee or contract basis.



Prices

Annual percentage change: change in the index of the relevant month of the current year compared with the index of the same month in the previous year expressed as a percentage.

Consumer price index (CPI): an index that measures the price of a fixed basket of consumer goods and services.

Inflation rate: annual percentage change in the CPI for all items of the relevant month of the current year compared with the CPI for all items of the same month in the previous year expressed as a percentage.

Monthly percentage change: change in the index of the relevant month compared to the index of the previous month expressed as a percentage.

Year-on-year: A term used frequently in investment research and other reports to mean 'compared with the same period in the previous fiscal year'.

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