Mbalo Brief

the missing piece of the puzzle

February 2019

$$0,001 \times 110 =$$
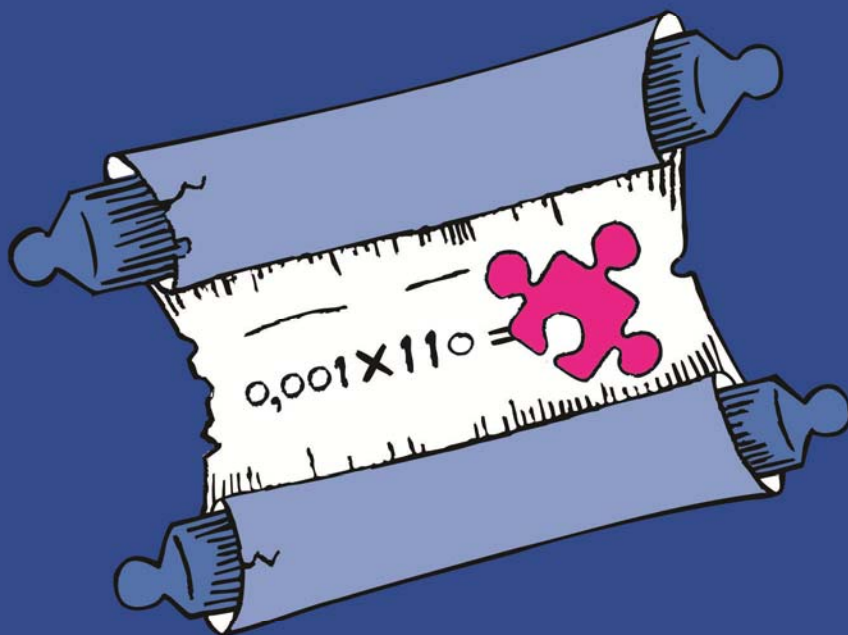
Issue 01/2019

THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND

Statistics South Africa
Private Bag X44
Pretoria 0001
South Africa

ISIbalo House, Koch street, Salvokop
Pretoria 0002

User information services: (012) 310 8600
Main switchboard: (012) 310 8911

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

Editor's comment

Languages play a vital role in human lives as a tool of communication, education, development and it is the foundation for each person's unique identity, cultural history, traditions and memory. Despite their huge value, languages around the world continue to vanish at a worrying rate. In trying to protect and raise awareness of indigenous languages, the United Nations General Assembly adopted a resolution proclaiming 2019 as the International Year of Indigenous Languages. The resolution was made to raise awareness of the indigenous languages and to promote and protect them. Indigenous languages add to the rich fabric of global cultural diversity and without them the world would be a poorer place.

In this month's issue of *Mbalo Brief*, our educational article is based on the *Tourism Satellite Account for South Africa, final 2015 and provisional 2016 and 2017* report, which was published by Statistics South Africa (Stats SA) in November 2018. This article provides an overview of Tourism Satellite Account, as well as tourism's contribution in terms of spending and employment. Also have a look at our monthly crossword puzzle and solutions for the November 2018 puzzle.

Articles published in this issue are based on results of industry surveys conducted for the months ranging from November to December 2018.

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

Enjoy the read!

Contents

Crossword puzzle
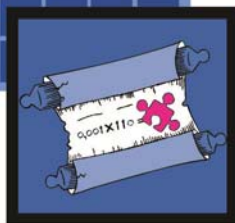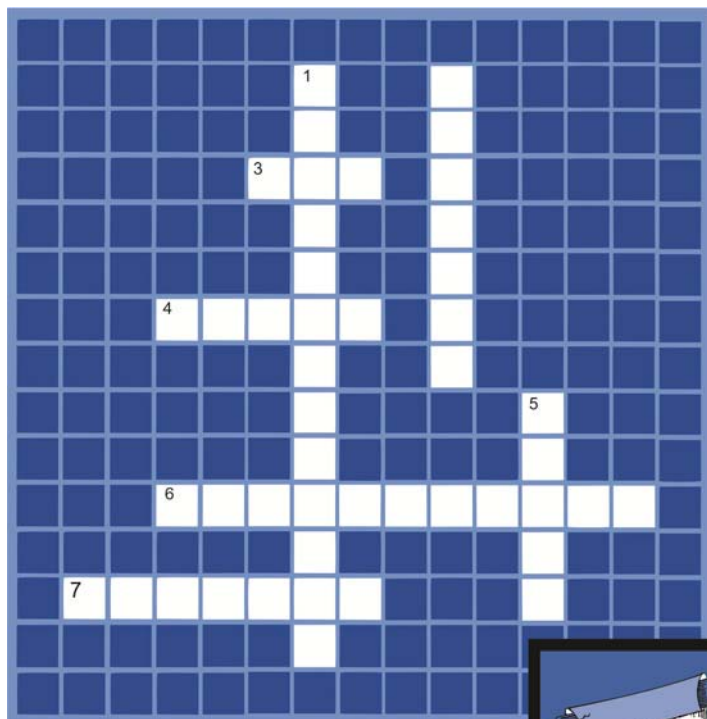
Across

3. On which month will the South Africa's 2019 General elections be held?
4. What is the surname of the Minister of Telecommunications and Postal Services?
6. In which province is Table Mountain located?
7. What is the name of the country which is encircled by South Africa?

Down

1. Who is the new National Director of Public Prosecution appointed by the president of South Africa?
2. What is the name of the App introduced in South Africa to minimise food wastage caused by near expiry date foodstuffs? [Read Food and beverages article for clue]
5. What is the surname of the former Supreme Court of Appeal president who presides over the Public Investment Corporation Commission?

Solutions for November 2018 puzzle

Across

2. Isibalo
3. December
6. Black African
7. Gibela

Down

1. Mokgweetsi Masisi
4. Nzimande
5. Thailand

Education article on the Tourism Satellite Account of South Africa

1. Introduction

Tourism is a fast-growing sector globally and it is recognised by the South African government for the role it plays in economic growth and poverty reduction. This sector plays an important role in influencing economies, generation of value added, employment, personal income and government income.

The United Nations World Tourism Organization (UNWTO), defines tourism as '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. The importance of tourism to both developing and developed nations has created a need to measure its economic impact and this is measured through the Tourism Satellite Account (TSA).This article is based on the *Tourism Satellite Account for South Africa, final 2015 and provisional 2016 and 2017* report*,* which was published by Statistics South Africa (Stats SA) in November 2018. The report covers updated and new provisional figures for the reference years 2016 and 2017 as well as the final results for 2015. This article will provide an overview of the Tourism Satellite Account, as well as tourism's contribution in terms of spending and employment.

2. Overview of Tourism Satellite Account (TSA)
What is a TSA?

A satellite account is a term developed by the United Nations (UN) to measure the size of economic sectors that are not defined as industries in national accounts. Tourism, for instance, is an amalgamation (combination) of industries such as transportation, accommodation, food and beverages services, recreation, entertainment and travel agencies, etc. This is used to classify industries according to the goods and services they produce, while tourism is a consumption-based concept that depends on the status of the consumer.

A major reason for the difficulties in measuring the size of tourism is the fact that in the International Standard Industrial Classification of all Economic Activities (ISIC), industries are created on the basis of their activity or output,

rather than on data on their customers, whereas tourism is defined by the characteristics of visitors. The key factor in measuring tourism is to relate purchases by tourists to the total supply of these goods and services within a country.

The TSA is a statistical instrument designed to measure these goods and services according to international standards of concepts, classifications and definitions which allows for comparisons with other industries and eventually from country to country and between groups of countries. In order to be credible and comparable with other industries in a country's economy, tourism measurements must follow concepts and definitions consistent with internationally accepted macroeconomic guidelines such as the System of National Accounts.

Why do we need a TSA?
The TSA enables governments, entrepreneurs and citizens to be better equipped to develop public policies and business strategies for tourism and for evaluating their effectiveness and efficiency.
The implementation of the TSA serves to:
- increase and improve knowledge of tourism's importance, relative to overall economic activity in a given country;
- provide an instrument for designing more efficient policies relating to tourism and its employment aspects; and
- create awareness among the various players directly and indirectly involved with tourism of the economic importance of this activity in the production of goods and services demanded by visitors.

DID YOU KNOW?
A traveller is any person on a trip between two or more countries, or between two or more localities within his/her country of usual residence.

The TSA is intended to measure the following indicators:
- tourism's contribution to gross domestic product (GDP);
- tourism's ranking compared to other economic sectors;
- the number of jobs created by tourism in an economy;
- the amount of tourism investment;
- tax revenues generated by tourism industries;
- tourism consumption;
- tourism's impact on a nation's balance of payments; and
- characteristics of tourism human resources.

3. Tourism expenditure

One of the variables included in the TSA is tourism expenditure. This refers to the acquisition of goods and services by visitors through a monetary transaction for the direct satisfaction of their wants and needs during their stay at their destination. In 2017, internal tourism expenditure for South Africa amounted to R277 416 million. This is an increase from the R264 962 million and R231 595 million recorded in 2016 and 2015 respectively.

Tourism product ratio
Tourism consumption of each product is divided by total supply to calculate the tourism product ratio (which measures the proportion of output of a product demanded or used by visitors). The TSA makes a distinction between three categories of products, namely:
- tourism-characteristic products;
- tourism-connected (related) product; and
- non-tourism-connected product.

These are explained in more detail in the paragraphs that follow.

Tourism expenditure by characteristic products
A tourism-characteristic product is a product that will cease to exist in meaningful quantity, or for which the level of consumption would be significantly reduced, in the absence of visitors. A product is classified as a tourism-characteristic product if at least 25 per cent of its production is purchased by visitors (that is, a tourism-characteristic product has a tourism product ratio of greater than or equal to 0,25). In 2017, visitors spent a total of R188 683 million on tourism-characteristics products. This was an increase from the R175 358 million spent in 2016 and R161 427 million spent in 2015.

Figure 1 – Tourism expenditure for tourism characteristics products, 2017 (R Million)
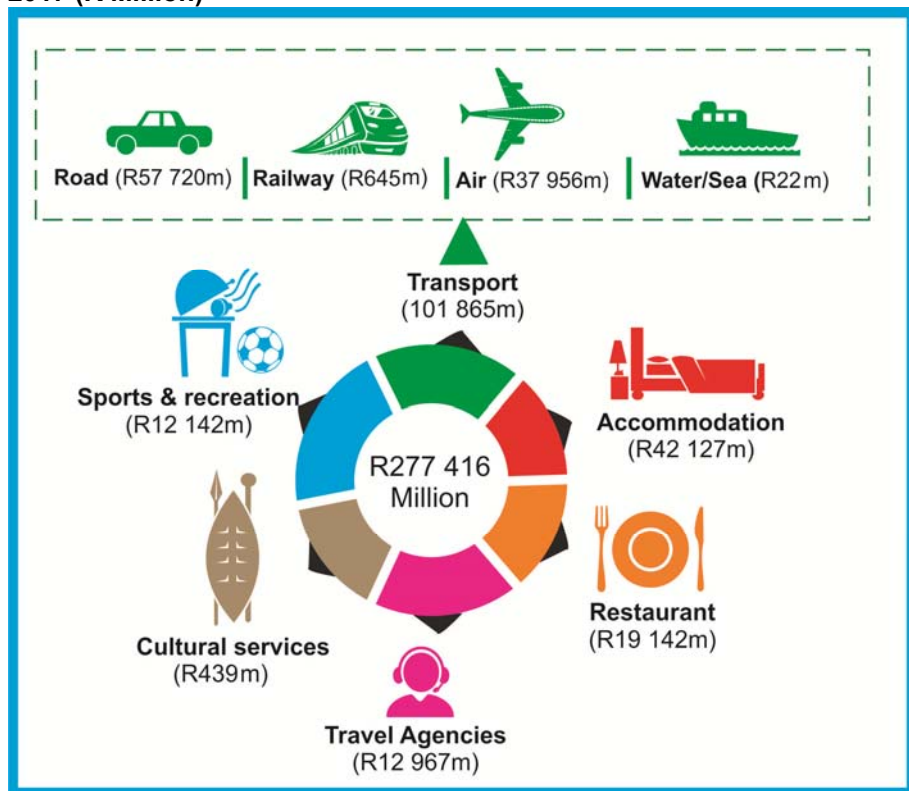
Figure 1 shows the tourism expenditure for tourism-characteristics products for 2017.

The top three tourism-characteristics services or products that most tourists spent money on in 2017 were passenger transportation services, amounting to R101 865 million, compared to R95 070 million in 2016 and R86 865 million in 2015. This was made up of the following passenger transportation services:

- Railway – amounting to R654 million in 2017, R602 million in 2016 and R570 million in 2015.
- Road – amounting to R57 720 million in 2017, R53 850 million in 2016 and R48 056 in 2015.

- Sea/water – amounting to R22 million in 2017, R20 million in 2016 and R18 million in 2015;
- Air – amounting to R38 million in 2017, R35 million in 2016 and R33 million in 2015.
- Transport equipment rental – amounting to R6 million in 2017, R5 million in 2016 and R4,9 million in 2016.

The second most demanded service was accommodation services, amounting to R42 127 million in 2017, R39 892 million in 2016 and R36 559 million in 2015. This was followed by restaurant and similar services, amounting to R19 142 million in 2017, R17 636 million in 2016 and R16 337 million in 2015.

Tourism expenditure by connected products
A tourism-connected (or related) product is distinct from a tourism-characteristic product in that visitors consume a smaller proportion of the total supply of the product. A direct physical contact occurs between the industry and the visitor buying its product. In practice, the retail trade industry is the only tourism-connected industry. For a product to be classified as a tourism-connected product, visitors must purchase greater than zero per cent and less than 25 per cent of its production (that is, a tourism-connected product has a tourism product ratio that is greater than zero and less than 0,25). In 2017, the total amount spent on tourism-connected products was R33 455 million, an increase from the R30 136 million and R26 500 million spent in 2016 and 2015, respectively.

The top three tourism-connected products or services that tourists spent their money on were:
- Retail sales of food, beverages and tobacco (R17 416 million, an increase from the R15 559 million and R13 353 million recorded in 2016 and 2015, respectively).
- Retail sales of textiles, clothing and leather goods (R8 768 million in 2017, an increase from the R8 045 million and R7 579 million recorded in 2016 and 2015, respectively).
- Retail sales of automotive fuel (R4 759 million in 2017, an increase from the R4 390 million and R3 602 million recorded in 2016 and 2015, respectively).

Tourism expenditure by non-tourism-connected product

A non-tourism-connected product is a product that is a non-tourism-specific product. In 2017, a total of R55 278 million was spent on products that are non-tourism-specific or connected. This was a decrease from the R59 468 million recorded in 2016 but an increase from the R43 668 million recorded in 2015.

The two non-tourism-connected products that tourists spent their money on were:

- Services (R24 802 million in 2017, a decrease from the R25 310 million spent in 2016 but an increase from the R18 361 million spent in 2015).
- Goods (R30 476 million in 2017, a decrease from the R34 158 million recorded in 2016 and an increase from the R25 307 million spent in 2015).

4. Employment in the tourism industry

Tourism employment is the employment strictly related to the goods and services (tourism-connected and non-tourism-connected) acquired by visitors and produced either by tourism industries or by other industries that cannot be directly observed. South Africa does not have a direct measure of tourism employment; therefore, employment in the tourism industry includes employment that is directly and/or indirectly related to the goods and services acquired by visitors and non-visitors.

There were 669 653 persons (or 4,3% of total employment) directly engaged in producing goods and services purchased by visitors in 2015, 690 261 persons (or 4,4% of total employment) in 2016 and 722 013 (or 4,5% of total employment) in 2017. Tourism industry ratios have been used to allocate employment numbers (by industry) to tourism.

722 013
People employed in the tourism industry in 2017, an increase from 69 261 in 2016.
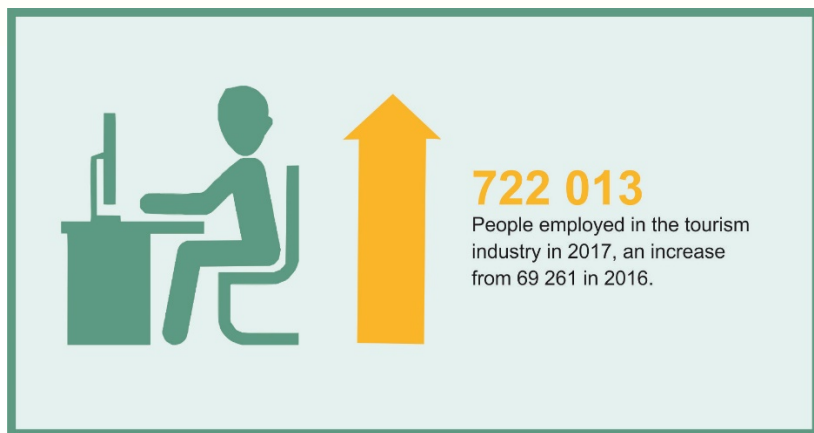
The top five tourism industries that employed the most people were:

- Retail trade (of tourism-connected goods) (R1 302 644 million in 2015, R1 336 249 in 2016 and R1 333 742 in 2017).
- Road passenger transportation (R546 755 in 2015, R568 140 in 2016 and R613 731 in 2017).
- Food and beverage serving industry (R383 452 in 2015, R394 394 in 2016 and R386 760 in 2017).
- Accommodation for visitors (R170 701 in 2015, R163 514 in 2016 and R170 540 in 2017).
- Cultural industry (R93 486 in 2015, R96 861 in 2016 and R92 227 in 2017).

5. Conclusion

A satellite account measures the size of economic sectors that are not defined as industries in national accounts, such as tourism. The results from the Tourism Satellite Account for South Africa, show that the amount of money spent in the tourism industry in 2017 increased from that spent in 2016 and 2015. Furthermore, the products that brought in the most money was tourism characteristics products, of which the transportation services was the main contributor. The industry contributed to the labour force as in 2017, the number of people employed in the tourism industry increased from the number employed in 2016 and 2015.

6. References

1. *Tourism Satellite Account for South Africa, final 2015 and provisional* 2016 and 2017. Statistics South Africa, 2018.

2. World Tourism Organisation (UNWTO). *Basic concepts of the Tourism Satellite Account.* Available from:http://statistics.unwto.org/sites/all/files/docpdf/concepts.pdf [4 February 2019].

Primary industries

Mining: production and sales

Mining production decreases and sales increase

A new copper-zinc bearing sulphide body has been discovered in the Areachap Belt in Prieska, Northern Cape. According to Orion Minerals, which announced the discovery on 13 January 2019, the copper-zinc orebody was located close to the company's flagship Prieska zinc-copper project. This is the first new volcanogenic massive sulphide (VMS) discovery in the Areachap Belt for the past 36 years. The production process will start with conventional crushing and flotation, producing concentrates grading of 50% zinc and 24% copper. The production of copper-zinc is crucial as it will boost the economy of South Africa through job creation, among other things. Presented in this article is a summary of the Mining: production and sales statistics for November 2018.

Mining production decreased by 5,6% year-on-year in November 2018 (**see Table A**). The largest negative contributors were:
- iron ore (-19,7%, contributing -2,5 percentage points);
- gold (-14,0%, contributing -1,9 percentage points);
- diamonds (-21,7%, contributing -1,0 percentage point); and
- 'other' non-metallic minerals (-12,4%, contributing -0,8 of a percentage point).

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Year-on-year % change, unadjusted	5,5	-3,4	-6,7	-2,0	0,2	-5,6
Month-on-month % change, seasonally adjusted	4,9	-8,3	1,1	0,7	3,0	-5,8
3-month % change, seasonally adjusted [1/]	1,9	4,4	3,1	-2,2	-1,6	-1,5

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

Mineral sales increased by 8,0% year-on-year in November 2018 (**see Table B**). The largest positive contributors were:

- iron ore (47,7%, contributing 4,5 percentage points);
- coal (10,0%, contributing 3,0 percentage points);
- PGMs (8,1%, contributing 1,9 percentage points); and
- manganese ore (21,2%, contributing 1,6 percentage points).

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Year-on-year % change, unadjusted	10,4	-0,3	5,3	-2,8	3,7	8,0
Month-on-month % change, seasonally adjusted	1,8	-5,5	6,5	-4,1	8,5	0,4
3-month % change, seasonally adjusted [1/]	5,7	6,8	4,8	0,1	3,1	3,8

[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

The government and public sector are striving to boost the manufacturing sector in order to be sustainable and have tangible output. On 26 November 2018 the Department of Trade and Industry (Dti) launched a manufacturing institute called the Toyota Wessels Institute for Manufacturing Studies (TWIMS) in KwaZulu-Natal. TWIMS is a public body dedicated to the development of the manufacturing sector and training of manufacturing-related executives, managers and government officials in Africa. The institute has partnered with the University of Pretoria's Gordon Institute of Business Science (GIBS), which will deliver the academic programme, and the first students intake will be in 2019. Presented in this article is a summary of the Manufacturing: production and sales statistics for November 2018.

Manufacturing production increased by 1,6% in November 2018 compared with November 2017 (**see Table C**). The largest positive contributions were made by the following divisions:
- food and beverages (5,2%, contributing 1,4 percentage points); and
- motor vehicles, parts and accessories, and other transport equipment (6,2%, contributing 0,4 of a percentage point).

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Year-on-year % change, unadjusted	0,5	2,7	1,6	-0,1	2,8	1,6
Month-on-month % change, seasonally adjusted	0,0	1,4	0,2	-0,8	1,1	0,7
3-month % change, seasonally adjusted [1/]	0,3	2,0	1,9	1,8	0,9	0,8

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

Selected building statistics of the private sector

Value of recorded building plans passed increases

The Clock Tower situated at the Victoria & Alfred (V&A) Waterfront in Cape Town is one of the historic buildings visited by both local and foreign tourists. It was built in 1882 and was used as the harbour signal station and port captain's office. In 1976, the tower was renovated after it escaped a demolition in 1975. Although the tower has been a tourist attraction at the working waterfront harbour, it was declared a national monument in 1978. A national monument is a monument or memorial constructed in order to commemorate something of national importance, such as the city's founding, independence or a war. On 15 January 2019, a building refurbishment company called Indawo announced the completion of its work on the historic building just in time to see in 2019. This restoration process had to be approved by the municipality because historic buildings older than 60 years should not be altered or demolished without a permit issued by a local authority. The refurbishment included the redecoration of the tower and restoring it to its original state, including the right colour choice to maintain its original artistic appeal. Presented in this article is a summary of the selected building statistics for November 2018.

The value of recorded building plans passed (at current prices) increased by 0,1% (R147,8 million) during January to November 2018 compared with January to November 2017 (**See Table D**).

Increases were recorded for residential buildings (3,8% or R1 955,8 million), and additions and alterations (1,8% or R504,4 million). Non-residential buildings fell by 9,1% (-R2 312,5 million).

The largest positive contributions to the total increase of 0,1% (R147,8 million) were made by:

- Western Cape (contributing 2,9 percentage points or R2 987,3 million);
- Mpumalanga (contributing 0,8 of a percentage point or R886,2 million); and
- Eastern Cape (contributing 0,6 of a percentage point or R608,5 million).

Gauteng (contributing -2,0 percentage points or -R2 129,6 million) and KwaZulu-Natal (contributing -1,9 percentage points or -R1 946,0 million) were the largest negative contributors.

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

Estimates at current prices	January to November 2017[1/]	January to November 2018[1/]	Difference in value between January to November 2017 and January to November 2018	% change between January to November 2017 and January to November 2018
	R'000	R'000	R'000	
Residential buildings	51 519 357	53 475 197	1 955 840	3,8
- Dwelling houses	31 112 804	31 232 324	119 520	0,4
- Flats and townhouses	19 646 871	20 679 773	1 032 902	5,3
- Other residential buildings	759 682	1 563 100	803 418	105,8
Non-residential buildings	25 472 175	23 159 652	-2 312 523	-9,1
Additions and alterations	27 281 130	27 785 570	504 440	1,8
Total	104 272 662	104 420 419	147 757	0,1

[1/] 2015 and 2016 figures should be regarded as preliminary because of possible backlogs and incomplete reporting by municipalities.
A full release on *Selected building statistics of the private sector as reported by local government institutions* (Statistical release P5041.1) is available on the Stats SA website at www.statssa.gov.za

Electricity generated and available for distribution

Electricity produced and consumed

In South Africa, most of the electricity used comes from thermal power stations that are fuelled by coal. A thermal power station is a power station in which heat energy is converted to electric power. These thermal power stations are mostly located near the coal mines. For electric power generation, lignite coal is normally used and bituminous coal is also used, depending on the availability. According to the Department of Energy, about 77% of South Africa's primary energy source comes from coal, owing to a lack of other suitable alternatives to coal thus far. Lethabo Power Station in Sasolburg in the Free State province is one of the large coal-fired power

stations owned and operated by Eskom. This power station burns approximately 50 000 tons of coal every day, enough to fill 1 500 trucks carrying 33 tons each. In order for power stations to function efficiently, coal stockyards are required to ensure that sufficient coal reserves are available to keep the power stations in operation should the mines that provide coal experience any production problems. Presented in this article is a summary of the electricity generated and distributed in December 2018.

Electricity generation (production) decreased by 1,8% year-on-year in December 2018 (**see Table E**).

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

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Year-on-year % change, unadjusted	2,2	-0,4	-0,8	0,8	-0,2	-1,8
Month-on-month % change, seasonally adjusted	0,2	-0,6	0,4	0,8	-0,5	-0,3
3-month % change, seasonally adjusted [1]	0,1	-0,7	-0,3	-0,4	0,4	0,4

[1] Percentage change between the previous 3 months and the 3 months ending in the month indicated.

Electricity distribution (consumption) was flat year-on-year in December 2018 (**see Table F**).

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

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Year-on-year % change, unadjusted	3,1	0,9	0,7	2,2	0,9	0,0
Month-on-month % change, seasonally adjusted	0,6	-0,1	-0,3	0,8	-1,2	0,8
3-month % change, seasonally adjusted [1]	1,0	0,0	0,3	-0,2	0,0	0,1

[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 trade sales survey is a survey that is conducted by Statistics South Africa (Stats SA) and covers many different enterprises in the wholesale trade industry. This survey includes enterprises such as wholesale trade in agricultural raw materials and livestock, food, beverages and tobacco and trade in textiles, clothing and footwear, amongst others. These dealers are registered at the South African Revenue Service (SARS) for value added tax (VAT), and also for income tax (IT). The purpose of this survey is to provide monthly results of the wholesale trade sales that are used to compile estimates for the gross domestic product (GDP). The results from this survey are also useful in monitoring the state of the economy, and for formulation of economic policy in the country. Presented in this article is a summary of the wholesale trade sales statistics for November 2018.

Wholesale trade sales increased by 10,0% in November 2018 compared with November 2017 (**see Table G**).

The main contributors to this increase were dealers in:
- solid, liquid and gaseous fuels and related products (23,5%, contributing 4,7 percentage points);
- machinery, equipment and supplies (29,6%, contributing 3,7 percentage points); and
- food, beverages and tobacco (12,3%, contributing 1,7 percentage points).

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Year-on-year % change, unadjusted	5,2	9,4	12,2	14,1	14,0	10,0
Month-on-month % change, seasonally adjusted	1,0	0,9	2,7	2,5	1,4	-0,9
3-month % change, seasonally adjusted[1]	1,3	4,4	4,6	6,2	5,8	5,3

[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

Many retailers offer customer loyalty cards as an incentive to earn points whenever customers buy in their stores. The points earned may be redeemed for cash or discounts on products offered in the store. However, these loyalty cards do not only benefit the customers; through new technologies, retailers are able to retrieve and store personalised customer purchasing data for marketing and promotional purposes. Personalised purchase data is used by retailers to highlight overall customer purchases. For example, every time a customer swipes a loyalty card at the store's pay-point, the product name/brand that they purchased and the number of visits to the store are saved on the purchase data using machine learning tools. The machine learning tool can segment the data and retailers can use it to send personalised promotions, discounts and other offers to their customers. Presented in this article is a summary of the retail trade sales for November 2018.

Retail trade sales increased by 3,1% year-on-year in November 2018 (**see Table H**). The largest annual growth rates were recorded for:
- retailers in household furniture, appliances and equipment (13,5%);
- retailers in textiles, clothing, footwear and leather goods (4,2%); and
- general dealers (3,7%).

The main contributor to the 3,1% increase were:
- general dealers (contributing 1,6 percentage points);
- retailers in textiles, clothing, footwear and leather goods (contributing 0,8 of a percentage point); and
- retailers in household furniture, appliances and equipment (contributing 0,7 of a percentage point).

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Year-on-year % change, unadjusted	1,8	1,4	2,5	0,6	2,1	3,1
Month-on-month % change, seasonally adjusted	-1,0	1,4	0,7	-0,5	1,0	3,3
3-month % change, seasonally adjusted [1]	-0,3	0,2	0,6	1,6	1,4	2,3

[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

South African motor vehicle owners whose vehicles are still under a service plan will no longer be obliged to use the manufacturer's workshops and components for the maintenance or repair of their vehicles. According to South Africa's proposed automotive industry Code of Conduct, motor vehicle owners will have the right to repair or service their vehicles at a provider of their choice without manufacturers threatening to cancel their warranties. The code allows small and historically disadvantaged, independent service providers to undertake service and maintenance, and use equal matching spare parts while a vehicle is still under warranty. The code seeks to promote competition in the automotive industry and widen the pool of approved service providers who can undertake in-warranty service, maintenance work, mechanical repairs, etc. Once adopted, the code will allow greater consumer choice in choosing suitable spare parts for repairs and maintenance of their motor vehicles. The code has been drafted by the Competition Commission of South Africa in consultation with stakeholders in the automotive industry, and inputs were submitted until 11 September 2018. Presented in this article is a summary of the motor trade sales statistics for November 2018.

Motor trade sales increased by 3,5% year-on-year in November 2018 (**see Table I**). Positive annual growth rates were recorded for:
- fuel sales (20,8%); and
- convenience store sales (2,2%).

Motor trade sales increased by 3,7% in the three months ended November 2018 compared with the three months ended November 2017. The main contributor was fuel sales (20,1%, contributing 5,2 percentage points).

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Year-on-year % change, unadjusted	4,7	7,5	6,6	1,2	6,1	3,5
Month-on-month % change, seasonally adjusted	1,3	-0,9	2,3	-0,6	1,8	0,2
3-month % change, seasonally adjusted [1/]	-2,2	0,4	1,1	2,6	2,3	1,8

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

Food and beverages

Total income generated by the food and beverages industry increased

The food and beverages industry is faced with food wastage which could be caused by near expiry date foodstuffs among others. In addressing the food wastage, a mobile application (App) software has been introduced in order to minimise food waste in South Africa. The application known as JustNow was launched in 2016 by Averda waste management company and is used to advertise the products that are due to be taken off the shelves or reach their expiry date. The consumers can download the App to receive offers from participating grocery stores and will have to scan the JustNow code at the tills to receive their discounts. The App is free for users but participating stores pay a monthly subscription fee to host their products. Presented in this article is a summary of food and beverage statistics for November 2018.

Total income generated by the food and beverages industry increased by 2,9% in November 2018 compared with November 2017 (**see Table J**). Positive annual growth rates were recorded for:
- food sales (3,5%); and
- bar sales (0,8%).

In November 2018, positive annual growth rates were recorded for:
- takeaway and fast-food outlets (6,3%, contributing 2,2 percentage points); and
- restaurants and coffee shops (2,6%, contributing 1,3 percentage points).

Total income increased by 1,8% in the three months ended November 2018 compared with the three months ended November 2017. The main contributor to this increase was takeaway and fast-food outlets (5,1%, contributing 1,8 percentage points).

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

Type of income	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Food sales	7,4	0,1	4,2	1,0	3,0	3,5
Bar sales	8,2	-7,0	-6,9	-7,1	-9,8	0,8
Other income	-8,4	-7,8	-1,2	-6,8	-8,8	-22,6
Total	7,2	-0,4	3,5	0,4	2,1	2,9

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 2,7%

Tourists who tend to take a holiday at the same resort each year are resorting to tourist accommodation known as timeshare or vacation ownership. A timeshare is a way for people to share ownership of a property, usually a vacation property such as a building or complex of buildings containing a number of individually owned apartments or houses within a resort area, at a cost. The tourist occupies the property for a period of time to use during vacation. The period of ownership is priced according to various factors such as size of the unit, resort amenities (such as internet access; laundry, etc.), location and season. Presented in this article is a summary of the tourist accommodation statistics for November 2018.

Total income for the tourist accommodation industry increased by 2,7% in November 2018 compared with November 2017 (**see Table K**).

Income from accommodation increased by 4,8% year-on-year in November 2018, the result of a 3,4% decrease in the number of stay unit nights sold and an 8,4% increase in the average income per stay unit nights sold.

Positive contributors to the 4,8% year-on-year increase in income from accommodation in November 2018 were:
- hotels (contributing 3,2 percentage points); and
- 'other' accommodation (contributing 1,8 percentage points).

In November 2018, the types of accommodation that recorded positive year-on-year growth in income from accommodation were:
- 'other' accommodation (7,2%); and
- hotels (4,9%).

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Stay units available	0,4	0,4	0,2	-0,1	-0,1	-0,2
Stay unit nights sold	1,9	-4,9	-0,8	-0,7	-0,9	-3,4
Average income per stay unit nights sold	0,0	5,4	2,7	5,2	0,5	8,4
Income from accommodation	1,9	0,2	1,9	4,5	-0,4	4,8
Total income [1]	**1,9**	**-2,1**	**4,8**	**3,9**	**-0,8**	**2,7**

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

Tourism and migration

A total of 3 504 147 travellers pass through South Africa's ports of entry

Travel and tourism is, without a doubt, South Africa's greatest engine for the creation of jobs and an important driver in the alleviation of poverty. This is according to a statement made by Gloria Guevara, the President and CEO of the World Travel and Tourism Council (WTTC). Recent figures from Statistics South Africa (Stats SA) show that, of the 15,8 million workers employed formally and informally in South Africa in 2016, 4,4% (or one in every 23 people) were employed in the tourism sector. Due to its

contribution to the economy, certain initiatives have been prioritised to help boost the performance of the tourism sector. These initiatives include, the reformation of the visa process, which will allow more tourists to visit the country as well as the adoption of biometrics whose efficiency is in storing people's demographic information and scanned supporting documents, as well as identifying and verifying people through fingerprints, facial recognition etc. Presented in this article is a summary of the Tourism and migration statistics for November 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 3 504 147 travellers (arrivals, departures and transits) passed through South African ports of entry in November 2018 **(see Table L)**. These travellers were made up of 892 799 South African residents and 2 611 348 foreign travellers. A further breakdown of the figures for South African residents indicates that there were 436 946 arrivals, 455 068 departures and 785 travellers in transit. The corresponding volume for foreign arrivals, departures and transit travellers was 1 341 316, 1 200 690 and 69 342, respectively.

A comparison between the movements in November 2017 and November 2018 indicates that the volume of arrivals increased for both South African residents and foreign arrivals whereas the volume of departures increased for South African residents but decreased for foreign travellers. Travellers in transit increased for both groups. For South African residents, the volume of arrivals increased by 6,7% (from 409 446 in November 2017 to 436 946 in November 2018), departures increased by 8,2% (from 420 665 in November 2017 to 455 068 in November 2018), and transits increased by 1,4% (from 774 in November 2017 to 785 in November 2018). For foreign travellers, arrivals increased by 0,9% (from 1 329 025 in November 2017 to 1 341 316 in November 2018), departures decreased by 1,2% (from 1 215 768 in November 2017 to 1 200 690 in November 2018), and transits increased by 5,4% (from 65 809 in November 2017 to 69 342 in November 2018).

Mode of travel
Mode of travel Information shows that in November 2018, road transport was the most common mode of travel used by 2 400 577 (68,5%) of the 3 504 147 travellers. The total number of travellers who used air transport was 1 061 826 (30,3%). Compared to the use of air and land transport, a small number of travellers, 41 744 (1,2%) used sea transport. Information on

arrivals of South African residents shows that 164 589 (37,7%) came by air, 258 828 (59,2%) came by road and 13 529 (3,1%) arrived by sea transport. For departures, 166 360 (36,6%) used air, 273 612 (60,1%) used road and 15 096 (3,3%) left by sea transport. For all travellers in transit, 785 (100,0%) used air transport.

Regional and national distribution
In November 2018, the distribution of overseas tourists was as follows: Europe, 171 540 (66,9%); North America, 34 244 (13,3%); Asia, 27 965 (10,9%); Central and South America, 9 555 (3,7%); Australasia, 9 137 (3,6%) and the Middle East, 4 096 (1,6%).

The ten leading overseas countries in terms of the number of tourists visiting South Africa in November 2018 were Germany, 42 851 (16,7%); United Kingdom (UK), 39 672 (15,5%); United States of America (USA), 27 374 (10,7%); France, 20 063 (7,8%); The Netherlands, 15 247 (5,9%); India, 9 315 (3,6%); China, 9 274 (3,6%); Australia, 8 143 (3,2%); Switzerland, 7 698 (3,0%) and Canada, 6 870 (2,7%). Tourists from these ten countries constituted 72,7% of all tourists from overseas countries.

Virtually all travellers from Africa, 600 507 (97,3%), came from the SADC countries. The distribution of the remaining travellers from other parts of Africa is as follows: West Africa, 8 834 (1,4%); East and Central Africa, 6 209 (1,0%); and North Africa 1 526 (0,2%). The ten leading SADC countries in terms of the number of tourists visiting South Africa in November 2018 were: Zimbabwe, 175 726 (29,3%); Lesotho, 121 722 (20,3%); Mozambique, 109 669 (18,3%); Swaziland, 74 540 (12,4%); Botswana, 57 004 (9,5%); Malawi, 17 911 (3,0%); Namibia, 15 726 (2,6%); Zambia 13 638 (2,3%); Angola, 5 151 (0,9%) and Tanzania, 3 537 (0,6%). Tourists from these ten countries constituted 99,0% of all tourists from the SADC countries.

Purpose of visit
In November 2018, the majority of tourists, 845 422 (96,6%), were in South Africa for holiday compared to 26 075 (3,0%); 3 046 (0,3%) and 629 (0,1%) who were in South Africa for business, study and for medical treatment respectively. Compared to other overseas regions, Europe had the highest numbers of tourists, 164 762 (67,2%) who came for holiday, 6 433 (60,5%) who came for business, 257 (47,7%) who came for study and 88 (72,7%) who came for medical treatment.

Sex and age distribution

In November 2018, there were 483 988 (55,3%) male and 391 184 (44,7%) female tourists. Overseas tourists were made up of 137 711 (53,7%) male tourists and 118 826 (46,3%) female tourists. There were 334 470 (55,7%) male and 266 037 (44,3%) female tourists from SADC countries. Tourists from 'other' African countries were made up of 10 871 (65,6%) male and 5 698 (34,4%) female tourists.

The ages of the tourists were categorised into seven broad groups. The majority of tourists were aged between 25 and 34 years [241 825 (27,6%)], followed closely by the age group 35 to 44 years [233 941 (26,7%)]. Taking the regions of residence into consideration, the results show that the highest proportion of tourists from SADC countries [186 418 (31,0%)] and those from 'other' African countries [5 382 (32,5%)] were aged between 35 and 44 years, followed by those aged between 25 and 34 years for both SADC [185 155 (30,8%)] and 'other' African countries [4 947 (29,9%)].

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

Travel direction	November 2017	October 2018	November 2018	% change between October and November 2018	% change between November 2017 and November 2018
Total	3 441 487	3 512 296	3 504 147	-0,2	1,8
South African residents	830 885	955 964	892 799	-6,6	7,5
Arrivals	409 446	502 528	436 946	-13,1	6,7
Departures	420 665	452 652	455 068	0,5	8,2
Transit	774	784	785	0,1	1,4
Foreign travellers	2 610 602	2 556 332	2 611 348	2,2	0,03
Arrivals	1 329 025	1 323 652	1 341 316	1,3	0,9
Departures	1 215 768	1 166 107	1 200 690	3,0	-1,2
Transit	65 809	66 573	69 342	4,2	5,4
Foreign arrivals	1 329 025	1 323 652	1 341 316	1,3	0,9
Non-visitors	83 233	81 132	78 770	-2,9	-5,4
Visitors	1 245 792	1 242 520	1 262 546	1,6	1,3
Visitors	1 245 792	1 242 520	1 262 546	1,6	1,3
Arrivals only	291 069	310 428	307 132	-1,1	5,5
Single trips	457 920	446 333	481 538	7,9	5,2
Multiple trips	496 803	485 759	473 876	-2,4	-4,6
Visitors	1 245 792	1 242 520	1 262 546	1,6	1,3
Same-day	396 826	380 474	387 374	1,8	-2,4
Tourists	848 966	862 046	875 172	1,5	3,1

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

Number of civil judgements for debt increases

It is a new year, and to some consumers getting financially stable is one of their resolutions or a goal they aim to achieve by the time the year ends. Being financially stable means being able to manage your finances in order to meet your current and long-term needs. To some consumers, especially indebted ones, it may require learning how to manage their finances from professionals such as qualified financial advisors or coaches in order to achieve their goal. One of the best practices in financial management is prioritising debts according to interest rate charges because they are often on an upward scale across financial institutions, meaning that they are always on the increase. For example, the interest rate on debt a consumer is paying in 2019 will likely become more expensive in 2020. Prioritising debts include paying off debts with higher interest rates first such as short-term debt like credit cards, followed by debts with lower interest rates such as motor vehicle and home loans. Provided in this article is a summary of the statistics of civil cases for debt for November 2018.

The number of civil summonses issued for debt

The total number of civil summonses issued for debt decreased by 8,2% in the three months ended November 2018 compared with the three months ended November 2017 (**see Table M**).

The largest contributors to the 8,2% decrease were civil summonses relating to:
- 'other' debts (contributing -2,0 percentage points);
- money lent (contributing -1,6 percentage points);
- services (contributing -1,6 percentage points); and
- promissory notes (contributing -1,4 percentage points).

The number of civil judgements recorded for debt

The total number of civil judgements recorded for debt increased by 1,3% in the three months ended November 2018 compared with the three months ended November 2017.

The positive contributors to the 1,3% increase were civil judgements relating to:
- services (contributing 2,5 percentage points);

- rent (contributing 1,1 percentage points); and
- 'other' debts (contributing 0,2 of a percentage point).

The value of civil judgements recorded for debt

The total value of civil judgements recorded for debt decreased by 6,5% in the three months ended November 2018 compared with the three months ended November 2017.

The largest negative contributors to the 6,5% decrease were value of judgements relating to:
- 'other' debts (contributing -3,0 percentage points);
- money lent (contributing -1,8 percentage points);
- promissory notes (contributing -1,7 percentage points); and
- goods sold (contributing -1,0 percentage point).

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

Actual estimates	November 2018	% change between November 2017 and November 2018	% change between September to November 2017 and September to November 2018
Number of civil summonses issued for debt	49 599	-9,6	-8,2
Number of civil judgements recorded for debt	19 735	-4,6	1,3
Value of civil judgements recorded for debt (R million)	323,5	-7,7	-6,5

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 increased

In South Africa, insolvency refers to a state of being insolvent imposed by the courts on persons who are unable to pay their debts, or whose liabilities exceed their assets. A debtor is treated as insolvent immediately after the estate has been sequestrated (take legal possession of assets until a debt has been paid or other claims have been met) by an order of a court. According to the Insolvency Act, 1936 (Act No. 24 of 1936), a person can be

automatically rehabilitated after a period of 10 years has expired from the date of *provisional* sequestration. However, an insolvent person can apply to a court for rehabilitation before the 10-year period elapses. The period before an insolvent person can make an application for rehabilitation is 4 years after the date of *provisional* sequestration. The purpose of rehabilitation is to put an end to an insolvency status and for the insolvent to be debt free. Presented in this article is the summary of the liquidation and insolvency statistics for the month of December 2018.

The total number of liquidations increased by 2,9% (4 more liquidations) in December 2018 compared with December 2017. There was a decrease of 12,8% in the fourth quarter of 2018 compared with the fourth quarter of 2017 (**See Table N**).

The total number of liquidations decreased by 1,2% in 2018 compared with 2017. This followed annual changes of -3,4% in 2017 and -1,4% in 2016. Voluntary liquidations decreased by 0,7% (from 1 657 to 1 646), and compulsory liquidations decreased by 5,7% (from 211 to 199) between 2017 and 2018. The trade, catering and accommodation industry, with 40 fewer liquidations (from 404 to 364), recorded the largest year-on-year decrease in liquidations in 2018.

Table N – Total number of liquidations for December 2018

Number of liquidations December 2018	% change between December 2017 and December 2018	% change between October to December 2017 and October to December 2018	% change between January to December 2017 and January to December 2018
141	2,9	-12,8	-1,2

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

The estimated number of insolvencies increased by 26,4% in November 2018 compared with November 2017 (**See Table O**). A 7,9% increase was estimated between the three months ended November 2017 and the three months ended November 2018. There was a decrease of 9,6% in the first 11 months of 2018 compared with the first 11 months of 2017.

Table O – Total number of insolvencies for November 2018

Number of insolvencies November 2018	% change between November 2017 and November 2018	% change between September to November 2017 and September to November 2018	% change between January to November 2017 and January to November 2018
297	26,4	7,9	-9,6

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

As the new school year gets underway, many learners still find themselves walking more than five kilometres to school. This can be a safety hazard as these learners sometimes have to cross flooded rivers and face extreme weather conditions, kidnappings and assaults. Furthermore, learners arrive tired and are unable to concentrate during class. To combat this challenge, the Department of Transport collaborated with the Department of Basic Education in October 2015 to implement the National Learner Transport Policy. This policy recognises the need to have a uniform approach, in all provinces, to implementing a safe and efficient transport system. Beneficiaries of this transport system are learners from Grade R to 12 from disadvantaged backgrounds who walk more than five kilometers to the nearest school. Learners with disabilities are prioritised. Hopefully, through the provision of this learner transport, learners will arrive at school safely, on time and able to achieve their academic goals. Presented in this article is a summary of the Land Transport Survey for November 2018.

The volume of goods transported (payload) increased by 13,8% in November 2018 compared with November 2017 **(see Table P)**. The corresponding income increased by 14,2% over the same period.

Income from freight transportation increased by 10,1% in the three months ended November 2018 compared with the three months ended November 2017. The main positive contributors to this increase were:

- primary mining and quarrying products (17,7%, contributing 6,1 percentage points);
- agriculture and forestry primary products (16,9%, contributing 1,3 percentage points); and
- containers (21,9%, contributing 1,0 percentage point).

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Freight payload	-5,1	8,0	7,9	6,2	7,0	13,8
Freight income	-2,6	6,1	8,7	7,5	8,3	14,2

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 6,2% in November 2018 compared with November 2017 **(see Table Q)**. The corresponding income increased by 2,3% over the same period.

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

	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Passenger journeys	-13,6	6,2	-9,6	-10,4	-12,5	-6,2
Passenger income	-0,6	0,9	-1,6	-5,2	2,9	2,3

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 5,2%

According to the Producer price index (PPI) results for December 2018 published by Statistics South Africa (Stats SA) on 31 January 2019, the annual percentage change in the PPI for final manufactured goods decreased by 0,9% from 6,8% in November 2018 to 5,2% in December 2018. Petroleum was amongst the final manufactured goods that contributed to the 0,9% decrease. In April 2018, the price for inland 93 octane petroleum increased by 69 cents per litre, of which 52 cents was a result of tax increases that came into effect in the same month. Since then there has been a constant monthly increase in the price of petroleum in 2018. However, petroleum prices started to change in November and there have been two consecutive price decreases. In November 2018, the price of inland 93 octane petroleum remained unchanged from the R16,85 price in October 2018. In December 2018, the price of inland 93 octane petrol decreased to R15,01 and decreased further to R13,71 in January 2019. Presented in this article is a summary of the PPI statistics for December 2018.

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 5,2% in December 2018 (compared with 6,8% in November 2018) (**see Table R**). From November 2018 to December 2018 the PPI for final manufactured goods decreased by 0,9%. The main contributors to the annual rate of 5,2% were coke, petroleum, chemical, rubber and plastic products (2,0 percentage points), food products, beverages and tobacco products (0,9 of a percentage point) and transport equipment (0,8 of a percentage point). The main contributor to the monthly decrease of 0,9% was coke, petroleum, chemical, rubber and plastic products (-1,2 percentage points).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 5,0% in December 2018 (compared with 6,0% in November

2018) (**see Table R**). From November 2018 to December 2018 the PPI for intermediate manufactured goods decreased by 1,3%. The main contributors to the annual rate of 5,0% were chemicals, rubber and plastic products (2,5 percentage points), and basic and fabricated metals (1,4 percentage points). The main contributors to the monthly decrease of 1,3% were chemicals, rubber and plastic products (-0,6 of a percentage point), and basic and fabricated metals (-0,4 of a percentage point).

Electricity and water

The annual percentage change in the PPI for electricity and water was 7,7% in December 2018 (compared with 7,2% in November 2018) (**see Table R**). From November 2018 to December 2018 the PPI for electricity and water decreased by 1,3%. The contributors to the annual rate of 7,7% were electricity (6,2 percentage points) and water (1,6 percentage points. The contributor to the monthly decrease of 1,3% was electricity (-1,3 percentage points).

Mining

The annual percentage change in the PPI for mining was 6,0% in December 2018 (compared with 4,8% in November 2018) (**see Table R**). From November 2018 to December 2018 the PPI for mining decreased by 1,6%. The main contributors to the annual rate of 6,0% were coal and gas (3,3 percentage points), non-ferrous metal ores (3,2 percentage points) and gold and other metal ores (3,1 percentage points). The main contributors to the monthly decrease of 1,6% were stone quarrying, clay and diamonds (-0,9 of a percentage point) and non-ferrous metal ores (-0,5 of a percentage point).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was -3,9% in December 2018 (compared with -4,6% in November 2018). From November 2018 to December 2018 the PPI for agriculture, forestry and fishing increased by 2,0%. The main contributor to the annual rate of -3,9% was agriculture (-4,4 percentage points). The main contributor to the monthly increase of 2,0% was agriculture (2,1 percentage points).

Table R – Key PPI figures for December 2018

Product	Weight	Index (2016=100)			% change	
		December 2017	November 2018	December 2018	December 2018 vs November 2018	December 2018 vs December 2017
Final manufactured goods	100,00	105,2	111,7	110,7	-0,9	5,2
Intermediate manufactured goods	100,00	103,2	109,8	108,4	-1,3	5,0
Electricity and water	100,00	103,3	112,8	111,3	-1,3	7,7
Mining	100,00	106,1	114,3	112,5	-1,6	6,0
Agriculture, forestry and fishing	100,00	106,4	100,3	102,3	2,0	-3,9

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 4,5%

In December 2018, South African motorists were indulged with a price cut in fuel; the price for both grades of petrol – 93 and 95 – decreased by R1,84 per litre while diesel decreased by R1,45 and R1,47. Eventually, this decrease affected the Consumer price index (CPI) for December 2018, as seen in the paragraph that follows, as fuel is one of the items included in the CPI basket of goods. This decrease can further impact the CPI because, theoretically speaking, a fluctuation in the price of fuel creates an opportunity for other prices systemically impacted by cost of transport to also fluctuate, which can also result in a fluctuation in the cost of goods that have to be transported such as raw materials, manufactured products and other products included in the CPI basket of goods. Presented in this article is a summary of the Consumer price index for December 2018.

Headline Consumer price index (CPI for all urban areas)

Annual consumer price inflation was 4,5% in December 2018, down from 5,2% in November 2018 **(see Table S)**. The Consumer price index decreased by 0,2% month-on-month in December 2018.

These are the items that contributed to headline annual consumer price inflation:

- Food and non-alcoholic beverages decreased from 0,6 of a percentage point in November 2018 to 0,5 of a percentage point in December 2018. The index increased by 3,0% year-on-year.
- Transport decreased from 1,5 percentage points in November 2018 to 0,9 of a percentage point in December 2018. The index increased by 6,0% year-on-year.
- Recreation and culture increased from zero in November 2018 to 0,1 of a percentage point in December 2018. The index increased by 1,1% year-on-year.

The following items contributed to the monthly consumer price inflation:

- Housing and utilities contributed 0,1 of a percentage point. The index increased by 0,5% month-on-month.
- Transport contributed -0,4 of a percentage point. The index decreased by 2,8% month-on-month, mainly because of fuel (-8,0%).

In December, the CPI for goods increased by 3,7% year-on-year (down from 5,3% in November), and the CPI for services remained unchanged at 5,1% year-on-year.

Provincial annual inflation rates ranged from 3,5% in North West to 5,2% in Western Cape.

Annual average headline Consumer price index for 2018

Average annual consumer price inflation was 4,7% in 2018 (i.e. the average CPI for all urban areas for 2018 compared with that for 2017). This was 0,6 of a percentage point lower than the corresponding average of 5,3% in 2017.

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	109,4	109,6	109,4	107,8
	Rate	4,4	4,0	3,8	4,5	4,4	4,6	5,1	4,9	4,9	5,1	5,2	4,5	4,7

[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; osmiridium, palladium; rhodium; ruthenium and osmium.

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

Secondary industries

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

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

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

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

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

Tertiary industries

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

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

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

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

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

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

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

Domestic tourism: a trip within the boundaries of South Africa but outside of the respondent's usual environment.
Note: The following categories are excluded from the definition of domestic visitor:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

'Other' African countries: refers to all non SADC African countries.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Prices

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

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

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

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

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